Red Star Express

2025 ANNUAL REPORT & ACCOUNTS

CGRS

Better For Business

RATED

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CORPORATE PROFILE

Red Star Express remains the flagship, in the pick-up and delivery of express documents and parcels within the domestic and international market. It is the sole licensee of FedEx Corp. in Nigeria.

Principal Officer
AUWALU BADAMASI BABURA
Group Managing Director/Chief Executive Officer

Ownership Structure
WHOLLY NIGERIAN

International Partner
Federal Express Corporation (FedEx)

Founded By
Messrs SONY ALLISON, PATRICK NWOSU and EDDY OLAFESO

Began Operation:
OCTOBER, 1992

Plc Status: JULY, 2007 I Listing: NOVEMBER, 2007

NATIONWIDE NETWORK
- 166 Offices within Nigeria
- Deliveries to over 1,500 communities
- Employs over 1,900 highly trained professional staff with over 700 vehicle fleet.

VISION:
“To be the company of first choice in the logistics service industry in Nigeria’’

MISSION:
“To provide best-in-class logistics solutions delivering sustainable value to all stakeholders”

CORE VALUES:
Accountable
- To accomplish and focus on the 4 P’s of Accountability – people, purpose, performance, and progression
- Each of us is responsible for our commitments to all our stakeholders
- To foster better work relationships, improve job satisfaction, and help teams work more effectively together

Ethical Practice
- Trustworthy and honest in all dealings
- Confidentiality of stakeholders’ information
- Consistency of actions, values, methods, measures, principles, expectations, and outcomes

Excellence
- Services that constantly exceed standards and expectations
- Customers first in all considerations and every promise made is delivered.
- Customer-centric
- Professionalism

Innovative
- Providing superior logistics solutions
- Agility and resilience
- Developing products or services and adapting it to customer demands.
- Having foresights on future industry disruptions.

Red Star Express Plc seeks to further meet its clients' demands and ever changing needs by setting up subsidiaries to handle the peculiarity of each segment of the market.

Red Star Freight

Red Star Freight Limited provides specialized air and sea freight solutions, offering efficient, secure, and cost-effective logistics for businesses across various industries. Its services cover general cargo services for both domestic and international airlines, air and sea freight , and freight forwarding.

As a member of the International Freight Logistics Network (IFLN), Red Star Freight leverages access to over 160 countries and a global network of 180,000 logistics professionals, ensuring seamless cargo movement across borders.

Red Star Logistics

Red Star Logistics is our ground haulage delivery service division. It consists of Haulage of Domestic Heavyweights, Trucking, Cargo Consolidation, Ancillary and Warehousing Services. With a fleet of heavy-duty trucks delivering shipments across Nigeria, this subsidiary provides manufacturers with better logistics integration and speed to market. Other services include home/office relocation and cold chain logistics for temperature controlled goods.

Red Star Support Services

Red Star Support provides outsourcing services to companies in various sectors of the economy. The service involves the provision of dedicated personnel and material resources for the day-to-day running of their customers' operations.

Offerings include Mailroom Management, Dedicated Dispatch, Executive Drivers, Fleet Management, HR Outsourcing, Printing and Packaging, Dedicated Shuttle Services, and Food Delivery Services.

CORPORATE INFORMATION

Board of Directors:	Suleiman Barau (OON)	Chairman
	Auwalu Badamasi Babura	Group Managing Director/CEO
	Ejekam Charles	Executive Director
	Chioma Sideso	Independent Non-Executive Director
	Sulaiman Lawan Koguna	Non-Executive Director
	Peter Surulere Aletor	Non-Executive Director
	Chukwuemeka Ndu	Non-Executive Director

Registered Office:
70, International Airport Road, Lagos.
Tel: 02 01 3303170
Email: enquiries@redstarplc.com
http://www.redstarplc.com

Registration Number: RC No. 200303

FRC Number: FRC/2012/0000000000253

Company Secretary:
Frances Ndidi Akpomuka
70, International Airport Road Lagos.

Company Registrar:
Apel Asset Limited
6, Alhaji Bashorun Street,
Off Norman Williams Street,
S.W. Ikoyi Lagos

Company Solicitor:
Uwensuyi Edosomwan & Co.
254A, Ikorodu Crescent
Dolphin Estate, Ikoyi, Lagos

Independent Auditor:
KPMG Professional Services
KPMG Tower
Bishop Aboyade Cole Street
Victoria Island, Lagos.

Bankers:
Access Bank Plc
Ecobank Nigeria Limited
Fidelity Bank Plc
First Bank of Nigeria Limited
First City Monument Bank Plc
Guaranty Trust Bank Plc
Heritage Bank Plc
Jaiz Bank Plc
Keystone Bank Limited
Parallex Bank Limited
Polaris Bank Limited
Stanbic IBTC Bank Plc
Sterling Bank
UBA Plc
Union Bank Plc
Unity Bank Plc
Wema Bank Plc
Zenith Bank Plc

Tax Identification Number: 02460096-0001

BOARD OF DIRECTORS
Who held office during the Financial Year

BARAU, SULEIMAN (OON, FCIB, FNIM) (CHAIRMAN)

Suleiman Barau OON, FCIB, FNIM Suleiman graduated from Ahmadu Bello University. He also obtained graduate degree and certificates from the University of Jos and University of Bradford respectively.

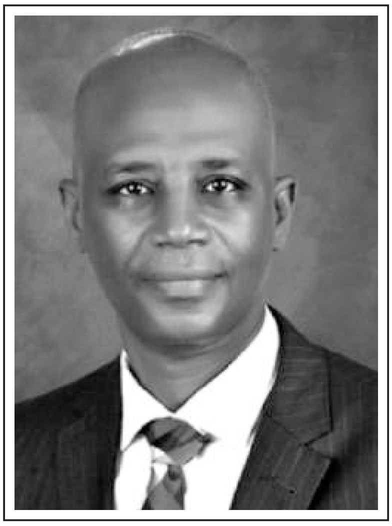
Suleiman, a two term Deputy Governor of the Central Bank of Nigeria (CBN), served on the Boards of the Central Bank of Nigeria, Nigerian Security Printing and Minting Plc., Federal Inland Revenue Service, Pension Commission and the Nigerian Interbank Settlement System where he was the Chairman. Currently Chairman, Guaranty Trust Holding Company Plc (GTCO).

Over the course of his professional banking career, he made significant contributions towards far reaching reforms in the banking sector, payment system, monetary policy and/or internal capacity reforms of the CBN from 2005 to 2017. He was for over 11 years the Coordinator of the Financial System Strategy (FSS) 2020, member of the CBN's Monetary Policy Committee and Financial Stability Committee from 2007 to 2017.

In January 2019, Suleiman was appointed by the President of the Federal Republic of Nigeria, as a member of the Presidential Technical Advisory Committee (PTAD) on the Implementation of Minimum Wage.

He has attended over 3 dozen courses in major global institutions such as Euromoney, Insead, IMD, Wharton, Harvard, Kellogg and Stanford Universities. He is an Alumnus of Harvard Kennedy and IMD Business Schools.

BABURA, BADAMASI AUWALU (FCA)
(GROUP MANAGING DIRECTOR/CHIEF EXECUTIVE OFFICER)



Auwalu Badamasi Babura is the Group Managing Director/Chief Executive Officer of Red Star Express Plc, a listing member of the Nigerian Stock Exchange.

An accomplished, versatile, innovative, highly motivated, and result-oriented financial expert, with proven track records of managing organizational resources and delivering sustainable financial results. Reliable Business Executive with unique competencies in Finance and Customer management.

Auwalu joined Red Star Express in 1994 and has served in various capacities, leading teams in Finance, Internal Control and Processes Management, Credit Management, and Administration.

Auwalu holds a first Degree in Accounting (B.Sc.) from Bayero University Kano, an MBA in Business Administration (MBA) from the Lagos State University, and a Mini MBA from London School of Business and Finance.

He has attended Senior training programs cutting across Controls, Planning, and Leadership amongst others both locally and abroad.

He is a fellow of the Institute of Chartered Accountants of Nigeria, a member of the Institute of Directors (IOD). He is also an alumnus of Lagos Business School and The London School of Economics.

BOARD OF DIRECTORS
Who held office during the Financial Year

EJEKAM, UCHE CHARLES (FNIMN)
(GROUP EXECUTIVE DIRECTOR, SALES AND MARKETING)

Charles is an accomplished professional with over 23 years of experience in various aspects of business management, including Logistics, Sales & Marketing, Operations, and Human Capital Development. He embarked on his career as a Commercial Executive at Red Star Express and progressed through roles in Territorial & Regional Management, Key Accounts, Marketing, Brand & Public Relations. Charles later served as Divisional Managing Director in Red Star Express and Red Star Logistics respectively before attaining his current position with the primary responsibility of driving revenue and market share goals. Additionally, he is a member of the Risk Management, Strategy, and Business Development Board Committees.

Charles holds a Bachelor Degree in Political Science from the University of Nigeria, Nsukka (Second Class Honours Upper Division), and a Master Degree in Public & International Affairs from the University of Lagos. Committed to professional growth, he is an alumnus of the prestigious University of Oxford; where he completed the Oxford Advanced Management & Leadership Programme (OAMLP) at the Said Business School. He also had his Advanced Management Programme (AMP 30) at the Lagos Business School; with the international module at IESE Business School, Barcelona Spain. He also had a leadership certificate programme at the Wharton School (University of Pennsylvania), and successfully finished the 2016 FedEx GSP 3 class in Memphis, USA.

Beyond his responsibilities at Red Star Express Plc, Charles is a Fellow of: The National Institute of Marketing of Nigeria (NIMN); the Courier and Logistics Management Institute (CLMNI); the National Institute of Credit Administration (NICA) and the Institute of Management Consultants (IMC-Nigeria). He is a member of the Institute of Directors (IOD).

Charles enjoys a fulfilling life. He’s an avid golfer, passionate traveler, and nature enthusiast, and loves spending quality time with family and friends.

BOARD OF DIRECTORS
continued

KOGUNA, LAWAN SULAIMAN
(NON-EXECUTIVE DIRECTOR)

Mr. Koguna is a graduate of Economics from the Eastern Mediterranean University Cyprus and holds a Post Graduate Diploma in Finance and Management from Loughborough University, Leicestershire, UK. He is an experienced Insurance professional and a member of the Chartered Insurance Institute UK.

He was a Council member of the Standards Organization of Nigeria (SON). He is the Executive Director, Marketing, Koguna Babura Insurance Brokers Limited. He is also Founder/Director e-Insurance Solutions Centre Limited, e-Training Institute and e-Island Solutions Limited.

SIDESO, CHIOMA
(INDEPENDENT NON-EXECUTIVE DIRECTOR)

Chioma is a senior corporate and financial services executive with more than 23 years' experience of strategic leadership in the financial services sector. She has led a pan African company as CEO and is also an accomplished Non-Executive Director, with a strong track record of delivering change. Having been awarded the chartered directorship, the flagship qualification of the IoD UK held by a handful of women of minority descent, she has certified board skills for continued success as a modern board member. She currently sits on a number of boards in various industries notably logistics, insurance, asset management and financial services.

Drawing on broad technical skills, commercial acumen and a deep understanding of regulation and governance, Chioma drives transformation, enhances controls, reduces costs, updates infrastructure and leads key strategic projects that introduce efficiencies and maximise revenue.

Relationships are crucial to Chioma's success. She inspires trust and builds high-performing teams by establishing an open culture, where every voice is significant. She is always seeking win-win solutions and is not afraid to confront inherited thinking with an independent point of view. As a leader, Chioma leads from the front, adopting a collegiate approach, combining an understanding of stakeholder drivers and regulatory imperatives while retaining a keen focus on the end goal. She impactskey decisions at Board level and implements robust frameworks.

Most recently, Chioma was the founding CEO of **OMW,** an oil and gas services firm, where she set up a lean business from scratch in a very regulatory onerous sector. She built an outstanding team which secured two contracts with major global firms and positioned the company for a successful sale which realised 2 x ROI in three years. This gave Chioma a detailed overview of some of the key regulatory, governance and finance issues in the industry, and of how to develop innovative solutions to rapidly scale a business in a very competitive sector.
From 2006 to 2018, Chioma led **NSIA Insurance** as CEO. She drove a pan-African expansion from eight to 52 offices and achieved a 1000% increase in sales. She was instrumental in signing Nigeria's first ever bancassurance deal and introduced ground-breaking market segmentation techniques which

contributed to a huge increase in the corporate client base. This period was a huge success for Chioma and for NSIA and she further developed a comprehensive global network in the insurance sector and a reputation as a market leader in Africa.

Previously, she was an Executive Director for the same firm from 2004 to 2006, having originally started her career in London in 1999.

Chioma is passionate about people. Recognising that performance relies on the whole team, mentoring colleagues has become a significant part of her role. She enjoys sharing her technical and commercial knowledge to raise performance and capabilities, often at times of transformation and change. She also works with young people and women across Africa to support their journeys towards financial independence.

Chioma brings thought leadership and energy to top management. She is dedicated to making a positive impact, reducing risk, strengthening efficiencies and facilitating multiple income streams.

PETER SURULERE ALETOR
(NON-EXECUTIVE DIRECTOR)

Peter Aletor is an accomplished professional with a background in accounting, finance, and business administration with over two decades' experience in the investment banking sector. He began his career at Capital Express Securities Limited, where he worked as a pioneer staff and eventually ascended to the position of Managing Director. During his time there, he gained valuable experience and expertise in securities dealing and advisory services.

In 2008, Peter Aletor started Apel Asset Limited, a brokerage firm which grew to a prominent investment banking outfit in Nigeria. His business management proficiency has seen the company acquire other licenses in the investment banking space, covering Trusteeship, Funds Management, Registrarship, Advisory and Issuing House. Over the years, Peter has evolved into a well-rounded investment banker.

As the Group Managing Director of Apel, Peter Aletor holds a position of significant responsibility. He oversees the entire organization, ensuring its smooth operation and strategic direction. His leadership skills and industry experience contribute to the success of the company and its clients.

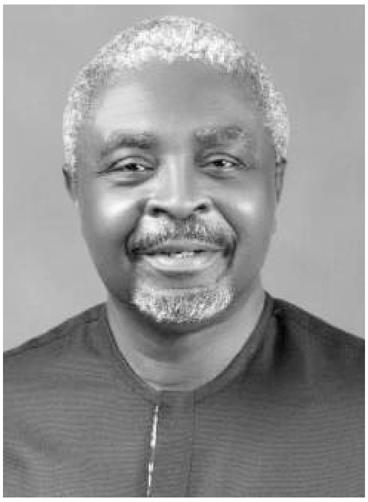
Peter Aletor is recognized as a Fellow of the Chartered Institute of Stockbrokers with over 20 years' experience, highlighting his commitment to professional excellence and adherence to the highest ethical standards in the field of stockbroking, having won numerous awards within the industry.

To further enhance his business acumen, Peter Aletor has actively pursued professional development opportunities. He is an alumnus of the prestigious Lagos Business School, a leading institution for business education in Nigeria. Additionally, he has attended the Reimagining Strategy Course at Harvard Business School, a program that equips executives with innovative strategies and insights and several other courses both locally and internationally.

Peter is a director in several organizations including RedStar Express Plc, Veritas Glanvills Pensions Limited, Metal Securities Products Limited, UTIB Insurance Brokers Limited and so on.

Overall, Peter Aletor's extensive experience, professional certifications, and commitment to ongoing learning make him a highly respected figure in the Nigerian financial industry.

BOARD OF DIRECTORS
continued



NDU, CHUKWUEMEKA
(NON-EXECUTIVE DIRECTOR)

Chukwuemeka Ndu is a Fellow of the Chartered Institute of Accountants and an alumni of the University of Nigeria Nsukka, Chief Executive's Programme of the Lagos Business School and the Rotman School of Management, University of Toronto Canada. Mr. Ndu has well over 40 years' experience in Accounting, Money Market and Project Finance, Audit, Tax and Consulting.

Mr. Ndu holds various directorships including BW Offshore Nigeria Limited, Petra Properties Limited, Imperial Homes Mortgage Limited and Traxport Rail Services Ltd. In addition to these, he is presently the Vice Chairman of both Cordros Capital Limited and C&I Leasing Plc.

PROFILE OF DIRECTORS FOR RE-ELECTION

BARAU, SULEIMAN (OON, FCIB, FNIM) (CHAIRMAN)

Suleiman Barau OON, FCIB, FNIM Suleiman graduated from Ahmadu Bello University. He also obtained graduate degree and certificates from the University of Jos and University of Bradford respectively.

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NOTICE OF ANNUAL GENERAL MEETING
FOR THE YEAR ENDED 31 MARCH, 2025

NOTICE IS HEREBY GIVEN that the 32nd Annual General Meeting of Red Star Express Plc will hold virtually via https://redstarplc.com/rse-32nd-agmon Thursday September 18, 2025 at 11.00am to transact the following business:

ORDINARY RESOLUTION
1. To lay before members of the Company, the Audited Financial Statements for the year ended March 31, 2025 together with the Report of the Directors, Auditors and Statutory Audit Committee there on;
2. To declare a Dividend;
3. To re-elect the following Non-Executive Directors
    a. Mr. Suleiman Barau
    b. Mrs. Chioma Sideso
4. To authorize the Directors to fix the remuneration of the Auditors;
5. To disclose the remuneration of the Managers of the Company;
6. To elect members of the Statutory Audit Committee.

SPECIAL BUSINESS
To Consider, and if thought fit, to pass the following as Ordinary Resolution:

7. Remuneration of Directors
"That the remuneration of the Non Directors for the year ending March 31, 2026 be and is hereby fixed at N8,000,000.00 (Eight million Naira) only".

8. That in compliance with the Rule of the Nigerian Exchange Limited governing transactions with Related Parties or Interested Persons, the Company and its related entities ("The Group") be and is hereby granted a General Mandate in respect of all recurrent transactions with related parties for the company's day to day operations including amongst others the procurement of goods and services, on normal commercial terms shall commence on the date on which this resolution is passed and shall continue to operate until the date on which the next Annual General Meeting of the company is held.

9. Internal Restructuring
a. That the Company undergoes an Internal restructuring to subsume the activities of one of its wholly owned subsidiaries, Red Star Logistics Limited ("the Subsidiary), into the Company at the end of which the Subsidiary will cease to have a separate legal identity but will continue operations as a division of the Company;

b. That the Directors be and are hereby authorized to appoint such advisers, professionals and appropriate with regard to the implementation of the aforementioned resolution; and

c. That the Directors be and are hereby authorized to take all steps and do all acts that they deem necessary for the successful implementation of the above stated resolution.

BY ORDER OF THE BOARD

FRANCES NDIDI AKPOMUKA
Company Secretary
FRC/2013/PRO/NBA/004/00000002640

Dated this 12th day of August, 2025

NOTES

1. PROXY

A member of the company entitled to attend and vote at the general meeting is entitled to appoint a proxy in his/her/its stead. A proxy need not be a member of the Company. All instruments of proxy should be completed and deposited at the office of the Company's Registrars, Apel Capital Registrars Limited, No. 6, Alhaji Bashorun Street, Off Norman Williams Crescent, South-West, Ikoyi, Lagos, Nigeria not later than 48 hours before the time scheduled for the meeting. Alternatively, a completed proxy form may be forwarded to registrars@apel.ng.

A Proxy Form is attached to the Annual Report and is also available for download from the Company's website at www.redstarplc.com or Registrars' website: registrars@apel.ng.

2. Virtual Meeting Link

Further to the signing into law of the Business Facilitation (Miscellaneous Provisions) Act, which allows public companies to hold meetings electronically, this Annual General Meeting will be held virtually. The Virtual Meeting Link for the AGM will be livestreamed via https://redstarplc.com/rse-32nd-agmand will also be available on the Company's website atwww.redstarplc.com

3. Closure of Register

The Register of members and Transfer Books of the Company will be closed from Wednesday 3rd to Friday to 5th September, 2025, both dates inclusive to enable the Registrars update the Register of Members in preparation for payment of dividend.

4. Dividend Payment

The Board of Directors of the Company, are recommending a dividend of 35kobo per 50kobo share, payable less Withholding Tax. If approved at the meeting, dividends will be paid electronically on the 18th September 2025, to shareholders whose names appear on the Register of Members as of Tuesday, 2nd September 2025, who have completed the e-dividend registration and mandated the Registrars to pay dividends directly into their bank accounts.

5. E-Dividend Mandate & Shareholder Update

Shareholders are kindly reminded to update their records and advise the Registrars of their updated records. Detachable E-dividend payment, Unclaimed Dividend & Shareholders Update Forms have been attached to the Annual Report for convenience and may be downloaded from the Registrars website https://registrars.apel.com.ng/?ddownload=292.

6. Unclaimed Dividends

Some dividends have remained unclaimed and outstanding. Please click on link to confirm if you have any unclaimed dividend. https://sites.google.com/apelasset.com/dividendsearch/home

7. Statutory Audit Committee

In accordance with Section 404(6) of the Companies and Allied Matters Act 2020 ("CAMA"), any shareholder may nominate another shareholder for appointment to the Statutory Audit Committee. Such nomination should be in writing and should reach the Company Secretary at least 21 days before the Annual General Meeting.

Section 404 (5) of the Companies and Allied Matters Act 2020 provides that all the members of the Audit Committee shall be financially literate and at least one (1) member shall be a member of a professional accounting body in Nigeria established by an Act of the National Assembly. The Code of Corporate Governance issued by the Financial Reporting Council of Nigeria also provides that members of the Audit Committee should be financially literate and able to read and interpret financial statements.

In view of the above, we request that nominations to the Audit Committee should be accompanied by copies of the nominees' Curriculum Vitae.

8. Re-election of Directors

Mr. Suleiman Barau and Mrs. Chioma Sideso retire by rotation and being eligible offer themselves for re-election pursuant to the relevant provisions of CAMA and Company's Articles of Association. Their profiles are included in the Annual Reports and on the Company's website at www.redstarplc.com.

9. Rights of Shareholders to ask questions

Shareholders reserve the right to ask questions at the Annual General Meeting. Shareholders may also submit their questions prior to the meeting. Such questions are to be addressed to the Company Secretary and reach the Company at its Head Office or by electronic mail to investorrelations@redstarplc.com not later than 72 hours to the date of the AGM.

10. Electronic Copy of the Annual Report and Accounts

An electronic copy of the 2025 Annual Reports and Accounts is available online for viewing and or download via the company's website i.e. www.redstarplc.com.

Shareholders who have provided their email addresses to the Registrars will receive electronic copies of the Annual Report via email.

CHAIRMAN'S STATEMENT

SULEIMAN BARAU (OON)
Chairman

Distinguished Shareholders, Fellow Board Members, Representatives of Regulatory Bodies, Esteemed Guests, Ladies and Gentlemen,

It is my pleasure to welcome you to the 32nd Annual General Meeting of Red Star Express Plc and to present the Annual Report and Financial Statements for the year ended 31st March 2025, along with a review of our performance for the period.

Operating Environment

The 2024/2025 financial year was marked by a tough macroeconomic climate, shaped by persistent inflation, high interest rates, and rising energy costs. According to the National Bureau of Statistics (NBS), headline inflation stood at 33.95% as of May 2025, reflecting ongoing pressure on household income and business costs.

The average retail price of petrol (PMS) increased from N696.79 in March 2024 to N1,261.65 in March 2025, representing a rise of 81.1% year-on-year. Similarly, the average price of diesel (Automotive Gas Oil) rose by 19.25%, from N1,341.16 per litre in March 2024 to N1,599.30 per litre in March 2025.

These sharp increases in fuel and diesel prices had a direct adverse effect on our operating costs, particularly in transportation and last-mile delivery. Nonetheless, Nigeria's Gross Domestic Product (GDP) recorded a year-on-year growth of 3.84% in real terms in the fourth quarter of 2024, reflecting some level of resilience in economic activity despite prevailing challenges.

Financial Performance

Despite these economic challenges, Red Star Express Plc delivered a strong financial performance. Total group revenue rose by 34% to N21.60 billion in 2025, up from N16.27 billion in 2024. This performance was driven by growth across our express delivery, haulage and freight, and support services, as well as continued operational discipline.

Profit Before Tax (PBT) increased by 71% from N542.15 million in 2024 to N924.72 million in 2025. Similarly, Profit After Tax (PAT) rose by 59% to N546.5 million, compared to N343 million the previous year. This growth reflects improved cost management, business development efforts, and increased customer confidence in our capabilities.

Dividend

As part of our continued commitment to rewarding shareholder confidence, the Board is pleased to recommend a dividend of 35 kobo per share (2024: 27 kobo). If the recommendation is approved, the dividend will be paid electronically on 18th September 2025 to shareholders whose names appear on the Register of Members as of 26th August 2025.

Corporate Social Responsibilities

Our commitment to social impact remains a core part of our corporate ethos. Through the Red Star Foundation, we expanded our education-focused initiatives this year, awarding scholarships to Ten (10) students from Government Secondary Schools within Oshodi-Isolo Local Government in Lagos. These efforts aim to support bright, students and promote access to quality education for a better future.

We continue to review and grow the scope of the Foundation's work, ensuring deeper impact across our host communities.

Future Outlook

Looking ahead, we remain focused on leveraging technology to strengthen transparency and accountability, optimise delivery speed, and improve the customer experience. Our ongoing investments in digital platforms, regional network expansion, and new delivery models are all designed to support long-term growth.

We will also continue to build capacity across our workforce, by developing and encouraging a culture of accountability, innovation, and excellence.

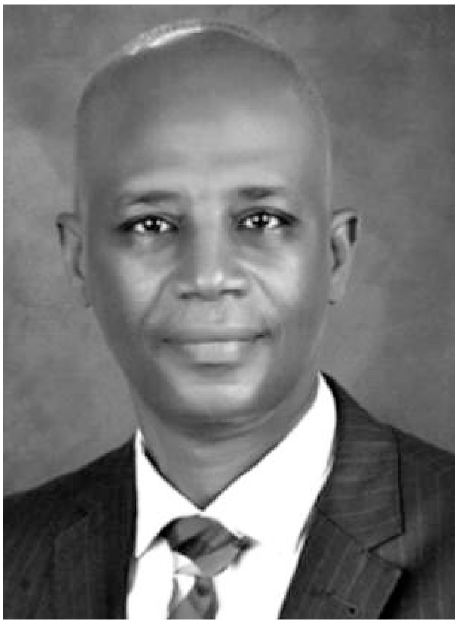
While external uncertainties remain, including foreign exchange constraints and input cost pressures, we are confident that our operational agility and strategic direction will enable us to stay ahead of the curve and deliver long-term value to all stakeholders.

I extend my appreciation to the Board of Directors for their guidance, to our management team and staff for their dedication, and to our shareholders, customers, and partners for their continued trust in Red Star Express Plc.

Thank you.

Suleiman Barau (OON)
Chairman

GROUP MANAGING DIRECTOR'S REVIEW



AUWALU BADAMASI BABURA
Group Managing Director/CEO

Chairman, Board of Directors, Esteemed Shareholders, Representatives of Regulatory Bodies, Stakeholders, Members of the Media, Management and Staff of Red Star Express Plc, Ladies and Gentlemen.

It is my honour to welcome you to the 32nd Annual General Meeting of Red Star Express Plc, where we review our performance and progress for the financial year ended 31st March 2025.

INDUSTRY REVIEW

The logistics and transport industry recorded improved performance during the year under review. According to the National Bureau of Statistics, the Transport and Storage sector grew by 6.53 percent in real terms year-on-year in 2024, marking a strong rebound from the sharp contraction of negative 30.17 percent recorded in 2023. All six sub-sectors, including post and courier services, experienced positive growth during the year.

The sector contributed 1.03 percent to real GDP in 2024, slightly higher than the 1.00 percent contribution in 2023. This recovery reflects a gradual stabilisation in the economy and increased demand for intra-city logistics, express delivery, and e-commerce-driven logistics services.

OUR FINANCIAL PERFORMANCE

Despite the broader economic challenges, Red Star Express Plc delivered a strong financial performance. Total group revenue rose by 34 percent to N21.60 billion in 2025, up from N16.27 billion in 2024. This performance was driven by growth across our express delivery, haulage and freight, and support services, as well as continued operational discipline.

Profit Before Tax increased by 71 percent from N542.15 million in 2024 to N924.72 million in 2025. Similarly, Profit After Tax rose by 59 percent to N546.5 million, compared to N343 million the previous year. This growth reflects improved cost management, business development efforts, and increased customer confidence in our capabilities.

STRATEGIC FOCUS

The Group made key strategic and operational improvements during the financial year. We expanded our warehousing services with the addition of the warehouse facility at the Murtala Muhammed International Airport, Lagos, enhancing our capacity to support time-sensitive cargo and high-volume shipments. We also made meaningful progress in technology adoption, introducing system upgrades that improved logistics visibility, automated key processes, and enhanced service reliability. A review of our pricing model allowed us to remain competitive while better aligning with operational realities. In addition, stronger cost management practices helped us drive efficiency across our subsidiaries and improve margins.

Our focus in the coming year will remain on deepening investment in technology, expanding our service portfolio, and strengthening Red Star Express's presence in both domestic and regional markets. These priorities are designed to sustain long-term growth and position Red Star Express as a trusted logistics partner across Nigeria and West Africa.

REGULATORY COMPLIANCE

Red Star Express Plc has consistently maintained full compliance with all relevant laws and regulatory guidelines. We continue to uphold strong professional partnerships with key agencies, including the Federal Road Safety Corps (FRSC), Corporate Affairs Commission (CAC), Courier and Logistics Regulatory Department (CLRD) of the Nigeria Postal Service (NIPOST), Nigeria Customs Service (NCS), Nigerian Exchange Group (NGX), Securities and Exchange Commission (SEC), Financial Reporting Council of Nigeria (FRC), Lagos State Traffic Management Authority (LASTMA), Vehicle Inspection Office (VIO), and the Standards Organization of Nigeria (SON), National Drug Law Enforcement Agency (NDLEA), Nigeria Police Force (NPF), among others.

FUTURE PROSPECTS

We remain optimistic about the future. Red Star Express is entering a new phase of transformation anchored on innovation and technology. We are currently in the launch and testing phase of our proprietary e-logistics platform, a solution designed to revolutionise the logistics landscape in Nigeria. This platform represents a new way of thinking about logistics that prioritises speed, visibility, customer convenience, and operational intelligence.

As we deepen our logistics infrastructure and expand our service offerings, we remain committed to sustainable growth and long-term value creation. Through this innovation and the strength of our people, Red Star Express is positioning itself as a technology driven logistics partner for the future.

AUWALU BADAMASI BABURA (FCA)
Group Managing Director/CEO

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH, 2025

1. Financial statements

The Directors present their annual report on the affairs of Red Star Express Plc ("the Company") and its subsidiaries ("together, the Group"), together with the independent auditor's report of Red Star Express Plc ("the Company") and its subsidiaries ("together, the Group") for the year ended 31 March 2025. The Directors have considered all the matters brought before them in the financial year ended 31 March 2025 and are satisfied that the Directors' report and Consolidated and Separate Financial Statements represents a fair, balanced and realistic view of events.

2. Legal form

Red Star Express Plc was incorporated as a Private Limited Company on 10th of July 1992 under the name, Red Star Express Nigeria Limited and commenced business operations on 12th of October 1992. The Company was subsequently converted to a Public Company in July 2007 and had its shares listed on the Nigerian Stock Exchange on November 14, 2007. The Company has three (3) wholly owned subsidiaries; Red Star Logistics Limited, Red Star Freight Limited and Red Star Support Services Limited. The results of the Company's subsidiaries have been consolidated in these financial statements.

3. Principal activities

The Group is principally engaged in the provision of courier services, mail management services, freight services, logistics, ware housing and general haulage.

4. Results for the year

The performance of the Group and Company during the year as compared with the previous year is as follows:

	Group			Company		
in thousands of naira	**2025**	**2024**	**Change**	**2024**	**2025**	**Change**
Revenue	21,660,339	16,127,752	34%	10,609,408	7,581,574	40%
Operating profit	944,179	578,211	63%	493,677	243,583	103%
Profit before taxation	924,715	542,146	71%	469,237	224,423	109%
Income tax expense	(378,194)	(199,143)	90%	(181,357)	(69,065)	163%
Profit for the year	546,521	343,003	59%	287,880	155,358	85%

5 Property, Plant and Equipment

Information relating to changes in property plant and equipment is disclosed in Note 10 to these consolidated and separate financial statements.

6 Dividend

The Directors are pleased to recommend to shareholders at the forthcoming annual general meeting the declaration of dividend payment of 35 kobo (2024: 27 kobo) amounting to a total dividend of N334.05 million (2024: N257.69 million). This dividend, if approved, is subject to deduction of appropriate withholding tax.

7 Directors

Names of Directors	Designation
Suleiman Barau (OON)	Chairman
Auwalu Badamasi Babura	Group Managing Director/CEO
Ejekam Charles	Executive Director, Sales and Marketing
Chioma Sideso	Independent Non-Executive Director
Sulaiman Lawan Koguna	Non-Executive Director
Peter Surulere Aletor	Non-Executive Director
Chukwuemeka Ndu	Non-Executive Director

8 Record of director's attendance

In accordance with the provisions of Section 284(2) of the Companies and Allied Matters Act, 2020, the record of the Directors' attendance at Directors' meetings during the year are hereby disclosed. The Directors have a formal schedule of meetings and met a total of four (4) times in the year. The table below shows the number of meetings (including Board and Board Committees) attended by each Director.

Frequency and Attendance of Board Meetings

Board Meetings Attendance	2024			2025
Directors	**24-Apr**	**27-Jun**	**24-Oct**	**20-Feb**
Suleiman Barau (OON)	Yes	Yes	Yes	Yes
Auwalu Badamasi Babura	Yes	Yes	Yes	Yes
Ejekam Charles	Yes	Yes	Yes	Yes
Chioma Sideso	Yes	Yes	Yes	Yes
Sulaiman Lawan Koguna	Yes	Yes	Yes	Yes
Peter Surulere Aletor	Yes	Yes	Yes	Yes
Chukwuemeka Ndu	Yes	Yes	Yes	Yes

	2024				2025
Audit Committee	**23-Apr**	**26-Jun**	**26-Jul**	**23-Oct**	**30-Jan**
Folorunsho Olajide	No	No	No	Yes	Yes
Moses Ogundeji	Yes	Yes	Yes	No	No
Cyril Ugwumadu	Yes	Yes	Yes	No	No
Bukola Adetunji	No	No	No	Yes	Yes
Kolawole Amoo	Yes	Yes	Yes	Yes	Yes
Sulaiman Koguna	Yes	Yes	Yes	Yes	Yes
Chukwuemeka Ndu	Yes	Yes	Yes	Yes	Yes

REPORT OF THE DIRECTORS
continued

Strategy & Business Development Committee	2024		2025
	18-Apr	21-Jun	30-Jan
Chioma Sideso	Yes	Yes	Yes
Peter Aletor	Yes	Yes	Yes
Sulaiman Koguna	Yes	Yes	Yes
Chukwuemeka Ndu	Yes	Yes	Yes
Auwalu Badamasi Babura	Yes	Yes	Yes
Charles Ejekam	Yes	Yes	Yes

Risk Management	2025
	6-Feb
Peter Aletor	Yes
Chioma Sideso	Yes
Chukwuemeka Ndu	Yes

Governance, Nomination and Remuneration Committee			
	22-Apr	26-Jun	18-Feb
Sulaiman Koguna	Yes	Yes	Yes
Peter Aletor	Yes	Yes	Yes
Chioma Sideso	Yes	Yes	Yes

Legend:
Yes - Present
No - Absent

9 Directors and their interests

The direct and indirect interest of Directors in the issued share capital of the Company as recorded in the Register of Directors' shareholding and/or as notified by them for the purposes of section 301 and 302 of the Companies and Allied Matters Act 2020 and in compliance with the listing requirements of the Nigerian Stock Exchange are as follows:

	No of Shares held as at 31 March 2025		No of Shares held as at 31 March 2024	
	Direct	Indirect	Direct	Indirect
Suleiman Barau	79,656,679	Nil	79,656,679	Nil
Sulaiman Koguna	8,377,818	Nil	8,377,818	Nil
Auwalu Babura	375,764	Nil	375,764	Nil
Ejekam Charles	248,637	Nil	248,637	Nil
Chukwuemeka Ndu	Nil	96,419,958	Nil	96,419,958
Peter Aletor	Nil	101,977,912	Nil	101,977,912
Chioma Sideso	Nil	Nil	Nil	Nil

Other than as disclosed above, the Directors are not aware of any disclosable interests or transactions in the share capital of the Company or any of its subsidiaries as at 31 March 2025 or at the date of this report.

10 Director's interest in contracts
In accordance with Section 303 of the Companies and Allied Matters Act (CAMA) 2020, none of the Directors has notified the Company of any disclosable interests in contracts in which the Company was involved during either at 31 March 2025 or at the date of this report.

11 Analysis of Shareholding
According to the register of members, the spread of shareholding in the Company as at 31st March 2025 was as follows:

Share Range	No. of Shareholders	No. of Shareholders	No. of Holdings	% Shareholding
1 - 1,000	1,857	32.04%	358,896	0.04
1,001 - 5,000	1,229	21.20%	2,882,109	0.30%
5,001 - 10,000	694	11.97%	4,614,133	0.48%
10,001 - 50,000	1,354	23.36%	29,441,230	3.08%
50,001 - 100,000	275	4.74%	17,879,127	1.87%
100,001 - 500,000	290	5.00%	55,861,931	5.85%
500,001 - 1,000,000	39	0.67%	26,795,282	2.81%
1,000,001 - 5,000,000	40	0.69%	83,737,225	8.77%
5,000,001 - 10,000,000	9	0.16%	68,639,714	7.19%
10,000,001 - 50,000,000	4	0.07%	85,726,321	8.98%
50,000,001 - 100,000,000	3	0.05%	246,076,637	25.78%
100,000,001 - 500,000,000	2	0.03%	332,410,720	34.83%
TOTAL	**5,796**	**100%**	**954,423,325**	**100%**

31 March 2024 Share Range	No. of Shareholders	No. of Shareholders	No. of Holdings	% Shareholding
1 - 1,000	1,857	32.04%	358,896	0.04%
1,001 - 5,000	1,229	21.20%	2,882,109	0.30%
5,001 - 10,000	694	11.97%	4,614,133	0.48%
10,001 - 50,000	1,354	23.36%	29,441,230	3.08%
50,001 - 100,000	275	4.74%	17,879,127	1.87%
100,001 - 500,000	290	5.00%	55,861,931	5.85%
500,001 - 1,000,000	39	0.67%	26,795,282	2.81%
1,000,001 - 5,000,000	40	0.69%	83,737,225	8.77%
5,000,001 - 10,000,000	9	0.16%	68,639,714	7.19%
10,000,001 - 50,000,000	4	0.07%	85,726,321	8.98%
50,000,001 - 100,000,000	3	0.05%	246,076,637	25.78%
100,000,001 - 500,000,000	2	0.03%	332,410,720	34.83%
TOTAL	**5,796**	**100%**	**954,423,325**	**100%**

The Shareholders that have more than 5% holding are as follows:

NAME	2025	%	2024	%
Koguna, Mohammed Hassan	186,863,273	19.58%	186,863,273	19.58%
Koguna Babura Insurance Brokers Limited	145,547,447	15.25%	145,547,447	15.25%
Petra Properties Limited	96,419,958	10.10%	96,419,958	10.10%
Suleiman Barau	79,656,679	8.35%	79,656,679	8.35%
Apel Capital & Trust Limited (Nominees)	70,000,000	7.33%	70,000,000	7.33%

12 Donations

During the year, the Company made the following donations:

in thousands of naira	2025	2024
NBCC Maritime and Logistics	1,000	-
Special Persons Association of Nigeria	200	-
Embassy of the United States of America	-	375
Courier and Logistics Management Institute	-	250
	1,200	**625**

In accordance with Section 43(2) of the Companies and Allied Matters Act, 2020 ("CAMA"), the Company did not make any donation or give gifts to any political party, political association or for any political purpose during the year (2024: Nil).

13 Corporate social responsibility

Our corporate social responsibility (CSR) integrates social, environmental and economic concerns into the Group's values, culture, decision making, strategy and operations in a transparent and accountable manner and thus, establishes better practices within the Group, creates wealth and improves the society at large.

14 Employment of physically challenged persons

It is the Company's policy to give special consideration to disabled persons having regard to the individual applicant's aptitude and abilities. There were no physically challenged persons in the Company as at year end (2024: Nil).

15 Employment equity, gender policies and practices

Our resourcing and promotion policy ensures equity, and is free from discriminatory bias of gender, ethnic origin, age, marital status, gender, sexual orientation, disability, religion and other diversity issues. This is role-modelled throughout our end-to-end employee life cycle process.

16 Health, safety and welfare of employees

We ensure that our employees and members of their immediate families have access to free medical health care, under the Health Management Organization (HMO) scheme. The company maintains a secure and healthy workplace with fire prevention and fire-fighting equipment installed at strategic locations within the Company's offices whilst also retaining a Group Personal Accident and Nigeria Social Insurance Trust Fund (NSITF) schemes, as well as a Contributory Pension Scheme for the benefit of the employees.

17 Employees' involvement and training

Red Star Express Plc is committed to providing its employees with the best opportunities for learning and development and these programs are intended to challenge our people whilst empowering them to be more proficient as it relates to their individual careers and personal lives. This is achieved by a combination of internal and external trainings which is supported by our experienced in-house Training Faculty, periodic job rotations and mentoring to ensure our people are well equipped with the essential skills to efficiently carry out their diverse assignments.

18 Events after the reporting date

Other than those disclosed in note 30 of the Financial Statements, there were no other events after the reporting date which could have had a material effect on the financial position of Red Star Express Plc ("the Company") and its Subsidiaries (together "the Group) as of 31 March, 2025, which have not been adequately provided for in the Financial Statements.

19 Independent auditor

Messrs. KPMG Professional Services, having satisfied the relevant corporate governance rules on their tenure in office have indicated their willingness to continue in office as independent auditors to the Company. In accordance with Section 401 (2) of the Companies and Allied Matters Act (CAMA) 2020, therefore, the independent auditors will be re-appointed at the next annual general meeting of the Company without any resolution being passed.

BY ORDER OF THE BOARD

FN Akpomuka

FRANCES NDIDI AKPOMUKA
Company Secretary
FRC/2013/PRO/NBA/004/00000002640
Lagos, Nigeria.
27 June 2025

CORPORATE GOVERNANCE REPORT
FOR THE YEAR ENDED 31 MARCH 2024

Governance Structure
Red Star Express Plc is committed to high standards of Corporate Governance and best practice both within the Company and amongst its subsidiaries.

Directors and other key personnel
The Directors and key personnel complied with the Securities and Exchange Commission (SEC) Code of Corporate Governance as well as other disclosure requirements of the Nigerian Exchange Limited and Financial Reporting Council Code of Corporate Governance in the year under review.

Shareholding
The Company maintains a varied shareholding structure.

The Board Governance Structure
Board of Directors
The Board is currently constituted of Seven (7) Directors with the relevant knowledge and expertise required to oversee the activities of the Company. The Board's main responsibility is to determine the strategic direction for the Company and is composed of Four (4) Non - Executive Directors (which includes the Chairman), One (1) Independent Non-Executive Director and Two (2) Executive Directors. The positions of the Chairman and Group Managing Director are separate, and the other responsibilities of the Board are as contained in the duly approved Board Charter.

Board Membership

Suleiman Barau (OON)	Chairman
Auwalu Badamasi Babura	Group Managing Director/CEO
Ejekam Charles	Executive Director
Chioma Sideso	Independent Non-Executive Director
Sulaiman Lawan Koguna	Non-Executive Director
Peter Surulere Aletor	Non-Executive Director
Chukwuemeka Ndu	Non-Executive Director

Board Committees
The Board carries out its oversight functions via its Committees governed by Charters and definite Terms of Reference. There are Four (4) Board Committees namely, Governance, Nomination and Remuneration Committee, Strategy & Business Development Committee, Risk Management Committee and the Audit Committee.

Governance, Nomination and Remuneration Committee
This committee is comprised solely of Non-Executive Directors and Independent Non-Executive Directors. The Committee's terms of reference are in line with SEC Code of Corporate Governance, 2018.

This committee is comprised of three (3) Non-Executive Directors:-

Sulaiman Lawan Koguna	Chairman/Non-Executive Director
Chioma Sideso	Independent Non-Executive Director
Peter Surulere Aletor	Non-Executive Director

Strategy and Business Development Committee
This committee is comprised of six (6) members: four (4) Non-Executive Directors and two (2) Executive Directors:-

Mrs. Chioma Sideso	Chairman/Independent Non - Executive Director
Mr. Sulaiman Koguna	Non-Executive Director
Mr. Peter Aletor	Non-Executive Director
Mr. Chukwuemeka Ndu	Non-Executive Director
Mr. Auwalu Babura	Group Managing Director/CEO
Mr. Charles Ejekam	Executive Director

Risk Management Committee
This committee is comprised of five (5) members: three (3) Non-Executive Directors and two (2) Executive Directors:-

Mr. Peter Aletor	Chairman/Non-Executive Director
Mrs. Chioma Sideso	Independent Non - Executive Director
Mr. Emeka Ndu	Non-Executive Director
Mr. Auwalu Babura	Group Managing Director/CEO
Mr. Charles Ejekam	Executive Director

Audit Committee
This committee is comprised of Five (5) members: Three (3) Shareholders' representatives and Two (2) Non- Executive Directors: -

Mr. Folorunsho Olajide	Chairman/Shareholder Representative
Mrs. Bukola Adetunji	Shareholder Representative
Mr. Kolawale Amoo	Shareholder Representative
Mr. Sulaiman Koguna	Non-Executive Director
Mr. Chukwuemeka Ndu	Non-Executive Director

Group Executive Committee
The Group Executive Committee is the highest governing body of Management and meets bi- weekly or as business needs demands, to deliberate on implementation of Board approved strategies as well as ensure that the Company's resources are efficiently and effectively deployed. The Committee is headed by the Group Managing Director/CEO ably supported by the Executive Director, Sales and Marketing, Chief Operating Officers, and Departmental Heads.

Relationship with shareholders
The Company maintains a cordial relationship with Shareholders and all shareholders are treated equally, regardless of number of shares or social position. Financial and other mandatory information are promptly communicated to shareholders through appropriate media, including quarterly publication of the Group performance in the newspapers and requisite filings with the regulatory bodies.

Shareholders complaint policy
In furtherance to the directive of the Securities and Exchange Commission (SEC), the Company has in place a Shareholders Complaint Management Policy geared at standardizing the procedure for shareholders to bring to the attention of the Company complaint regarding their shareholding and how these may be resolved and/or addressed. The policy is available on the Company's website – www.redstarplc.com. Complaints/questions/clarifications may also be sent directly to investorrelations@redstarplc.com

Insider trading and price sensitive information

Directors, Insiders and other related persons in possession of confidential price sensitive information ("Insider Information") are prohibited from dealing with the securities of the Company where such would amount to Insider Trading. Directors, Insiders and other related persons are also prohibited from disposing, selling, buying or transferring their shares in the Company for a period commencing from the date of receipt of such insider information until such a period when the information is released to the public or any other period as defined by the Company from time to time.

Directors Remuneration Policy

The Company's Directors remuneration policy takes into consideration the industry in which it operates as well as the performance of the Company at the end of each financial year. The component of the policy includes: -

For Non-Executive Directors:

- Payment of Directors annual fees, sitting allowances.
- Sponsorship for training programmes which are required to enhance individual performance of assigned responsibilities.

For Executive Directors

- Fixed remuneration in line with competitive remuneration paid for comparable positions in the Industry.
- Variable remuneration based on performance and attainment of set targets.

STATEMENT OF DIRECTORS RESPONSIBILITIES IN RELATION TO THE CONSOLIDATED SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

The Directors accept responsibility for the preparation of the annual consolidated and seperate financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA) 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act (CAMA) 2020 and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement whether due to fraud or error.

The Directors have made an assessment of the Group and Company's ability to continue as a going concern and have no reason to believe the Group and Company will not remain a going concern in the year ahead.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Suleiman Barau (OON)
Chairman
FRC/2015/PRO/DIR/003/00000011559
27 June 2025

Auwalu Badamasi Babura
Group Managing Director/CEO
FRC/2016/PRO/DIR/003/00000014402
27 June 2025

STATEMENT OF CORPORATE RESPONSIBILITY FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Further to the provisions of section 405 of the Companies and Allied Matters Act (CAMA), 2020, we, the Managing Director/CEO and Chief Financial Officer, hereby certify the consolidated and separate financial statements of Red Star Express Plc for the year ended 31 March 2025 as follows:

(a) That we have reviewed the audited consolidated and separate financial statements of the Group and Company for the year ended 31 March 2025.

(b) That the audited consolidated and separate financial statements do not contain any untrue statement of material fact or omit to state a material fact which would make the statements misleading, in the light of the circumstances under which such statement was made.

(c) That the audited consolidated and separate financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Group and Company as of and for, the year ended 31 March 2025.

(d) That we are responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to the Company and its subsidiaries is made known to us by other officers of the companies, during the year ended 31 March 2025.

Auwalu Badamasi Babura
Group Managing Director/CEO
FRC/2016/PRO/DIR/003/00000014402
27 June 2025

Onyibo Valentine Uchenna
Chief Finance Officer (CFO)
FRC/2013/PRO/ICAN/001/00000003908
27 June 2025

AUDIT COMMITTEE REPORT
TO THE SHAREHOLDERS OF RED STAR EXPRESS PLC

In accordance with Section 404 (7) of the Companies and Allied Matters Act (CAMA), 2020 and Section 30.4 of the SEC Code, the members of the Statutory Audit Committee of Red Star Express Plc hereby report as follows:

“We have exercised our statutory functions under Section 404 (7) of the Companies and Allied Matters Act, 2020 and we acknowledge the cooperation of the Board, management and staff in the conduct of these responsibilities. After careful consideration of the report of the external auditors, we accepted the report that the Consolidated and Separate Financial Statements give a true and fair view of the state of the Group’s financial affairs as at 31st March, 2024 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA) 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

We confirm that:

I. The accounting and reporting policies of the Group and Company are in accordance with legal and regulatory requirements as well as agreed ethical practices.

ii. We reviewed the scope and planning of audit requirements and found them adequate.

iii. We reviewed the findings on the management letter prepared by the external auditors and found management responses to the findings satisfactory.

iv. The accounting and internal controls system is constantly and effectively being monitored through an effective internal audit function.

v. We made recommendations to the Board on the reappointment and remuneration of the external auditors and also reviewed the provision made in the Consolidated and Separate Financial Statements for the remuneration of the external auditors.

vi. We considered that the external auditors are independent and qualified to perform their duties effectively.

The Committee therefore recommends that the Audited Consolidated and Separate Financial Statements for the year ended 31st March, 2025 and the External Auditors’ report thereon be presented for adoption at this Annual General Meeting.”

Folorunso Olajide Alakija
FRC/2023/PRO/ICAN/004/378190
Chairman
27 June 2025

Other Members of the Audit Committee:

Mr. Folorunso Olajide Alakija	-	Chairman/Shareholder Representative
Mrs. Bukola Adetunji	-	Shareholder Representative
Mr. Kolawale Amoo	-	Shareholder Representative
Mr. Sulaiman Koguna	-	Non-Executive Director
Mr. Chukwuemeka Ndu	-	Non-Executive Director

CERTIFICATION OF MANAGEMENT'S ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING

FOR THE YEAR ENDED 31 MARCH 2025

I, Auwalu Badamasi Babura, certifies that:

a) I have reviewed the Management's Report on the Effectiveness of Internal Control over Financial Reporting as of 31 March 2025 of Red Star Express Plc ("the Company") and its subsidiaries (together "the Group");

b) Based on my 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 my knowledge, the consolidated and separate financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of and for the periods 31 March 2025, presented in this report;

d) The Group's other certifying officer and I:

   i. are responsible for establishing and maintaining internal controls;

   ii. 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 consolidated and separate financial statements for external purposes in accordance with IFRS Accounting Standards;

   iii. have evaluated the effectiveness of the Group's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

   iv. have evaluated the effectiveness of the Group's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of 31 March 2025 covered by this report based on such evaluation.

e) The Group's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Company's auditors and the Audit committee:

   i. All significant deficiencies in the design or operation of the internal control system which are reasonably likely to adversely affect Red Star Express Plc's ability to record, process, summarize and report financial information; and

   ii. There was no fraud, whether or not material, that involves management or other employees who have a significant role in the Group's internal control system.

f) The Group's other certifying officer and I 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 our evaluation.

Auwalu Badamasi Babura
Group Managing Director/CEO
FRC/2016/PRO/DIR/003/00000014402
27 June 2025

CERTIFICATION OF MANAGEMENT'S ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING

FOR THE YEAR ENDED 31 MARCH 2025

I, Onyibo Valentine Uchenna, certify that

a) I have reviewed the Management's Report on the Effectiveness of Internal Control over Financial Reporting as of 31 March 2025 of Red Star Express Plc ("the Company") and its subsidiaries (together "the Group");

b) Based on my 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 my knowledge, the consolidated and separate financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of and for the periods 31 March 2025, presented in this report;

d) The Group's other certifying officer and I:
   i. are responsible for establishing and maintaining internal controls;

   ii. 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 relating to the Red Star Express Plc, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   iii. 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 IFRS Accounting Standards;

   iv. have evaluated the effectiveness of the Group's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of 31 March 2025 covered by this report based on such evaluation.

e) The Group's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Company's auditors and the Audit committee:

   i. All significant deficiencies in the design or operation of the internal control system which are reasonably likely to adversely affect Red Star Express Plc's ability to record, process, summarize and report financial information; and

   ii. There was no fraud, whether or not material, that involves management or other employees who have a significant role in the Group's internal control system.

f) The Group's other certifying officer and I have identified, in the report whether or not there were significan changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation.

Onyibo Valentine Uchenna
Chief Financial Officer
FRC/2013/PRO/ICAN/001/00000003908
27 June 2025

MANAGEMENT'S REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROL OVER FINANCIAL REPORTING

AS OF 31 MARCH 2025

The management of Red Star Express Plc ("the Company") is responsible for establishing and maintaining adequate internal control over financial reporting as required by the Securities and Exchange Act, 2007 and the Financial Reporting Council (Amendment) Act, 2023.

The management of Red Star Express Plc assessed the effectiveness of the internal control over financial reporting of the Company and its subsidiaries ("together "the Group") as of 31 March 2025 using the criteria set forth by Internal Control – 2013 Integrated Framework ("the COSO Framework") and in accordance with the SEC Guidance on Implementation of Sections 60 – 63 of Investments and Securities Act, 2007.

As of March 31, 2025, the management of Red Star Express Plc did not identify any material weaknesses.

As a result, management has concluded that, as of March 31, 2024, the Group's internal control over financial reporting was effective.

The Company's independent auditor, KPMG Professional Services, who audited the consolidated and separate financial statements included in this Annual Report, issued an unmodified conclusion on the effectiveness of the Group's internal control over financial reporting as of 31 March 2025 based on the limited assurance engagement performed by them. KPMG Professional Services' limited assurance report appears on pages 16 – 17 of the Annual Report.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred subsequent to the date of our evaluation of the effectiveness of internal control over financial reporting that significantly affected, or are reasonably likely to significantly affect, the Group's internal control over financial reporting.

Auwalu Badamasi Babura
Group Managing Director/CEO
FRC/2016/PRO/DIR/003/00000014402
27 June 2025

Onyibo Valentine Uchenna
Chief Financial Officer
FRC/2013/PRO/ICAN/001/00000003908
27 June 2025

KPMG Professional Services
KPMG Tower
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Lagos

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INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT

To the Shareholders of Red Star Express Plc

Report on Limited Assurance Engagement Performed on Management's Assessment of Internal Control Over Financial Reporting

Conclusion

We have performed a limited assurance engagement on whether internal control over financial reporting of Red Star Express Plc ("the Company") and its subsidiaries (together "the Group") as of 31 March 2025 is effective in accordance with the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework")] and the Securities and Exchange Commission Guidance on Implementation of Sections 60 – 63 of Investments and Securities Act 2007.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Group's internal control over financial reporting as of 31 March 2025 is not effective, in all material respects, in accordance with the criteria established in the COSO Framework and the Securities and Exchange Commission Guidance on Implementation of Sections 60 – 63 of Investments and Securities Act 2007.

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the International Auditing and Assurance Standards Board (IAASB) and the Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. Our responsibilities are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants *(including International Independence Standards)* issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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

Other matter

We have audited the consolidated and separate financial statements of Red Star Express Plc in accordance with the International Standards on Auditing, and our report dated 30 June 2025 expressed an unmodified opinion of those consolidated and separate financial statements.

Our conclusion is not modified in respect of this matter.

KPMG Professional Services, a partnership registered in Nigeria and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Registered in Nigeria No BN 986925

A list of partners is available for inspection at the firm's address.

KPMG

Responsibilities for Internal Control over Financial reporting
The Board of Directors of Red Star Express Plc is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on the Effectiveness of Internal Control over Financial Reporting as of 31 March 2025. Our responsibility is to express a conclusion on the Group's internal control over financial reporting based on our assurance engagement.

Our responsibilities
The Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting ("the Guidance") requires that we plan and perform the assurance engagement and provide a limited assurance report on the Group's internal control over financial reporting based on our assurance engagement.

Summary of the work we performed as the basis for our conclusion
We exercised professional judgment and maintained professional skepticism throughout the engagement. As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

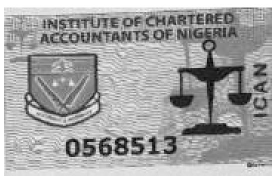
Definition and Limitations of Internal Control Over Financial reporting
A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
ii. 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 authorizations of management and directors of the company; and
iii. 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.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Signed:

Dunni D. Okegbemila, FCA
FRC/2012/ICAN/00000000411
For: KPMG Professional Services
Chartered Accountants
30 June 2025
Lagos, Nigeria



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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Red Star Express Plc

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Red Star Express Plc ("the Company") and its subsidiaries (together, "the Group"), which comprise:

- the consolidated and separate statements of financial position as at 31 March 2025;
- the consolidated and separate statements of profit or loss and other comprehensive income;
- the consolidated and separate statements of changes in equity;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Company and its subsidiaries as at 31 March 2025, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

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 consolidated and separate Financial Statements section of our report. We are independent of the Group and Company in accordance with 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 consolidated and separate 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 period. 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.

<table>
<tr><td colspan="2">Revenue Recognition
Refer to significant accounting policies (Note 3(q)) and related disclosures (Note 5) of the consolidated and separate financial statements.</td></tr>
<tr><td>The key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>The Group generates revenue majorly from the following key activities - provision of courier services, freight services, logistics, mail management services, warehousing, and general haulage services while the Company generates revenue mainly from courier services.

Revenue is the most significant and impacts key performance indicators on which the Group and Company Directors are assessed.

We consider revenue recognition to be a key audit matter due to the number of transactions that occur close to year-end and the potential impact of the cutoff date of these transactions on the consolidated and separate financial statements.</td><td>Our audit procedures included the following:

- We evaluated the design, implementation, and operating effectiveness of identified controls around the recognition of revenue.
- We tested revenue transactions using statistical sampling methods and agreed such transactions to invoices and waybills.
- We reconciled cash sales transactions to receipts in the bank statements.
- We performed revenue cut-off procedures by assessing whether revenue transactions occurring both prior to and after the year end date were recognized in the appropriate period.
- We evaluated the appropriateness and presentation of related disclosures in line with the relevant accounting standards.</td></tr>
</table>

Other Information

The Directors are responsible for the other information. The other information comprises the Corporate Information, Directors' report, Corporate governance report, Statement of Directors' responsibilities in relation to the Consolidated and Separate Financial Statements, Statement of Corporate responsibility for the Consolidated and Separate Financial Statements, Audit Committee's Report, Certification of Management's assessment of Internal Control over Financial Reporting, Management's report on the Effectiveness of Internal Control over Financial Reporting and Other National Disclosures which we obtained prior to the date of this auditor's report, but does not include the consolidated and separate financial statements and our auditor's report thereon. Other information also includes the Corporate profile, Profile of Board of Directors, Chairman's statement, Group Managing Director's review, Sustainability & CSR report and Red Star Foundation report, together the "outstanding reports", which are expected to be made available to us after that date.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will 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 consolidated and separate financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we have 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.

When we read the outstanding reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements
The Directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023 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 Group and 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 Group and Company or to cease operations, or have no realistic alternative but to do so.

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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and 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 Group and Company to cease to continue as a going concern.
- Evaluate 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

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

We also provide the Audit Committee 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, actions taken to eliminate threats or safeguards applied.

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

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Schedule 5 of the Companies and Allied Matters Act (CAMA), 2020.

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. In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books.
iii. The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

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

In accordance with the requirements of the Financial Reporting Council of Nigeria, we performed a limited assurance engagement and reported on management's assessment of the Group's internal control over financial reporting as of 31 March 2025. The work performed was done in accordance with ISAE 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. We have issued an unmodified conclusion in our report dated 30 June 2025. That report is included on pages 16 to17of the Annual Report.

Signed:

Dunni D. Okegbemila, FCA
FRC/2012/ICAN/00000000411
For: KPMG Professional Services
Chartered Accountants
30 June 2025
Lagos, Nigeria

CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

in thousands of naira	Note	The Group 2025 N'000	The Group 2024 N'000	The Company 2025 N'000	The Company 2024 N'000
Assets					
Property, plant and equipment	10	2,811,340	3,250,518	1,737,882	1,830,174
Intangible assets	11	154,627	9,968	154,627	9,968
Right-of-use assets	21	145,317	104,165	133,817	96,759
Prepayments	12	55,518	16,145	7,870	1,773
Equity instrument at FVTOCI	13	3,357	2,174	3,357	2,174
Investments in subsidiaries	14	-	-	1,153,065	1,153,065
Employee benefit assets	23	155,076	252,628	155,076	252,628
Non-current assets		**3,325,235**	**3,635,598**	**3,345,694**	**3,346,541**
Inventories	16	73,141	70,638	61,796	63,212
Trade and other receivables	17	5,189,610	4,233,951	2,847,999	3,228,622
Prepayments	12	322,959	184,367	113,498	72,505
Cash and cash equivalents	18	1,367,989	1,119,291	878,056	571,191
Current assets		**6,953,699**	**5,608,247**	**3,901,349**	**3,935,530**
Total assets		**10,278,934**	**9,243,845**	**7,247,043**	**7,282,071**
Equity					
Share capital	19	477,211	477,211	477,211	477,211
Share premium	19	1,515,600	1,515,600	1,515,600	1,515,600
Fair Value Reserve	19	2,822	1,639	2,822	1,639
Retained earnings		2,886,934	2,679,378	1,594,120	1,645,205
Total equity		**4,882,567**	**4,673,828**	**3,589,753**	**3,639,655**
Liabilities					
Lease liabilities	20	13,640	47,658	13,640	47,658
Deferred tax liabilities	9(d)	216,632	236,605	122,399	179,505
Loans and Borrowings	22	-	167,379	-	113,306
Long-term service awards	23(b)	1,512	-	1,512	-
Non-current liabilities		**231,784**	**451,642**	**137,551**	**340,469**
Loans and Borrowings	22	113,306	262,428	113,306	190,021
Trade and other payables	24	4,721,932	3,704,412	3,251,962	3,078,513
Lease liabilities	20	45,497	27,051	45,497	27,051
Current tax liabilities	9©	283,848	124,484	108,974	6,362
Current liabilities		**5,164,583**	**4,118,375**	**3,519,739**	**3,301,947**
Total liabilities		**5,396,367**	**4,570,017**	**3,657,290**	**3,642,416**
Total equity and liabilities		**10,278,934**	**9,243,845**	**7,247,043**	**7,282,071**

These financial statements were approved by the Board of Directors on 27 June 2025 and are signed on its behalf by:

Suleiman Barau	**Auwalu Badamasi Babura**	**Valentine Onyibo**
Chairman	Group Managing Director/CEO	Chief Finance Officer (CFO)
FRC/2015/PRO/DIR/003/00000011559	FRC/2016/PRO/DIR/003/00000014402	FRC/2013/PRO/ICAN/001/00000003908

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

CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2025

		Group		Company	
		2025	**2024**	**2025**	**2024**
in thousands of naira	**Notes**	**N'000**	**N'000**	**N'000**	**N'000**
Revenue	5	21,660,339	16,127,752	10,609,408	7,581,574
Cost of sales	7(a)	(15,733,611)	(11,691,115)	(7,098,814)	(5,304,698)
Gross profit		**5,926,728**	**4,436,637**	**3,510,594**	**2,276,876**
Other operating income	8	439,305	60,875	166,127	113,430
Administrative expenses	7(b)	(5,171,001)	(3,854,565)	(2,904,720)	(2,085,911)
Impairment losses on financial assets	27(b)	(250,853)	(64,736)	(278,324)	(60,812)
Operating profit		**944,179**	**578,211**	**493,677**	**243,583**
Finance income	6(a)	39,752	22,305	34,776	856
Finance costs	6(b)	(59,216)	(58,370)	(59,216)	(20,016)
Net finance (costs)/income		**(19,464)**	**(36,065)**	**(24,440)**	**(19,160)**
Profit before taxation		**924,715**	**542,146**	**469,237**	**224,423**
Income tax expense	9(a)	(378,194)	(199,143)	(181,357)	(69,065)
Profit for the year		**546,521**	**343,003**	**287,880**	**155,358**
Other comprehensive income, net of tax					
Items that will never be reclassified to profit or loss:					
Net change in fair value on Equity Instruments at FVOCI	13	1,183	1,308	1,183	1,308
Re-measurement gain/(loss) on defined benefit plan	23(d)	(121,300)	(85,601)	(121,300)	(85,601)
Tax effect		40,029	28,248	40,029	28,248
Other comprehensive income/(loss), net of tax		**(80,088)**	**(56,045)**	**(80,088)**	**(56,045)**
Total comprehensive income for the year		**466,433**	**286,958**	**207,792**	**99,313**
Profit attributable to ordinary equity holders		546,521	343,003	287,880	155,358
Total comprehensive income for the year attributable to ordinary equity holders		466,433	286,958	207,792	99,313
Basic earnings per share	15	0.57	0.36	0.30	0.16

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

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

in thousands of naira		Share Capital N'000	Share Premium N'000	Retained Earnings N'000	Other Reserves N'000	Total N'000
Balance at 1 April 2023		**477,211**	**1,515,600**	**2,584,613**	**331**	**4,577,755**
Profit for the year		-	-	343,003	-	343,003
Other comprehensive income		-	-	(57,353)	1,308	(56,045)
Total comprehensive income		**-**	**-**	**285,650**	**1,308**	**286,958**
Transactions with owners of the company						
Dividend	24(c)	-	-	(190,885)	-	(190,885)
Total transactions with the owners of the Company		**-**	**-**	**(190,885)**	**-**	**(190,885)**
Balance at 31 March 2024		**477,211**	**1,515,600**	**2,679,378**	**1,639**	**4,673,828**
		=======	========	========	======	========

in thousands of naira	Note	Share Capital N'000	Share Premium N'000	Retained Earnings N'000	Other Reserves N'000	Total N'000
Balance at 1 April 2024		**477,211**	**1,515,600**	**2,679,378**	**1,639**	**4,673,828**
Profit for the year		-	-	546,521	-	546,521
Other comprehensive income		-	-	(81,271)	1,183	(80,088)
Total comprehensive income		**-**	**-**	**465,250**	**1,183**	**466,433**
Transactions with owners of the company						
Dividend	24(c)	-	-	(257,694)	-	(257,694)
Total transactions with the owners of the Company		**-**	**-**	**(257,694)**	**-**	**(257,694)**
Balance at 31 March 2025		**477,211**	**1,515,600**	**2,886,934**	**2,822**	**4,882,567**
		=======	========	========	=======	========

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

SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

in thousands of naira		Share Capital N'000	Share Premium N'000	Retained Earnings N'000	Fair Value Reserve N'000	Total N'000
Balance at 1 April 2023		**477,211**	**1,515,600**	**1,738,085**	**331**	**3,731,227**
Profit for the year		-	-	155,358	-	155,358
Other comprehensive income		-	-	(57,353)	1,308	(56,045)
Total comprehensive income		**477,211**	**1,515,600**	**98,005**	**1,308**	**99,313**
Transactions with owners of the company						
Dividend	24(c)	-	-	(190,885)	-	(190,885)
Total transactions with the owners of the Company		**-**	**-**	**(190,885)**	**-**	**(190,885)**
Balance at 31 March 2024		**477,211**	**1,515,600**	**1,645,205**	**1,639**	**3,639,655**
		=======	========	========	======	========

in thousands of naira	Note	Share Capital N'000	Share Premium N'000	Retained Earnings N'000	Fair Value Reserve N'000	Total N'000
Balance at 1 April 2024		**477,211**	**1,515,600**	**1,645,205**	**1,639**	**3,639,655**
Profit for the year		-	-	287,880	-	287,880
Other comprehensive income		-	-	(81,271)	1,183	(80,088)
Total comprehensive income		477,211	1,515,600	206,609	1,183	207,792
Transactions with owners of the company						
Dividend	24(c)	-	-	(257,694)	-	(257,694)
Total transactions with the owners of the Company		**-**	**-**	**(257,694)**	**-**	**(257,694)**
Balance at 31 March 2025		**477,211**	**1,515,600**	**1,594,120**	**2,822**	**3,589,753**
		=======	=========	========	======	========

The accompanying notes form an integral part of these consolidated and separate financial statements

CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

		Group		Company	
in thousands of naira Note	**Note**	**2025**	**2024**	**2025**	**2024**
Cash flow from operating activities		**N'000**	**N'000**	**N'000**	**N'000**
Profit before taxation		924,715	542,146	469,237	224,423
Adjustments for:					
Depreciation of property, plant and equipment	10(a)	464,746	487,822	223,588	226,159
Write-off of property, plant and equipment	10(a)	161,821	-	-	
Depreciation of Right-of-Use assets	21	81,592	78,484	62,686	61,198
Amortisation of intangible assets	11	24,007	22,230	24,007	22,230
(Gain)/loss on sale of property, plant and equipment	8	(234,119)	584	-	584
Finance costs	6(b)	59,216	58,370	59,216	20,016
Finance income	6(a)	(39,752)	(22,305)	(34,776)	(856)
Impairment (reversal)/losses on short term deposits	18(a)	(197)	(826)	-	(821)
Impairment losses on other financial assets	27(b)	250,853	64,736	278,324	(60,812)
Past service costs	23	-	50,810	-	50,810
Net interest income	23	(23,748)	(38,691)	(23,748)	(38,691)
Net measurement gains in long term service award	23	9,637	-	9,637	-
Changes in:					
Inventory	16	(2,503)	27,391	1,416	26,583
Prepayments		(177,965)	137,770	(47,090)	(15,908)
Trade and other receivables	17	(1,361,594)	(496,823)	24,452	(343,813)
Trade and other payables	24(a)	1,003,322	503,790	156,307	273,381
		1,131,031	**1,415,488**	**1,203,256**	**566,107**
Income taxes paid	9(c)	(43,693)	(65,448)	(17,975)	(18,408)
Employee benefits paid	23	(8,125)	(103,602)	(8,125)	(103,602)
Net Cash generated from operating activities		**1,079,213**	**1,246,438**	**1,177,156**	**444,097**
Cash flows from investing activities					
Acquisition of property, plant and equipment	10(a)	(478,575)	(533,908)	(282,759)	(284,597)
Acquisition of right-of-use assets	21	(61,737)	(58,363)	(38,737)	(51,645)
Acquisition of intangible assets	11	(17,203)	(2,363)	(17,203)	(2,363)
Proceeds from sale of property, plant and equipment	10(a)	382,842	-	-	-
Interest received	6(a)	6,910	1,483	5,219	259
Net cash used in investing activities		**(167,763)**	**(593,151)**	**(333,480)**	**(338,346)**
Cash flow from financing activities					
Dividend paid	24(c)	(257,694)	(190,885)	(257,694)	(190,885)
Proceeds from loans and borrowing	22	-	650,000	-	650,000
Principal repayment of borrowings	22	(314,391)	(541,798)	(187,911)	(410,285)
Interest repayment of borrowings	22	(52,216)	(52,990)	(52,216)	(11,309)
Interest repayment of lease	20	(9,110)	(8,549)	(9,110)	(8,549)
Principal repayment of leases	20	(57,917)	(8,451)	(57,917)	(8,451)
Net cash (used in)/generated from financing activities		**(691,328)**	**(152,673)**	**(564,848)**	**20,521**
Net increase in cash and cash equivalents		**220,122**	**500,614**	**278,828**	**126,272**
Cash and cash equivalents at the beginning of the year		1,119,488	590,167	571,191	416,212
Effects of movement in exchange rates on cash held		28,379	28,707	28,037	28,707
Cash and cash equivalents at the end of the year	**18**	**1,367,989**	**1,119,488**	**878,056**	**571,191**

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

1 Reporting entity

Red Star Express Plc was incorporated as a Private Limited Company on 10th of July 1992 under the name, Red Star Express Nigeria Limited and commenced business operations on 12th of October 1992. The Company was subsequently converted to a Public Company in July 2007 and had its shares listed on the Nigerian Stock Exchange on November 14, 2007.

The Company has three (3) subsidiaries; Red Star Logistics Limited, Red Star Freight Limited and Red Star Support Services Limited. The results of the Company's subsidiaries have been consolidated in these consolidated and separate financial statements.

The Group is principally engaged in the provision of courier services, mail management services, freight services, logistics, ware housing and general haulage.

2 Basis of preparation

(a) Statement of compliance

The consolidated and separate financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA) 2020, and the Financial Reporting Council of Nigeria (Amendment) Act, 2023. The consolidated and separate financial statements of the Group and Company were authorised for issue by the Board of Directors on 27 June 2025.

These consolidated and separate financial statements cover the financial year from 1 April 2024 to 31 March 2025.

(b) Basis of measurement

The consolidated and separate financial statements have been prepared in accordance with the going concern assumption under the historical cost concept except for the following items, which are measured on an alternative basis on each reporting date:

- Non-derivative financial instruments – Initially measured at fair values and subsequently measured at amortized cost using effective interest rate.
- Equity investments – initially measured at fair values and subsequently measured at fair value through other comprehensive income.
- Long term employee benefit obligation (gratuity and long service award) - fair value of plan assets less the present value of the defined benefit obligation.

(c) Functional and presentation currency

The consolidated and separate financial statements are presented in Naira, which is the Group and Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

(d) Use of judgment and estimates

In preparing these consolidated and separate financial statements, management has made judgments, estimates and assumptions that affect the application of the Group and Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on going basis. Revisions to estimates are recognised prospectively.

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following Note 20 – Leases: whether or not arrangement contains a lease and whether the Group is reasonably certain to exercise extension options.

Assumptions and estimation uncertainties
Information about assumptions and estimation uncertainties that have a significant impact on the reported amounts, and have a risk of resulting in a material adjustment in the financial statements is included in the following notes:

Note 29 – Recognition and measurement of provisions, contingent liabilities and commitments: judgments about the likelihood and magnitude of an outflow of resources.

Note 27 – Measurement of expected credit loss (ECL) allowance for trade receivables, other receivables, contract assets and all financial assets : key assumption on determining the weighted average loss rate.

Note 23 – Measurement of long-term employee benefits: actuarial and financial assumptions.

(e) Measurement of fair values
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

A number of the Group and Company's accounting policies and disclosures require the determination of fair values, for both financial and non- financial assets and liabilities. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

When measuring the fair value of an asset or a liability, the Group uses observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. as derived from prices).

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

In some cases, if the inputs used to measure the fair value of an asset or a liability are categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group and Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 27 – financial instruments - financial risk management and fair values

3 Material accounting policies
The Group and Company have consistently applied the following material accounting policies to all periods presented in these consolidated and separate financial statements.

a) Basis of consolidation

(i) Business combination

The Group and Company account for business combinations using the acquisition method when control is transferred to the Group and Company. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. The excess of the purchase consideration over the fair value of identifiable net asset is recognised as goodwill on acquisition. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries are modified where necessary to align them with the policies adopted by the Company.

(iii) Loss of control

When the Company loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non controlling interest and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Company's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

b) Leases

At inception of a contract, the Group and Company assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group and Company use the definition of a lease in IFRS 16.

i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group and Company allocate the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group and Company have elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group and Company recognise a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group and Company by the end of the lease term or the cost of the right-of-use asset reflects that the Group and Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group and Company's incremental borrowing rate. Generally, the Group and Company use its incremental borrowing rate as the discount rate.

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

- fixed payments, including in-substance fixed payments
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group and Company are reasonably certain to exercise, lease payments in an optional renewal period if the Group and Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group and Company is reasonably certain it will exercise the option to terminate the lease early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group or Company's estimate of the amount expected to be payable under a residual value guarantee, if the Group or Company change its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liabilities are presented on the face of the consolidated and separate statements of financial position, differentiating between current liabilities and non-current liabilities.

The Group and Company present right-of-use assets that do not meet the definition of investment property in right-of-use assets in the consolidated and separate statements of financial position.

Short-term leases and leases of low-value assets
The Group and Company have elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group and Company recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Land 20 years
- Office buildings 2 - 3 years
- Warehouse 2 - 3 years
- Motor Vehicles 2 - 4 years

If ownership of the leased asset transfers to the Group and the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

c) Foreign currency
Transactions denominated in foreign currencies are translated and recorded in Naira at the actual exchange rates as of the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when the fair value was determined.

Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

d) Financial instruments

i Recognition and initial measurement
Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group and Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii Classification and measurement
On initial recognition, a financial asset is classified as measured at: amortised cost; Fair value through other comprehensive income (FVOCI) - debt investment; FVOCI - equity investment; or Fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group and Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL

- it is held within a business model whose objective is to hold assets to collect contractual cash flows;
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investments that are not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in Other Comprehensive Income (OCI). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - Business model assessment

The Group and Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group and Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL

Financial assets – Assessment of whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group and Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group and Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition and offsetting

Financial Assets

The Group and Company derecognises a financial asset when the contractual rights to the cash flows from then financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group and Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group and Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

Financial Liabilities

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 365 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

e) Capital and other reserves

i. Share capital

The Company has only one class of shares, ordinary shares. Ordinary shares are classified as equity. When new shares are issued, they are recorded in share capital at their par value. The excess of the issue price over the par value is recorded as share premium. All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

ii. Retained earnings
Retained earnings represents the Group's and Company's accumulated earnings since its inception, less any distributions to shareholders, and net of any prior period adjustments. A negative amount of retained earnings is reported as deficit or accumulated deficit.

iii. Other reserves
Other reserves comprise of actuarial gains and losses on defined benefit plan scheme and the cumulative net change in the fair value of equity securities designed at FVOCI.

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

v. Dividend on ordinary shares
Dividends on the Group's ordinary shares are recognized in equity in the period in which they are paid or, if earlier, approved by the Group's shareholders.

vi. Basic earnings per share
Basic earnings are determined by dividing the profit attributable to share-holders by the weighted average number of shares on issue during the year.

f) Property, plant and equipment

i. Recognition and measurement
The cost of an item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Property, plant and equipment under construction are disclosed as capital work-in-progress. The cost of self-constructed asset includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use including, where applicable, the costs of dismantling and removing the items and restoring the site on which they are located and borrowing costs on qualifying assets.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Items of PPE are subsequently measured at cost less accumulated depreciation and any accumulated impairment losses. When parts of an item of PPE have different useful lives, they are accounted for as separate items (major components) of PPE.

ii. Subsequent expenditure
Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

iii. Depreciation
Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, which reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group and Company will obtain ownership by the end of the lease term in which case the assets are depreciated over the useful life. Items of property, plant and equipment are depreciated from the date they are available for use.

The estimated useful life for the current and comparative periods are as follows:

- Freehold land	Indefinite
- Leasehold land	Over the lease period
- Buildings	40 years
- Improvement on building	Remaining depreciable life
- Plant and machinery	3 - 12 years
- Motor vehicles	3 - 10 years
- Motor cycles	4 - 5 years
- Furniture, fittings and equipment	5 - 10 years
- Computer equipment	3 years

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

Capital work-in-progress is not depreciated. The attributable cost of each asset is transferred to the relevant asset category immediately the asset is available for use and depreciated accordingly.

iv, Derecognition

An item of property, plant and equipment is derecognised upon disposal or when the asset is permanently withdrawn from use and no future economic benefits are expected from the disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in the profit or loss.

g) Intangible assets

Intangible assets that are acquired by the Group and Company and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

The Group and Company's intangible assets with finite useful life comprises computer software. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific intangible asset to which it relates.

Amortisation is calculated over the cost of the asset less its residual value. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. The estimated useful life of computer software for current and comparative periods is three (3) years.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss.

h) Impairment

i. Non-derivative financial assets

The Group and Company recognise an allowance for impairment on financial assets held at amortised cost, and also contract assets on an expected credit loss basis. Increases and decreases in the impairment allowance are recognised in profit or loss. The expected credit losses are the difference between the contractual cash flows (or transaction price) due in accordance with the contract and all the cash flows that the group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms (if any).

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

For trade receivables and intergroup receivables (involving sales in the ordinary course of business), the group applies a simplified approach in calculating ECLs. Therefore, the group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For receivables from related parties (non-trade), and staff loans, the group applies general approach in calculating ECLs. It is the group's policy to measure ECLs on such asset on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:
- PD - The Probability of Default is an estimate of the likelihood of default over a given time horizon.
- EAD - The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise.
- LGD - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the group would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD.

When estimating the ECLs, the group considers three scenarios (a base case, an upside, a downside). Each of these is associated with different PDs, EADs and LGDs. In its ECL models, the group relies on a broad range of forward-looking information as economic inputs, such as:
- GDP growth
- Oil price
- Inflation rate

ii. Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGUs is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGUs. An impairment loss is recognised if the carrying amount of an asset or CGUs exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGUs, and then to reduce the carrying amounts of the other assets in the CGUs on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

I) Provisions, contingent liabilities and contingent assets

Provisions

A provision is recognised if, as a result of a past event, when the Group and Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

A provision for restructuring is recognised when the Group and Company have approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group and Company, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are only disclosed and not recognised as liabilities in the statement of financial position. If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

Contingent assets

A contingent asset is a potential economic benefit that is dependent on some future event(s) largely out of a company's control. Contingent assets are not recognised. However, when the realisation of a contingent asset is virtually certain, it is no longer considered contingent and is recognised as an asset in the statement of financial position. The asset is recognised in the period in which the change from contingent asset to asset occurs.

j) Prepayments and advances

Prepayments and advances are non-financial assets which result when payments are made in advance of the receipt of goods or services. They are recognised when the Group and Company expect to receive future economic benefits equivalent to the value of the prepayment. The receipt or consumption of the services results in a reduction in the prepayment and a corresponding increase in expenses or assets for that reporting period.

k) Employee benefits

i. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group and Company has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Defined contribution plan

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

In line with the provisions of the Pension Reform Act 2014, the Group and Company has instituted a defined contribution pension scheme for its permanent staff. Staff contributions to the scheme are funded through payroll deductions while the Group and Company's contribution are recognised in profit or loss as employee benefit expense in the periods during which services are rendered by employees. Employees contribute 8% of their basic salary, housing and transport allowances and the Group and Company contributes 10% of each employee's basic salary, housing and transport allowances to the scheme.

iii Defined benefit plan

The cost of the defined benefit pension plan and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers only the Nigerian Government bonds market yield as at the reporting date.

The liability recognised in the statement of financial position in respect of defined gratuity scheme is the present value of the gratuity obligation at the date of the statement of financial position less the fair value of any plan asset. Re-measurements, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

iv. Long service award

The Group provides Long Service Award benefits to eligible employees. The benefits are graduated depending on the employees number of years in service to the Company. The nature and value of the awards or gifts are determined at the discretion of Management.

The obligation is determined by an independent actuary at each reporting period using the projected unit credit method. Any remeasurement gains or losses arising from this valuation are fully recognised in the profit or loss under other income or administrative expenses. The current service cost is recorded within administrative expenses, while the interest cost is included under finance costs in the profit or loss.

l) Finance income and finance costs

Finance income comprises interest income on funds invested, gains on the disposal of financial assets, changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings, changes in the fair value of financial assets at fair value through profit or loss and impairment losses recognised on financial assets except finance costs that are directly attributable to the acquisition, construction or production of a qualifying asset which are capitalized as part of the related assets and recognised in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis and presented in finance cost or finance income depending on the net position of currency exchange rate movements.

m) Impairment of investments and receivables from subsidiaries

Management estimates the recoverable amount of the Investment in subsidiaries and receivables from subsidiaries by assessing the value in use and estimated cash flows for the receivables. Estimating the recoverable amount and cash flows involve a number of assumptions, judgements and estimates regarding various inputs.

n) Income and deferred tax

Income tax expense comprises current and deferred tax plus any tax adjustment in respect of previous years. Current and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date in Nigeria. Current income tax assets and liabilities also include adjustments for tax expected to be payable or recoverable in respect of previous periods. Current income tax relating to items recognised directly in equity or other comprehensive income is recognised in equity or other comprehensive income and not in the profit or loss. It is assessed as follows:

- Company income tax is assessed on taxable profits
- Tertiary tax is computed on assessable profits
- Nigerian police trust fund is computed on profit before tax

Deferred tax

Deferred tax is provided using the liability method in respect of temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits.

No deferred tax is recognised when relating to temporary differences that arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

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

Deferred tax items are recognised in correlation to the underlying transaction either in profit or loss, other comprehensive income or directly in equity.

Tax exposures

In determining the amount of current and deferred tax, the Group and Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Company to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination.

Minimum tax

The Group and Company is subject to the Finance Act of 2020 which amended the Company Income Tax Act (CITA). Total amount of tax payable under the Finance Act is determined based on the higher of two components; Company Income Tax (based on taxable income (or loss) for the year; and Minimum tax (determined based on 0.25% (2022:0.25%) of qualifying Company's turnover less franked investment income).

Taxes based on taxable profit for the period are treated as income tax in line with IAS 12 and therefore, are not presented as part of income tax in line with IAS 12; whereas Minimum tax which is based on a gross amount is outside the scope of IAS 12 and therefore, not presented as part of income tax expense in the profit or loss. The liability is recognised under current tax liability in the statement of financial position. Where the minimum tax charge is higher than the Company Income Tax (CIT), a hybrid tax situation exists. In this situation, the CIT is recognised in the income tax expense line in the profit or loss and the excess amount is presented above the income tax line as minimum tax.

o) Statement of cash flows

The statement of cash flows is prepared using the indirect method. Changes in statement of financial position items that have not resulted in cash flows such as translation differences, fair value changes, and other non-cash items have been eliminated for the purpose of preparing the statement. Dividends paid to ordinary shareholders are included in financing activities. Interest paid is also included in financing activities while finance income is included in investing activities.

p) Related parties

Related parties include the subsidiaries, the Company's shareholders, directors, their close family members and any employee who is able to exert a significant influence on the operating policies of the Group and Company. Key management personnel are also regarded as related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Related parties transactions of similar nature are disclosed in aggregate except where separate disclosure is necessary for understanding of the effects of the related party transactions on the financial statements of the Company.

q) Revenue from contracts with customers

The Group is principally engaged in the provision of courier services, mail management services, freight services, logistics, ware housing and general haulage. Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the group expects to be entitled in exchange for those services. The group has generally concluded that it is the principal in its revenue arrangements, because it has the right to payments at the point of sale.

Definition of customer

A customer is a party that has contracted with an entity to obtain goods or services that are an output of the entity's ordinary activities in exchange for consideration. The group assesses the definition of customer in line with the requirement of IFRS 15 and conclude that its services are rendered to cash customers and credit customers. Credit customers are further divided into those with Service Level Agreement (SLA) and those without Service Level Agreement (SLA). Cash customers are walk in customers, payment is required from this set of customer before the service can be rendered.

Credit customers without service level agreement (SLA): For this set of customers, the company assist them to send their mails but invoice is tendered at the end of the month for payment. Credit customers with SLA: For this set of customers, a written agreement is entered into for the collection of mails over a specific period.

The services are entirely sold to the three categories of customers and the entities have the right to payments upon sale of the services.

Identification of contracts with customer

The group has entered into a valid contract with customers through the approved Local Purchase Order, quotation or procurement agreement. Such valid contracts commence on performance.

Specifically, the assessment of IFRS 15 criteria in line with the group's contracts reveals the following;

(a) The group and its customers have approved contracts which are usually written and the parties are committed to performing their respective obligations.
(b) The group and its customers understand their rights regarding the services being rendered as it is usually stated in the contracts.
(c) The group have agreed payment terms with their customers as stated in the contracts.
(d) The group contracts with their customers are those of commercial substance. This forms a basis for recognizing revenue and affects the timing of their cash flows.
(e) The group always assesses the probability that it will collect the estimated transaction price from the customer prior to entering the agreement with its customers.

Collectability

IFRS 15 specifies that an entity shall account for a contract with a customer that is within the scope of this Standard only when it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. The group's revenue transaction and procedures shows that the arrangements will pass the collectability criterion as it is probable that it will collect the consideration to which it will be entitled in exchange for the services that will be transferred to a customer.

Identifying performance obligation

IFRS 15 that at contract inception, an entity shall assess the goods or services promised in a contract with a customer and shall identify as a performance obligation each promise to transfer to the customer either:

(a) a good or service (or a bundle of goods or services) that is distinct; or
(b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer. The Group is principally engaged in the provision of courier services, mail room management services, outsourcing, freight services, and logistics, warehousing and general haulage. The performance obligations are the promised services in the contracts. For cash customer and credit customer without SLA, each promised service represents separate performance obligations since the services are distinct (by themselves, or as part of a bundle of services). The Group assessed its contracts with customers as a portfolio of contracts due to the similarity of services to be provided, terms and conditions and accounting treatment and thereby applied the practical expedient all customers' contracts as divided into cash customers, credit customers with and without service level agreement.

Combining contracts

IFRS 15 requires entities to combine contracts entered into at, or near, the same time with the same customer (or related parties of the customer) if they meet one or more of the following criteria:

(a) the contracts are negotiated as a package with a single commercial objective;
(b) the amount of consideration to be paid in one contract depends on the price or performance of the other contract; or
(c) the goods or services promised in the contracts (or some goods or services promised in each of the contracts) are a single performance obligation.

The group assesses the criteria presented in IFRS 15.17 which shows that the group cannot combine contract with same customer because no future transaction is envisaged at the point of entering into a contract and consideration received from each contract is also independent of the performance obligation in another contract with the same customer. However, contracts with similar characteristics and different customers are combined by applying the portfolio approach practical expedient.

Variable consideration

If the consideration in a contract includes a variable amount, the group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The group has assessed that there is no variable consideration in its contracts with customers.

Performance Obligation
Information about the Group and Company performance obligations on the Group's revenue streams are summarised below:

Courier services
Courier relates to the delivery of documents and parcels both locally and internationally, it includes the mail management services. The performance obligation is fulfilled at the point of delivery. The obligations arising from the contractual promises are assessed as services satisfied at a specific point in time, with payment generally due within 30 to 90 days from the date of delivery.

Logistics
Logistics services consist of the haulage of domestic heavyweights, trucking and cargo consolidation. The performance obligation is fulfilled at the point of delivery. Performance obligations arising from the contractual promises are assessed as services that are satisfied at a point in time, with payment generally due within 30 to 90 days from the date of delivery.

Freight services
Freight services include both air and sea transportation of heavyweight cargo, as well as container handling. Revenue is recognized at the point of delivery, as performance obligations related to contractual promises are assessed as services satisfied at a point in time. Payment is generally due within 30 to 90 days from the date of delivery.

Ware housing
Warehousing involves the secure storage of goods in designated storage facilities. The performance obligation is considered fulfilled when the goods are delivered to the customer. Contractual performance obligations are assessed as services satisfied at a point in time, with payment generally due within 30 to 90 days from the date of delivery.

General Haulage
General haulage services consist of the transportation of domestic heavyweights, trucking, cargo consolidation, ancillary services, and warehousing. Supported by a fleet of heavy-duty trucks delivering shipments across Nigeria, the performance obligation is fulfilled at the point of delivery. Obligations arising from contractual agreements are assessed as services satisfied at a specific point in time, with payment generally due within 30 to 90 days from the date of delivery.

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

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

Non-refundable upfront fees
The group on few occasions receive advance payment from customers for services to be provided in the future. These advances are non-refundable. These contracts are wholly unperformed contracts

as at the time of receipt of the advances, hence they create a contract liability. The group will continually recognise advance payment for future goods or services as contract liabilities. Revenue will be recognised when the goods or services are delivered or performed.

s) Borrowing costs

Specific borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized from the date the actual costs on the qualifying assets are incurred. Where such borrowed amount, or part thereof, is invested, the income earned is netted off the borrowing costs capitalized. All other borrowing costs are expensed in the period in which they occur.

Where the entity does not specifically borrow funds to construct a qualifying asset, general borrowing costs are capitalized by applying the weighted average cost of the borrowing cost proportionate to the expenditure on the asset.

Capitalisation of borrowing costs are suspended during extended periods in which the Company and Group suspend active development of a qualifying asset. Any borrowing costs incurred during the extended period in which it suspends the activities necessary to prepare the asset for its intended use or sale. Such costs are costs of holding partially completed assets and do not qualify for capitalisation.

t) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Red Star Express Plc.

An operating segment is a disguisable component of the Group that earns revenue and incurs expenditure from providing related products or services (business segment) or providing products or services within a particular economic environment (geographical segment) and which is subject to risked and returns that are different from those of the other segments.

The Group and Company's primary format for segment reporting is based on business operating segments. Where applicable, segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The basis of segmental reporting has been set out in Note 26.

u) Inventories

Inventories are valued at the lower of cost and net realizable. Costs of inventories shall comprise of the costs of bringing the inventories into its present location and condition.

Net Realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Purchase cost on a first in, first out basis.

v) Expenses

Expenses encompass losses as well as those expenses that arise in the course of the ordinary activities of the entities within the Group. This usually takes the form of an outflow or depletion of assets.

Losses represent other items that meet the definition of expenses and may or may not, arise in the course of the ordinary activities of the Group. Losses represent decreases in economic benefits and as such they are no different in nature from other expenses.

4 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective. The following amended standards and interpretations are not expected to have a significant impact on the Company's financial statements.

- Classification and Measurement of Financial Instruments (Amendment to IFRS 9 and IFRS 7)
- Presentation and Disclosure in Financial Statements (IFRS 18) - Subsidiaries without Public Accountability: Disclosures (IFRS 19)
- Annual Improvements to IFRS Accounting Standards - Volume 11
- 'Sale or Contribution of Assets between an Investor and its Associate or Joint Venture: IFRS 10 Consolidated Financial Statements and IAS 28 (amendments)

Classification and Measurement of Financial Instruments (Amendment to IFRS 9 and IFRS 7)

The amendments apply for reporting periods beginning on or after 1 January 2026.The key amendments include the following:

- *Settlement of financial liabilities through electronic payment systems*: The amendments clarify that a financial liability is derecognised on the 'settlement date'. However, the amendments provide an exception for the derecognition of financial liabilities. This exception allows the company to derecognise its trade payable before the settlement date when it uses an electronic payment system, provided that Settlement of financial liabilities through electronic payment systems: The amendments clarify that a financial liability is derecognised on the 'settlement date'. However, the amendments provide an exception for the derecognition of financial liabilities. This exception allows the company to derecognise its trade payable before the settlement date when it uses an electronic payment system, provided that specified criteria are met.
- *Additional SPPI Test for Contingent Features*: The amendments introduce an additional SPPI test for financial assets with contingent features that are not directly related to a change in basic lending risks or costs – for example, where the cash flows change depending on whether the borrower meets an ESG target specified in the loan contract. Under the amendments, certain financial assets, including those with ESG-linked features, could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature.
- *Clarification on Contractually Linked Instruments (CLIs)* : The amendments clarify the key characteristics of CLIs and how they differ from financial assets with non-recourse features. They also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the 'look through' test).
- *Additional Disclosure Requirements* : The amendments require additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that are not directly related to a change in basic lending risks or costs and are not measured at fair value through profit or loss.

  The Directors of the Company and Group anticipate that the application of these amendments will have no impact on the consolidated and separate financial statements.

Presentation and Disclosure in Financial Statements (IFRS 18)

IFRS 18 will replace 1AS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures(MPMs) are disclosed in a single note in the financial statements.

- Enhanced guidance is provided on how to group information in the financial statements.
  In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.
  The Company and Group is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Company's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs.

The Directors of the Company and Group anticipate that the application of these amendments will have no impact on the consolidated and separate financial statements.

Subsidiaries without Public Accountability: Disclosures (IFRS 19)
IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. The effective date of the amendment is for years beginning on or after 1 January 2027. The new standard introduces the following key new requirements:

- The Standard provides that subsidiaries using IFRS Accounting Standards but that do not have public accountability, and have parents that produce consolidated accounts, can substantially reduce their disclosures and focus more on users' needs.
- The standard offers eligible subsidiaries a practical way of addressing the problems of over-disclosure while reducing reporting costs by removing the need to either provide disclosures beyond users' needs or to maintain two separate sets of accounting records.

The Directors of the Company and Group anticipate that the application of these amendments will have no impact on the consolidated and separate financial statements.

Annual Improvements to IFRS Accounting Standards - Volume 11 (effective 1 January 2026)
These amendments, published in a single document, include clarifications, simplifications, corrections and changes aimed at improving the consistency of several IFRS Accounting Standards. The amended Standards are:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instrument
- IFRS 10 Consolidated Financial Statement; and IAS 7 Statement of Cash Flows

The Directors of the Company and Group anticipate that the application of these amendments will have no impact on the consolidated and separate financial statements.

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture: IFRS 10 Consolidated Financial Statements and IAS 28 (amendments)
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 is yet to be set by the IASB; however, earlier application of the amendments is permitted.

The Directors of the Company and Group anticipate that the application of these amendments will have no impact on the consolidated and separate financial statements.

5 Revenue

Revenue streams

The Group generates revenue from provision of courier services, mail management services, freight services, logistics, ware housing and general haulage.

	Group		Company	
in thousands of naira	**2025**	**2024**	**2025**	**2024**
	N'000	**N'000**	**N'000**	**N'000**
Revenue from contract with customers	21,660,339	16,127,752	10,609,408	7,581,574
Total Revenue	**21,660,335**	**16,127,752**	**10,609,408**	**7,581,574**

Disaggregation of revenue from contracts with customers

Revenue from contracts with customers is analysed by nature and timing of revenue recognition as follows:

Nature of revenue

in thousands of naira	**2025**	**2024**	**2025**	**2024**
Courier	10,609,408	7,581,574	10,609,408	7,581,574
Logistics	3,698,489	2,997,719	-	-
Freight	4,262,489	3,052,715	-	-
Support services	3,089,953	2,495,744	-	-
Revenue from contracts with customers	**21,660,339**	**16,127,752**	**10,609,408**	**7,581,574**

- Revenue from contracts with customers is recognised at a point in time
- Revenue from courier relates to the delivery of documents and parcels both locally and internationally, it includes the mail management services.
- Logistics relates to services involving warehousing and chain distribution services.
- Freight services is involved in clearing and forwarding of goods (importation and export services).
- Support services relates to mail room management and other delivery services.

Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	2025			
in thousands of naira	**Services**	**Logistics**	**Freight**	**Total**
Courier	10,609,408	-	-	10,609,408
Mail management services	1,103,295	-	-	1,103,295
Freight	-	-	4,262,489	4,262,489
Logistics	-	3,698,489	-	3,698,489
Support services	1,986,658	-	-	1,986,658
Total revenue from contracts with customers	**13,699,361**	**3,698,489**	**4,262,489**	**21,660,339**

	2024			
in thousands of naira	**Services**	**Logistics**	**Freight**	**Total**
Courier	7,581,574	-	-	7,581,574
Mail management services	1,591,910	-	-	1,591,910
Freight	-	-	3,052,715	3,052,715
Logistics	-	2,997,719	-	2,997,719
Support services	903,834	-	-	903,834
Total revenue from contracts with customers	**10,077,318**	**2,997,719**	**3,052,715**	**16,127,752**

6 Finance income and costs

(a) Finance income comprises the following

in thousands of naira	Group		Company	
Interest on bank deposits	6,910	1,483	5,219	259
Derecognition of lease liabilities	18,662	-	18,662	-
Net exchange gain	14,180	20,822	10,895	597
	39,752	**22,305**	**34,776**	**856**

(b) Finance costs comprise the following:

	Group		Company	
in thousands of naira	**2025 N'000**	**2024 N'000**	**2025 N'000**	**2024 N'000**
Interest on bank loans	50,106	49,821	50,106	11,467
Interest on lease liabilities	9,110	8,549	9,110	8,549
Net exchange loss	**59,216**	**58,370**	**59,216**	**20,016**

7 Expense by nature

(a) Cost of sales
in thousands of naira

National Network Provider (NNP) pick-up and delivery charges	3,226,202	2,114,230	2,487,717	1,374,221
Staff cost	1,744,040	1,459,734	859,051	669,639
Vehicle running costs	3,998,616	2,967,081	1,098,668	814,897
Clearing and documentation charges	2,250,754	1,638,727	222,492	202,267
Domestic freight and Local deliveries	1,979,166	1,352,911	963,144	1,020,438
Direct Operational Costs	509,701	509,502	400,128	402,060
Depreciation of property, plant and equipment (PPE) - Note 10	325,323	341,312	156,698	158,392
Medical-direct staff	300,128	266,836	154,477	118,755
Agent costs	312,036	317,913	283,927	300,579
Training	75,147	31,790	62,350	17,903
Projects and Consolidation expenses	401,202	294,855	-	-
Local transport	375,453	163,547	318,982	106,643
Depreciation-right of use asset	77,153	78,771	58,246	61,486
Retirement benefit	5,638	65,259	-	39,462
Rents and rates of outlets	153,052	88,647	32,934	17,956
	15,733,611	**11,691,115**	**7,098,814**	**5,304,698**

* These expenses represent the costs incurred by Red Star Express Plc in engaging local logistics or courier services on behalf of FedEx to ensure the efficient delivery of goods within the country.

(b) Administrative expenses

	Group		Company	
in thousands of naira	**2025**	**2024**	**2025**	**2024**
	N'000	**N'000**	**N'000**	**N'000**
Repairs and maintenance	528,087	415,436	293,530	201,616
Power and water	445,735	385,991	343,242	287,004
Printing and stationery	323.234	174,833	271,930	144,212
Staff cost	1,731,305	1,487,641	805,930	665,984
Insurance and licensing	366,101	130,935	52,957	55,640
Communication and telephone	329,314	103,080	285,437	61,264
Subscriptions	133,168	138,048	47,368	90,626
Donations	64,085	33,971	50,573	14,490
Hotel accommodation and entertainment	173.957	110,807	111,165	73,705
Transportation and travelling costs	154,899	86,343	84,732	74,937
Legal and professional charges*	126,048	171,698	87,551	97,644
Security expenses	94,879	65,835	70,443	28,718
Training	50,098	21,194	41,566	11,936
Publicity and promotion	99,841	47,175	74,213	23,563
Amortisation of intangible assets	24,007	22,230	24,007	22,230
Bank charges	74,422	27,918	50,524	25,694
Auditor's remuneration (Note 7(c)	37,686	33,250	26,235	23,850
Annual general meeting expenses	27,348	17,642	17,206	13,754
Newspaper and periodicals	3,008	2,448	2,165	1,555
Write off of trade receivables	115,729	117,455	30,585	48,712
Depreciation of PPE (Note 10)	139,424	146,277	67,156	67,882
Medical expenses	128,626	114,358	66,205	50,895
	5,171,001	**3,854,565**	**2,904,720**	**2,085,911**

in thousands of naira	**N'000**	**N'000**	**N'000**	**N'000**
(c) Auditors' remuneration is detailed in the table below				
Audit fees	28,886	25,250	19,635	17,850
Assurance on ICFR	8,800	8,000	6,600	6,000
	37,686	**33,250**	**26,235**	**23,850**

8 Other operating income

Dividend from subsidiaries	-	-	158,362	77,899
Sundry income*	196,186	61,459	7,765	36,115
Gain (Loss) on sales of property,	243,119	(584)	-	(584)
	439,305	**60,875**	**166,127**	**113,430**

*Sundry income relates to recovery of bad debt and insurance claims received. (2024:N61million)

9 Taxation

(a) Income tax expense

The tax charge for the year has been computed after adjusting for certain items of expenditure and income, which are not deductible or chargeable for tax purposes, and comprises:

	Group		Company	
	2025	**2024**	**2025**	**2024**
in thousands of naira	**N'000**	**N'000**	**N'000**	**N'000**
Current tax expense				
Income tax	188,666	180,068	84,169	52,479
Tertiary education tax	44,545	32,956	24,703	12,199
Nigerian Police trust fund levy	54	20	23	11
Capital gains tax	24,312	-	-	-
Prior year under provision	100,561	-	89,539	-
	358,138	**213,044**	**198,434**	**64,689**
Deferred tax charge				
Origination and reversal of temporary differences	20,056	(13,901)	(17,077)	4,376
	378,194	**199,143**	**181,357**	**69,065**

(b) Reconciliation of effective tax rate

	%	2025	%	2024	%	2025	%	2024
Profit before income tax		**924,715**		**542,146**		**469,237**		**224,423**
Nigeria's statutory income tax rate of 30%	30	277,415	30	162,644	30	140,771	30	67,338
Education tax @ 3% (2024:3%)	3	27,741	3	16,264	3	14,077	3.0	6,734
Nigerian Police Trust Fund Levy	-	46	-	20	-	23	-	11
Non-deductible expenses/income	2	16,145	4	20,784	0	1,360	(2)	(4,449)
Tax exempt income	(2)	(20,460)	(0)	(379)	(11)	(52,140)	(0)	(379)
Tax incentive	-	-	(0)	(190)	-	-	(0)	(190)
Prior year under provision	11	100,561	-	-	-	89,539	-	-
	43	**401,448**	**37**	**199,143**	**41**	**193,630**	**31**	**69,065**

	Group		Company	
in thousands of naira	**2025**	**2024**	**2025**	**2024**
	N'000	**N'000**	**N'000**	**N'000**
(c) Movement in current tax liability				
At 1 April	124,484	204,262	6.362	119,396
Current tax provision*	358,138	213,044	198,434	64,689
Payment during the year	(43,692)	(65,448)	(17,975)	(18,408)
Withholding tax credit utilized	(155,082)	(227,374)	(77,847)	(159,315)
Current tax liabilities, net	**283,848**	**124,484**	**108,974**	**6,362**

*This consists of income tax, tertiary education tax, Nigerian Police trust fund levy and capital gains tax in the current period.

(d) Deferred taxation

in thousands of naira				
At 1 April	236,605	278,754	179,505	203,377
Deferred tax charge/(credit) for the year recognized in profit of loss	20,056	(13,901)	(17,077)	4,376
Tax credit during the period recognized in OCI	(40,029)	(28,248)	(40,029)	(28,248)
At 31 March	**216,632**	**236,605**	**122,399**	**179,505**

(e) Movement in deferred income tax asset during the year:

Group

in thousands of naira	**Deferred tax assets /(liabilities) at 31 March 2024**	**Deferred tax assets /(liabilities) at 1 April 2024**	**Recognised in profit or loss**	**Recognised in OCI**	**Deferred tax assets /(liabilities) at 31 March 2025**
Property, plant and equipment	(290,562)	(290,562)	(24,631)	-	(315,193)
Right of use assets and lease liabilities	(14,216)	(14,216)	(1,205)	-	(15,421)
Impairment of financial assets	26,235	26,235	2,224	-	28,459
Retirement benefit obligations	25,829	25,829	2,190	40,029	68,048
Foreign exchange differences	16,109	16,109	1,366	-	17,475
	(236,605)	**(236,605)**	**(20,056**	**40,029**	**(216,632)**

Group

in thousands of naira	**Deferred tax assets /(liabilities) at 31 March 2023**	**Deferred tax assets /(liabilities) at 1 April 2023**	**Recognised in profit or loss**	**Recognised in OCI**	**Deferred tax assets /(liabilities) at 31 March 2024**
Property, plant and equipment	(312,696)	(312,696)	22,134	-	(290,562)
Right of use assets and lease liabilities	(14,464)	(14,464)	248	-	(14,216)
Impairment of financial assets	20,683	20,683	5,552	-	26,235
Retirement benefit obligations	29,004	29,004	(31,423)	28,248	25,829
Foreign exchange differences	(1,281)	(1,281)	17,390	-	16,109
	(278,754)	**(278,754)**	**(13,901)**	**(28,248)**	**(236,605)**

Company

in thousands of naira	**Deferred tax assets /(liabilities) at 31 March 2024**	**Deferred tax assets /(liabilities) at 1 April 2024**	**Recognised in profit or loss**	**Recognised in OCI**	**Deferred tax assets /(liabilities) at 31 March 2025**
Property, plant and equipment	(232,410)	(232,410)	(9,987)	-	(242,397)
Right of use assets and lease liabilities	(14,216)	(14,216)	(8,997)	-	(23,213)
Impairment of financial assets	41,441	41,441	116,013	-	157,454
Retirement benefit obligations	25,829	25,829	(76,506)	40,029	(10,648)
Foreign exchange differences	(149)	(149)	(3,446)	-	(3,595)
	(179,505)	**(179,505)**	**(17,077)**	**40,029**	**(122,399)**

Company

in thousands of naira	**Deferred tax assets /(liabilities) at 31 March 2023**	**Deferred tax assets /(liabilities) at 1 April 2023**	**Recognised in profit or loss**	**Recognised in OCI**	**Deferred tax assets /(liabilities) at 31 March 2024**
Property, plant and equipment	(234,332)	(234,332)	1,922	-	(232,410)
Right of use assets and lease liabilities	(14,464)	(14,464)	248	-	(14,216)
Impairment of financial assets	20,683	20,683	20,758	-	41,441
Retirement benefit obligations	29,004	29,004	(31,423)	(28,248)	25,829
Foreign exchange	(4,268)	(4,268)	4,119	-	(149)
	(203,377)	**(203,377)**	**(4,376)**	**(28,248)**	**(179,505)**

10. Property, plant and equipment

The Group

The movement in these accounts during the year was as follows:

in thousands of naira **Group**	**Land**	**Building**	**Plant & Machinery**	**Motor Vehicles**	**Motor Cycle**	**Computer & Other IT Equipment**	**Furniture & Fittings**	**Capital-work-in-progress**	**Total**
COST	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
At 1 April 2023	554,129	536,666	160,950	2,354,342	734,870	684,907	178,041	909,463	6,113,368
Additions	-	-	11,497	184,652	78,140	97,994	6,529	158,265	537,077
Transfer	-	-	-	5,000	18,871	-	97	(23,968)	-
Reclassification to intangible assets*	-	-	-	-	-	(4,084)	-	-	(4,084)
Disposal	-	-	-	-	(12,613)	-	-	-	(12,613)
Balance at 31 March 2024	**554,129**	**536,666**	**172,447**	**2,543,994**	**819,268**	**778,817**	**184,667**	**1,043,760**	**6,633,748**
At 1 April 2024	554,129	536,666	172,447	2,543,994	819,268	778,817	184,667	1,043,760	6,633,748
Additions	-	95,398	75,255	36,323	20,415	99,720	15,144	136,320	478,575
Transfer	-	533,629	96,501	63,725	32,526	10,310	8,968	(745,658)	-
Reclassification to intangible assets*	-	-	-	-	-	-	-	(151,463)	(151,463)
Write-off	-	-	-	-	-	-	-	(161,821)	(161,821)
Disposal	(139,723)	-	-	-	-	-	-	-	(139,723)
Balance at 31 March 2025	**414,406**	**1,165,693**	**344,203**	**2,644,042**	**872,209**	**888,847**	**208,779**	**121,138**	**6,659,316**
Depreciation									
At 1 April 2023	-	179,293	137,299	1,225,119	688,876	545,137	131,713	-	2,907,437
Charge for the year	-	13,225	10,463	293,253	71,524	83,342	16,015	-	487,822
Disposal	-	-	-	-	12,029	-	-	-	(12,029)
Balance at 31 March 2024	**-**	**192,518**	**147,762**	**1,518,372**	**748,371**	**628,479**	**147,728**	**-**	**3,383,230**
At 1 April 2024	-	192,518	147,762	1,518,372	748,371	628,479	147,728	-	3,383,230
Charge for the year	-	19,673	27,459	248,649	64,259	90,757	13,949	-	464,746
Balance at 31 March 2025	**-**	**212,191**	**175,221**	**1,767,021**	**812,630**	**719,236**	**161,677**	**-**	**3,847,976**
Carrying amount									
At 1 April 2023	**554,129**	**357,373**	**23,651**	**1,129,223**	**45,994**	**139,770**	**46,328**	**909,463**	**3,205,931**
At 31 March 2024	**554,129**	**344,148**	**24,685**	**1,025,622**	**70,897**	**150,338**	**36,939**	**1,043,760**	**3,250,518**
At 31 March 2025	**414,406**	**953,502**	**168,982**	**877,021**	**59,579**	**169,611**	**47,102**	**121,138**	**2,811,340**

(b) There are no other contractual commitments in the acquisition of property, plant and equipment and no limitations in its realisability.

(c) No borrowing costs were capitalised within assets under construction during the year (2024: 3.17 million).

(d) The Group did not pledge any asset as security for any liabilities during the year (2024: N699.50 million worth of Motor vehicles were pledged as securities for liabilities).

(e) Capital work in progress majorly comprises amounts incurred with respect to Leasehold improvements and buildings of N85.09million (2024: N415 million), Plant and machinery of Nil (2024: N246 million), Motor Vehicle of N36.01 million (2024: Nil) and Computer and IT Equipments of Nil (2024: N319 million) and Furniture and Fittings of Nil (2024: N64 million) as at year end.

(f) *The total on the reclassification of 151.46 million (2024: N4.08 million) relates to reclassifications to intangible assets - software (Note 11(a)).

(g) Reconciliation of additions to property, plant and equipment included in the statement of cashflows

in thousands of naira	**2025**	**2024**
Additions per property, plant and equipment movement	478,575	537,077
Interest expense capitalised	-	(3,169)
Additions to property, plant and equipment per statement of cashflows	478,575	533,908

10. Property, plant and equipment

Company

The movement in these accounts during the year was as follows:

in thousands of naira **Company**	Land	Building	Plant & Machinery	Motor Vehicles	Motor Cycle	Computer & Other IT Equipment	Furniture & Fittings	Capital-work-in-progress	Total
COST	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
At 1 April 2023	221,844	375,978	146,352	788,098	196,486	649,340	111,432	747,643	3,237,173
Additions	-	-	11,497	17,856	14,771	95,446	2,756	145,440	287,766
Reclassification to intangible assets*	-	-	-	-	-	(4,084)	-	-	(4,084)
Disposal	-	-	-	-	(12,613)	-	-	-	(12,613)
Balance at 31 March 2024	**221,844**	**375,978**	**157,849**	**805,954**	**198,644**	**740,702**	**114,188**	**893,083**	**3,508,242**
At 1 April 2024	221,844	375,978	157,849	805,954	198,644	740,702	114,188	893,083	3,508,242
Additions	-	105,398	41,746	4,300	8,438	109,247	17,930	-	282,759
Transfer	-	533,629	96,501	-	-	10,310	8,829	(653,568)	-
Reclassification to intangible assets*	-	-	-	-	-	-	-	(151,463)	(151,643)
Balance at 31 March 2024	**221,844**	**1,015,005**	**296,096**	**810,254**	**207,082**	**860,259**	**140,947**	**88,052**	**3,639,538**
Accumulated depreciation and impairment									
At 1 April 2023	-	142,282	85,255	468,128	162,293	520,256	85,724	-	1,463,938
Charge for the year	-	9,399	9,190	94,662	23,374	78,684	10,850	-	226,159
Disposal	-	-	-	-	(12,029)	-	-	-	(12,029)
Balance at 31 March 2024	**-**	**151,681**	**94,445**	**562,790**	**173,638**	**598,940**	**96,574**	**-**	**1,678,068**
At 1 April 2024	-	**151,681**	**94,445**	**562,790**	**173,638**	**598,940**	**96,574**	**-**	**1,678,068**
Charge for the year	-	14,919	24,625	79,925	12,776	80,535	10,807	-	223,588
Disposal	-	-	-	-	-	-	-	-	-
Balance at 31 March 2025	**-**	**166,600**	**119,070**	**642,715**	**186,414**	**679,475**	**107,381**	**-**	**1,901,656**
Carrying amount									
At 1 April 2023	**221,844**	**233,696**	**61,097**	**319,970**	**34,193**	**129,084**	**25,708**	**747,643**	**1,773,235**
At 31 March 2024	**221,844**	**224,297**	**63,404**	**243,164**	**25,006**	**141,762**	**17,614**	**893,083**	**1,830,174**
At 31 March 2025	**221,844**	**848,405**	**177,026**	**167,539**	**20,668**	**180,784**	**33,566**	**88,052**	**1,737,882**

(b) There are no other contractual commitments in the acquisition of property, plant and equipment and no limitations in its realisability.

(c) There were no borrowing costs capitalised to assets under construction during the year (2024:N3.17 million).

(d) Capital work in progress majorly comprises amounts incurred with respect to Leasehold improvements and buildings of N85.09 million (2024: N355 million), Plant and machinery of Nil (2024: N210 million), Motor Vehicle of N2.9million (2024: Nil) and Computer and IT Equipments of Nil (2024: N273 million) and Furniture and Fittings of Nil (2024: N55 million) as at year end.

(e) * The total on the reclassification of 151.46 million (2024: N4.08 million) relates to reclassifications to intangible assets - software (Note 11(a)).

(f) Reconciliation of additions to property, plant and equipment included in the statement of cashflows

in thousands of naira	**2025**	**2024**
Additions per property, plant and equipment movement	282,597	287,766
Interest expense capitalised	-	(3,169)
Additions to property, plant and equipment per statement of cashflows	284,597	284,597

11 Intangible assets

in thousands of naira	Group	Company
Cost	**2025**	**2024**
At 1 April 2024	259,275	256,375
Additions	2,363	2,363
Reclassification (Note 10)	4,084	4,084
At 31 March 2024	**265,722**	**262,822**
At 1 April 2024	265,722	262,822
Additions	17,203	17,203
Reclassification (Note 10)	151,463	151,463
At 31 March 2025	**434,388**	**431,488**
Amortization		
At 1 April 2023	233,524	230,624
Charge for the year	22,230	22,230
At 31 March 2024	**255,754**	**252,854**
At 1 April 2024	255,754	252,854
Charge for the year	24,007	24,007
At 31 March 2025	**279,761**	**276,861**
Carrying amounts		
At 31 March 2024	**9,968**	**9,968**
	=======	=======
At 31 March 2025	**154,627**	**154,627**
	=======	=======

12 Prepayments

in thousands of naira	Group		Company	
	2025	**2024**	**2025**	**2024**
Current portion	322,959	184,367	113,498	72,505
Non-current portion	55,518	16,145	7,870	1,773
	=======	=======	=======	======
	378,477	**200,512**	**121,368**	**74,278**
	=======	=======	=======	======

Prepayments are mainly attributable to short term leases, insurance and other prepaid charges during the year.

These are categorised below:

in thousands of naira	Group		Company	
	2025	**2024**	**2025**	**2024**
Short term leases	55,801	40,156	39,360	12,651
Insurance	12,948	4,316	4,290	1,428
Other prepaid charges*	309,728	156,040	77,718	60,199
	=======	=======	=======	======
	378, 477	**200,512**	**121,368**	**74,278**
	=======	=======	=======	======

*Other prepaid charges relate to software license renewals, subscriptions to regulatory and professional bodies, subscriptions for internet services.

13 Equity investments

in thousands of naira

	Group		Company	
	2025	**2024**	**2025**	**2024**
	N'000	**N'000**	**N'000**	**N'000**
Balance at 1 April	2,174	866	2,174	866
Fair value gain	1,183	1,308	1,183	1,308
Balance at 31 March	**3,357**	**2,174**	**3,357**	**2,174**

Equity Investments represents Red Star Express Plc investments in shares of Neimeth International Pharmaceuticals Plc. The Company designated the equity investments at fair value through other comprehensive income (FVOCI) because it represents investments that the Company intends to hold for the long term for strategic purposes.

The Group and Company's exposure to market risk related to investments in quoted securities is disclosed in Note 27.

14 Investment in subsidiaries

Investment in subsidiaries measured at costs:

	Company	
	2025	**2024**
	N'000	**N'000**
Investment in Red Star Freight Limited	354,000	354,000
Investment in Red Star Support Services Limited	49,065	49,065
Investment in Red Star Logistics Limited	750,000	750,000
	1,153,065	**1,153,065**

The Consolidated financial statement include:

Name	**Principal activities**	**Country of incorporation**	**% of equity 2025**	**interest 2024**
Red Star Freight Limited	Freight and Custom Clearance	Nigeria	100%	100%
Red Star Supports Services Limited	Mail Management and Despatch Services	Nigeria	100%	100%
Red Star Logistics Limited	Haulage and Warehousing Services	Nigeria	100%	100%

15 Earnings per share

Basic and diluted earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. The following reflects the income and share data used in the basic and diluted earnings per share computations.

	Group		Company	
	2025	**2024**	**2025**	**2024**
Profit attributable to ordinary equity holders	546,521	343,003	287,880	155,358
Weighted average number of ordinary shares in issue	954,423	954,423	954,423	954,423
Basic and deluted earnings per share (N)	**0.57**	**0.36**	**0.30**	**0.16**

There were no dilutive or potentially dilutive instruments as at year end.

16 Inventories

in thousands of naira	Group		Company	
	2025	**2024**	**2025**	**2024**
	N'000	N'000	N'000	N'000
Stationeries and packaging materials	41,263	41,273	30,555	34,483
Fuel & Oil	29,027	26,107	28,458	25,539
Spares	2,851	3,258	2,783	3,190
	73,141	**70,638**	**61,796**	**63,212**

Inventories are carried at lower of cost and net realisable value for the Group and the Company respectively. There were no inventory write down during the year (2024: Nil).

The value of Stationeries and packaging materials, fuel and oil and spares included in cost of sales amounted to 3.9 Million (2024:2.9 Million).

Changes in inventories in statement of cash flows:

in thousands of naira	**2025**	**2024**	**2025**	**2024**
	N'000	**N'000**	**N'000**	**N'000**
Inventories at 1 April	70,638	98,029	63,212	89,795
Inventories at 31 March	(73,141)	(70,638)	(61,796)	(63,212)
	(2,503)	**27,391**	**1,416**	**26,583**

17 Trade and other receivables

Trade and other receivables comprises the following:

in thousands of naira	**2025**	**2024**	**2025**	**2024**
	N'000	**N'000**	**N'000**	**N'000**
Trade receivables	3,710,205	2,557,078	1,841,275	1,251,601
Related parties	-	-	565,005	1,174,767
Other receivables	1,880,136	1,817,683	847,358	909,946
	5,590,341	**4,374,761**	**3,253,638**	**3,336,314**
Impairment loss				
Trade receivables	(400,731)	(140,810)	(389,391)	(90,046)
Related parties	-	-	(16,248)	(17,646)
	5,189,610	**4,233,951**	**2,847,999**	**3,228,622**

The Group and Company's exposure to credit risk and impairment loss is disclosed in Note 27.

(a) Other receivables comprise

in thousands of naira	Group		Company	
	2025	**2024**	**2025**	**2024**
	N'000	**N'000**	**N'000**	**N'000**
Withholding tax receivables	1,302,776	1,157,809	443,748	402,434
Staff and other operational advances*	666,430	757,815	475,106	598,631
Expected credit losses on other receivables	(89,070)	(97,941)	(71,496)	(91,119)
	1,880,136	**1,817,683**	**847,358**	**909,946**

*These comprise staff advances, including car loans and housing advances, granted in the ordinary course of business operations, which are yet to be retired as at end of the year, along with amounts receivable from the registrar.

Changes in trade and other receivables in statement of cash flows:

in thousands of naira	Group		Company	
	2025	**2024**	**2025**	**2024**
At 1 April	4,233,951	4,029,238	3,228,622	3,104,936
At 31 March	(5,189,610)	(4,233,951)	(2,847,999)	(3,228,622)
	(955,659)	**(204,713)**	**380,623**	**(123,686)**
Withholding tax credit utilized	(155,082)	(227,374)	(77,847)	(159,315)
Expected credit (loss)/ reversal on financial assets	(250,853)	(64,736)	(278,324)	(60,812)
	1,361,594	**(496,823)**	**24,452**	**(343,813)**

(b) Movement in Allowance for expected credit losses on trade receivables

in thousands of naira	Group		Company	
	2025	**2024**	**2025**	**2024**
As at 1 April	140,810	141,257	90,046	88,134
Expected credit loss	259,921	-	299,345	1,912
Unused amount reversed	-	(447)	-	-
As at 31 March	**400,731**	**140,810**	**389,391**	**90,046**

Grading system for trade receivables and receivables from related companies, and recognition of their Gross Carrying Amount and Expected Credit Losses are included under Credit Risk Note 27.

(c) Movement in Allowance for expected credit losses on related parties

An analysis of changes in the aggregate ECL allowances for related parties is as follows:

in thousands of naira	Company	
	2025	**2024**
As at 1 April	17,646	19,388
Expected credit loss	(1,398)	(1,742)
As at 31 March	**16,248**	**17,646**

(d) Movement in Allowance for expected credit losses on other receivable

An analysis of changes in the aggregate ECL allowances. other receivable is as follows:

in thousands of naira	Group		Company	
	2025	**2024**	**2025**	**2024**
	N'000	**N'000**	**N'000**	**N'000**
As at 1 April	97,941	31,932	91,119	29,656
(Reversal)/ expected credit loss	(8,871)	66,009	(19,623)	61,463
As at 31 March	**89,070**	**97,941**	**71,496**	**91,119**

The Group and Company's exposure to credit risk and impairment loss related to trade and other receivables is disclosed in Note 27.

18 Cash and cash equivalents

in thousands of naira	Group		Company	
	2025	**2024**	**2025**	**2024**
	N'000	**N'000**	**N'000**	**N'000**
Cash in hand	1,230	1,296	760	512
Cash-in-transit ***	31,203	12,748	30,730	6,277
Bank balances *	891,719	1,040,416	402,729	511,402
Short term deposit **	443,837	65,028	443,837	53,000
Cash and cash equivalents per the statement of cash flow	**1,367,989**	**1,119,488**	**878,056**	**571,191**
Impairment losses on short term deposit	-	(197)	-	-
Cash and cash equivalents per the statement of financial position	**1,367,989**	**1,119,291**	**878,056**	**571,191**

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

**The Cash-in-transit are cash sales at the end of the financial year by the up-country locations that have not been deposited at various banks as of year end.

The Group and Company's exposure to credit and currency risks for cash and cash equivalents is disclosed in Note 27.

Cash and cash equivalents include unclaimed dividends amounting to N120 million that have been returned to the Company.

(a) Allowance for expected credit losses on short term deposit

in thousands of naira	Group		Company	
	2025	**2024**	**2025**	**2024**
	N'000	**N'000**	**N'000**	**N'000**
As at 1 April	197	1,023	-	821
Expected credit loss (reversal)/expense	(197)	(826)	-	(821)
As at 31 March	**-**	**197**	**-**	**-**

19 Share capital, share premium and fair value reserve

(a) Share capital

Issued and fully paid:

in thousands of naira	Group		Company	
	2025 N'000	**2024 N'000**	**2025 N'000**	**2024 N'000**
As at 1 April	477,211	477,211	477,211	477,211
As at 31 March	**477,211**	**477,211**	**477,211**	**477,211**

(b) Share premium

As at 1 April	1,515,600	1,515,600	1,515,600	1,515,600
As at 31 March	**1,515,600**	**1,515,600**	**1,515,600**	**1,515,600**

(c) Other reserves

As at 1 April	1,639	331	1,639	331
Fair value loss on Equity instruments at FVOCI	1,183	1,308	1,183	1,308
As at 31 March	**2,822**	**1,639**	**2,822**	**1,639**

20 Lease liabilities

Movement in lease liability during the year are as follows:

in thousands of naira	Group		Company	
	2025	**2024**	**2025**	**2024**
At 1 April	74,709	82,525	74,709	82,525
Addition	12,584	635	12,584	635
Accretion of interest*	9,110	8,549	9,110	8,549
Lease reassessment	48,423	-	48,423	-
Payments of principal	(57,917)	(8,451)	(57,917)	(8,451)
Derecognition of lease liabilities	(18,662)	-	(18,662)	-
interest paid	(9,110)	(8,549)	(9,110)	(8,549)
As at 31 December	**59,137**	**74,709**	**59,137**	**74,709**
Non-current	13,640	47,658	13,640	47,658
Current	45,497	27,051	45,497	27,051
	59,137	**74,709**	**59,137**	**74,709**

*Reconciliation of non-cash additions to lease liability included Right of use Asset in Note 21.

in thousands of naira	**2025**	**2024**	**2025**	**2024**
Movement per lease liabilities	(15,572)	(7,816)	(15,572)	(7,816)
Accretion of interest	(9,110)	(8,549)	(9,110)	(8,549)
Lease reassessement	(48,423)	-	(48,423)	-
Payments principal	57,917	8,451	57,917	8,451
Interest paid	9,110	8,549	9,110	8,549
Derecognition of lease liabilities	18,662	-	18,662	-
Non-cash additions	**12,584**	**635**	**12,584**	**635**

21 Right of Use Assets

(a) Group as a lessee

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

in thousands of naira	Land	Office Building	Warehouse	Motor Vehicle	Total
Costs:					
At 1 April 2023	109,877	184,522	9,500	473,676	777,575
Additions	-	58,998	-	-	58,998
Disposal	(3,155)	(72,226)	-	-	(75,381)
At 31 March 2024	**106,722**	**171,294**	**9,500**	**473,676**	**761,192**
At 1 April 2024	106,722	171,294	9,500	473,676	761,192
Additions	-	74,321	-	-	74,321
Lease disposals*	48,423	-	-	-	48,423
At 31 March 2025	**155,145**	**234,615**	**9,500**	**473,676**	**883,936**
Accumulated depreciation:					
At 1 April 2023	50,996	130,567	9,500	462,861	653,924
Charge for the year	9,566	65,509	-	3,409	78,484
Disposals*	(3,155)	(72,226)	-	-	(75,381)
At 31 March 2024	**57,407**	**123,850**	**9,500**	**466,270**	**657,027**
At 1 April 2024	57,407	123,850	9,500	466,270	657,027
Charge for the year	6,394	75,198	-	-	81,592
At 31 March 2025	**63,801**	**199,048**	**9,500**	**466,270**	**738,619**
Carrying amounts					
At 31 March 2024	**49,315**	**47,444**	**-**	**7,406**	**104,165**
At 31 March 2025	**91,344**	**46,567**	**-**	**7,406**	**145,317**

* Disposals refers to leases whose tenures have been fully utilised.

Reconciliation of additions to Right of use asset included in the statement of cashflows

in thousands of naira	2025	2024
Additions per Right of use asset movement	74,321	58,998
Non cash additions (Note 20)	12,584	635
Additions to Right of use asset per statement of cashflows	**61,737**	**58,363**

(b) Company as a lessee

in thousands of naira	Land	Office Building	Total
Costs:			
At 1 April 2023	109,877	180,522	290,399
Additions	-	52,280	52,280
Disposals*	(3,155)	(72,226)	(75,381)
At 31 March 2024	**106,722**	**160,576**	**267,298**
At 1 April 2024	106,722	160,576	267,298
Additions	-	51,321	51,321
Lease reassessment	48,423	-	48,423
At 31 March 2025	**155,145**	**211,897**	**367,042**
Accumulated depreciation:			
At 1 April 2023	52,215	132,507	184,722
Charge for the year	9,566	51,632	61,198
Disposals*	(3,155)	(72,226)	(75,381)
At 31 March 2024	**58,626**	**111,913**	**170,539**
At 1 April 2024	58,626	111,913	170,539
Charge for the year	6,394	56,292	62,686
At 31 March 2025	**65,020**	**168,205**	**233,225**
Carrying amounts			
At 31 March 2023	**57,662**	**48,015**	**105,677**
At 31 March 2024	**48,096**	**48,663**	**96,759**

* Disposals refers to leases whose tenures have been fully utilised.

Reconciliation of additions to right of use asset included in the statement of cashflows

in thousands of naira	2025	2024
Additions per right of use asset movement	51,321	52,280
Non cash additions	12,584	635
Additions to right of use asset per statement of cashflows	**38,737**	**51,645**

22 Loans and borrowings

On 12 March 2024, the Company obtained a N300 million term loan from Financial Derivative Company Limited to finance the refurbishment of a warehouse. The duration of the loan is for 18 months with an interest rate of 24%.

The movement in total borrowings during the period is as follows:

in thousands of naira	Group		Company	
	2025	2024	2025	2024
At 1 April	429,807	321,605	303,327	60,285
Addition	-	650,000	-	650,000
Interest expense	50,106	52,990	50,106	14,636
Payment of principal	(314,391)	(541,798)	(187,911)	(406,958)
Repayment of interest during the year	(52,216)	(52,990)	(52,216)	(14,636)
	113,306	**429,807**	**113,306**	**303,327**

	Group 2025	Group 2024	Company 2025	Company 2024
Non-current	-	167,379	-	113,306
Current	113,306	262,428	113,306	190,021
	113,306	**429,807**	**113,306**	**303,327**

Reconciliation of interest expense on loans and borrowings is as follows:

in thousands of naira	Group 2025	Group 2024	Company 2025	Company 2024
Interest expense on loans and	50,106	52,990	50,106	14,636
Interest capitalised in PPE (Note 10)	-	(3,169)	-	(3,169)
Interest on borrowings per finance costs (Note 6(b))	**50,106**	**49,821**	**50,106**	**11,467**

23 Employee benefits

The group operates a non-contributory gratuity scheme for both the Company and its subsidiaries (Group). The entitlement of the employees are based on applicable emoluments and qualifying years of service at the time of leaving the Company. The contributions are remitted on a monthly basis over the employees' period of service.

The asset of the plan is held in a separate fund administered by the Trustee to meet the long term gratuity liabilities of retired employees. The Trustee is required to act in the best interest of the beneficiary. The Trustee which is appointed by the Board is responsible for preparing accounting records of the scheme, safeguarding assets and taking reasonable steps to prevent and detect fraud and any other irregularities. The trustee actively monitors how the duration and the expected yield of the plan assets match the expected cash flows from the gratuity obligations. The trust deed specify that assets of the fund are not available for the Group for other uses and must be used only to fund defined pension obligation.

The Red Star Express Plc staff retirement benefits scheme was terminated on 31 March 2024. Under this condition, no more annual contributions were made into the defined benefit plan in future years since the Scheme is terminated.

In line with its terms of agreement, the Actuarial valuation of the defined benefit obligation and long service award was performed by Messrs. KDA Associates (Actuaries, Statisticians, Employee Benefits and Investment Analyst) with FRC Registration Number (FRC/2013/0000000001556) and signed on its behalf by Wole Ogunkoya, ANAS (FRC registration number: FRC/2013/NAS/00000000986) for both the current year and the comparative year.

The major categories of plan assets of the fair value of the total plan assets are, as follows:

Investment Type	**2025** N	**2024** N	**Nature**
Investment Property	86,871,220	89,098,687	Buildings (Unquoted)
Investment in shares	4,633,471	4,633,471	Quoted
FGN Bonds	703,066,869	670,995,307	Quoted
Bank deposits	-	100,000,000	Unquoted
Cash and bank	70,440,499	55,143,143	Unquoted
	865,012,059	**919,870,608**	

The following tables summarise the components of net benefit expense recognised in profit or loss and the funded status and amounts recognised in the statement of financial position for the respective plans:

(a) Defined benefit plan

in thousands of naira	Group		Company	
	2025	**2024**	**2025**	**2024**
	N'000	**N'000**	**N'000**	**N'000**
Present value of Defined benefit obligation	(709,937)	(667,242)	(709,937)	(667,242)
Fair value of plan assets	865,013	919,870	865,013	919,870
Net employee defined benefit	**155,076**	**252,628**	**155,076**	**252,628**

The principal assumptions used in determining post-employment benefit obligations for the Group's plans are shown below:

	2025	**2024**
	%	%
Discount rate	19	9
Future salary increases	-	-
Mortality rate	-	-

	Discount sensitivity		**Salary sensitivity**		**Mortality sensitivity**	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease	1% Increase	1% Decrease
in thousands of naira						
2025						
Impact on defined benefit obligation	715,887	(703,985)	-	-	-	-
2024						
Impact on defined benefit obligation	672,394	(662,090)	-	-	-	-

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to both the Group and the Company's defined benefit plan in future years:

in thousands of naira	**2025**	**2024**
	N'000	**N'000**
Within the next 12 months (next annual reporting period)	(709,937)	(667,242)
Between 2 and 5 years	-	-
Between 5 and 10 years	-	-
Beyond 10 years	-	-
Total expected payments	**(709,937)**	**(667,242)**

The average duration of the defined benefit obligation at the end of the reporting period for the Group and the Company is 1 year (2024: 1 year).

(b) Movement in defined benefit obligation

	Group		Company	
	2025	**2024**	**2025**	**2024**
	N'000	**N'000**	**N'000**	**N'000**
Balance at 1 April	(667,242)	(521,933)	(667,242)	(521,933)
Charged to profit or loss:				
Service cost	-	(50,810)	-	(50,810)
Net interest expense	(62,720)	(70,461)	(62,720)	(70,461)
	(62,720)	**(121,271)**	**(62,720)**	**(121,271)**
Remeasurement gains or losses in other comprehensive income				
Actuarial changes arising from changes in financial assumptions	(86,305)	(76,113)	(86,305)	(76,113)
	(86,305)	**(76,113)**	**(86,305)**	**(76,113)**
Benefits paid	106,330	52,075	106,330	52,075
	106,330	**52,075**	**106,330**	**52,075**
	(709,937)	**(667,242)**	**(709,937)**	**(667,242)**

(c) Movement in fair value of plan assets

in thousands of naira	Group		Company	
	2025	**2024**	**2025**	**2024**
	N'000	**N'000**	**N'000**	**N'000**
Balance at 1 April	919,870	768,679	919,870	768,679
Charged to profit or loss:				
Net interest expense	86,468	109,152	86,468	109,152
	86,468	**109,152**	**86,468**	**109,152**

Remeasurement gains or losses in other comprehensive income

in thousands of naira	Group		Company	
	2025	**2024**	**2025**	**2024**
	N'000	**N'000**	**N'000**	**N'000**
Experience adjustments	(34,995)	(9,488)	(34,995)	(9,488)
	(34,995)	**(9,488)**	**(34,995)**	**(9,488)**
Benefits paid	(106,330)	(52,075)	(106,330)	(52,075)
Contribution by employer	-	103,602	-	103,602
	(106,330)	**51,527**	**(106,330)**	**51,527**
	865,0235	**919,870**	**865,0235**	**919,870**

(d) ***Net Remeasurement gains or losses in other comprehensive income***

Movement in defined benefit obligation	(86,305)	(76,113)	(86,305)	(76,113)
Movement in fair value of plan assets	(34,995)	(9,488)	(34,995)	(9,488)
	(121,300)	**(85,601)**	**(121,300)**	**(85,601)**
Net movement charged to profit or loss:				
Service cost	-	50,810	-	50,810
Net interest expense	(23,748)	(38,691)	(23,748)	(38,691)
	(23,748)	**12,119**	**(23,748)**	**12,119**
Changes in employee benefits in statement of cash flows:				
At 1 April	252,628	246,746	252,628	246,746
At 31 March	(155,076)	(252,628)	(155,076)	(252,628)
	97,552	**(5,882)**	**97,552**	**(5,882)**

(b) Long Service Award
The Group provides Long Service Award benefits to eligible employees. The benefits are graduated depending on the employees number of years in service to the Company. The nature and value of the awards or gifts are determined at the discretion of management.

i.	**Group**		**Company**	
in thousands of naira	**2025**	**2024**	**2025**	**2024**
Present value of long service awards	(1,512)	-	(1,512)	-
Net liability arising from long service award	**(1,512)**	**-**	**(1,512)**	**-**
	======	======	=======	======

The principal assumptions used in determining post-employment benefit obligations for the Group's plans are shown below:

	2025	**2024**
Discount rate	%	%
Future salary increases	19	9
Mortality rate	-	-

ii.	**Discount sensitivity**		**Salary sensitivity**		**Mortality sensitivity**	
Sensitivity level	**1% Increase**	**1% Decrease**	**1% Increase**	**1% Decrease**	**1% Increase**	**1% Decrease**
in thousands of naira						
2025						
Impact on long service award	1,525	(1,499)	-	-	-	-

The sensitivity analysis above have been determined based on a method that extrapolates the impact on the long service award as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to both the Group and the Company's long service award in future years:

in thousands of naira	**2025**	**2024**
Within the next 12 months (next annual reporting period)	512	-
Between 2 and 5 years	1,000	-
Total expected payments	**1,512**	**-**

The average duration of the defined benefit obligation at the end of the reporting period for the Group and the Company is 5 years. (2024: Nil).

iii. Movement in Long service awards (LSA)

	Group		**Company**	
in thousands of naira	**2025**	**2024**	**2025**	**2024**
Balance at 1 April	-	-	-	-
Current service cost	1,656	-	1,656	-
Net interest expense	1,223	-	1,223	-
Actuarial loss recognised in profit or loss	6,758	-	6,758	-
	9,637	-	9,637	-
Benefits paid	(8,125)	-	(8,125)	-
	1,512	**-**	**1,512**	**-**

iv. Net measurement gains or losses in profit or loss

	Group		**Company**	
in thousands of naira	**2025**	**2024**	**2025**	**2024**
Current service cost	1,656	-	1,656	-
Net interest expense	1,223	-	1,223	-
Actuarial gains recognised in profit or loss	6,758	-	6,758	-
	9,637	**-**	**9,637**	**-**

v. Changes in Long service awards in statement of cash flows:

	Group		**Company**	
in thousands of naira	**2025**	**2024**	**2025**	**2024**
At 1 April	-	-	-	-
At 31 March	1,512	-	1,512	-
	1,512	**-**	**1,512**	**-**

24 Trade and other payables

in thousands of naira	**Group**		**Company**	
	2025	**2024**	**2025**	**2024**
	N'000	**N'000**	**N'000**	**N'000**
Trade creditor	1,742,769	1,144,819	1,464,540	1,074,311
Other creditors and accruals	2,979,163	2,559,593	1,743,386	1,692,041
Related parties payable	-	-	44,036	312,161
	4,721,932	**3,704,412**	**3,251,962**	**3,078,513**

(a) Other creditors and accruals

in thousands of naira	Group		Company	
	2025	2024	2025	2024
	N'000	N'000	N'000	N'000
Accruals*	1,280,217	1,269,839	372,019	696,025
Agent clearing charges	637,087	453,884	637,087	453,883
Withholding taxes	128,666	84,262	115,229	70,845
Value added tax	352,078	290,594	192,515	129,670
Pension payable (b)	90,861	104,715	32,557	61,215
Dividend payable (Note 24©)	142,309	146,926	142,309	146,926
Sundry payables**	325,044	196,073	230,940	120,177
Legal and litigation expenses	22,901	13,300	20,730	13,300
	2,979,163	**2,559,593**	**1,743,386**	**1,692,041**

* The accruals relate to accrued bonus expenses and commission. (2024: N1.30 billion and N0.69 billion for Group and Company respectively.

** Sundry payables relates to other statutory payables such as NSITF, ITF and other payroll liabilities, such as PAYE. (2024: N196.07 million and 120.18 million for Group and Company respectively).

Changes in trade and other payables in statement of cash flows:

in thousands of naira	Group		Company	
	2025	2024	2025	2024
	N'000	N'000	N'000	N'000
At 1 April	3,704,412	3,192,737	3,078,513	2,777,022
At 31 March	(4,721,932)	(3,704,412)	(3,251,962)	(3,078,513
	(1,017,520)	**(511,675)**	**(173,449)**	**(301,491)**
Exchange loss	14,198	7,885	17,142	28,110
	(1,003,322)	**(503,790)**	**156,307**	**(273,381)**

(b) Pension payable

in thousands of naira	N'000	N'000	N'000	N'000
At 1 April	104,715	60,282	61,215	28,357
Provision for the year	287,428	250,826	151,427	97,333
	392,143	**311,108**	**212,642**	**125,690**
Payment during the year	(301,282)	(206,393)	(180,085)	(64,475)
At 31 March	**90,861**	**104,715**	**32,557**	**61,215**

(c) Movement in dividend payable

in thousands of naira	N'000	N'000	N'000	N'000
At 1 April	146,926	159,156	146,926	159,156
Dividend declared	257,694	190,885	257,694	190,885
Withholding tax	(25,769)	(19,088)	(25,769)	(19,088)
	378,851	**330,953**	**378,851**	**330,953**
Dividend paid during the year	(236,542)	(184,027)	(236,542)	(184,027)
At 31 March	**142,309**	**146,926**	**142,309**	**146,926**

On 27 June 2025, the Directors proposed a dividend of 35 Kobo per share (2024: 27 Kobo) resulting in N334.05 million (2024: N257.69 million) total dividends payable from retained earnings in relation to 2025 financial year. This dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these consolidated and separate financial statements.

25 Related parties

(a) Related party disclosure

The group holds 100% equity interest in Red Star Freight Limited, Red Star Support Services Limited and Red Star Logistics Limited. Outstanding balances at the year-end are unsecured and interest free. There have been no guarantees received for any related party receivables. For the year ended 31 March 2025, the company has recorded impairment of receivables relating to amounts owed by related parties.

This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operate. The following table provides the total amount of transactions that have been entered into with related parties.

Company *in thousands of Naira*	**Nature of transaction**	**Transaction value 2025**	**Amount due from related parties 2025**	**Amount due to related parties 2025**	**Transaction value 2024**	**Amount due from related parties 2024**	**Amount due to related parties 2024**
Red Star Freight Ltd	Freight and custom clearance	208,668	-	(44,036)	266,256	-	(312,161)
Red Star Logistics Ltd	Haulage and warehousing services	71,194	389,414	-	19,004	914,267	-
Red Star Support Services Ltd	Mail management and despatch	175,711	175,591	-	175,711	260,500	-
			565,005	**(44,036)**		**1,174,767**	**(312,161)**
Allowance for impairment			(16,248)	-		(17,646)	-
Intercompany receivable/(payable)			**548,757**	**(44,036)**		**1,157,121**	**(312,161)**

(b) Key management personnel compensation

The key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of that Company. The key management personnel are the Company's Directors and management staff. Key management personnel includes staff on the senior manager cadre and above. The compensation paid or payable to key management for employee services is shown below:

	Group		**Company**	
in thousands of naira	**2025**	**2024**	**2025**	**2024**
Remuneration paid to the Directors was:				
Director fees and sitting allowance	23,210	20,850	23,210	20,850
Executive compensation	25,896	23,554	25,896	23,554
Other Directors benefits	37,612	45,050	37,612	45,050
Short term employee benefits	**86,718**	**89,454**	**86,718**	**89,454**

The directors' remuneration shown above includes:

in thousands of naira	**2025**	**2024**
Chairman	5,265	3,300
Highest paid director	24,024	20,253

The number of Directors who received fees and other emoluments in the following ranges were:

	Group		Company	
	2025 Number	**2024 Number**	**2025 Number**	**2024 Number**
N3,000,001 and above	7	7	7	7
	7	7	7	7

(c) Staff cost

	Group		Company	
	2025	**2024**	**2025**	**2024**
Staff cost	3,475,345	2,947,375	1,664,981	1,335,623
Medical expenses	428,754	381,194	220,682	169,650
Training	125,245	52,984	103,916	29,839
	4,029,344	**3,381,553**	**1,989,579**	**1,535,112**

Reconciliation of Staff cost
Staff cost presented in cost of sales - Note7 (a)

	Group		Company	
	2025	**2024**	**2025**	**2024**
Staff cost	1,744,040	1,459,734	859,051	669,639
Training	75,147	31,790	62,350	17,903
Medical - direct staff	300,128	266,836	154,477	118,755
	2,119,315	**1,758,360**	**1,075,878**	**806,297**

Staff cost presented in administrative expenses - Note 7(b)

	Group		Company	
	2025	**2024**	**2025**	**2024**
Staff cost	1,731,305	1,487,641	805,930	665,984
Training	50,098	21,194	41,566	11,936
Medical expenses	128,626	114,358	66,205	50,895
	1,910,029	**1,623,193**	**913,701**	**728,815**
Total Staff cost	**4,029,344**	**3,381,553**	**1,989,579**	**1,535,112**

(d) Staff number and higher paid employees

The average number of persons employed by the Group during the year, including Directors, is as follows;

	Group		Company	
	2025	**2024**	**2025**	**2024**
	Number	**Number**	**Number**	**Number**
Managerial	8	8	6	6
Senior	47	37	37	23
Supervisors	116	132	86	98
Junior	1,572	1,747	179	165
	1,743	**1,924**	**308**	**292**

The number of employees in receipt of emoluments within the following ranges was;

	Group		Company	
	2025	**2024**	**2025**	**2024**
	Number	**Number**	**Number**	**Number**
N400,001 - N700,000	205	774	-	-
N700,001 - N900,000	452	444	-	-
N900,001 - N1200,000	274	129	-	-
N1,200,001 - N2,100,000	453	471	-	211
N2,100,001 - N3,600,000	284	52	258	38
N3,600,001 - N7,000,000	60	42	39	34
N7,000,001 - N9,000,000	3	9	1	6
N9,000,001 - N13,000,000	12	3	10	3
	1,743	**1,924**	**308**	**292**

26 Segment information

For disclosure purpose in compliance with IFRS 8, no single external customer transaction amount to 10 per cent or more of the entity's revenues.

The Board of Directors monitors the operating results of its Strategic Business Units (SBU) separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

However, the Group is organised into Strategic Business Units (SBU) based on their revenue streams and has four reportable segments as follows:

- The Courier Service segment is involved in express delivery of documents and parcels.
- Freight services is involved in clearing and forwarding of goods (importation and export services).
- Logistics relates to services involving warehousing and chain distribution services.
- Support services relates to mail room management and other delivery services.

Statement of Comprehensive Income

	Courier		Freight		Logistics		Support services		Group elimination adjustments		Group	
in thousands of Naira	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
	N'000	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
Revenue	10,609,408	7,581,574	4,262,489	3,052,715	3,698,489	2,997,719	3,089,953	2,495,744	-	-	21,660,339	16,127,752
Cost of sales	(7,098,814)	(5,304,698)	(3,425,089)	(2,284,844)	(3,235,840)	(2,437,151)	(1,419,996)	(978,249)	(553,872)	(672,286)	(15,733,611)	(11,659,326)
Other operating income	166,127	113,430	15,080	15,911	412,893	22,641	8,543	-	(163,338)	(91,107)	439,305	60,875
Administrative expenses and Impairment loss reversal/expense	(3,183,044)	(2,146,723)	(716,922)	(616,685)	(504,544)	(470,816)	(1,537,890)	(1,389,096)	520,546	690,132	(5,421,854)	(3,951,090)
Finance income	34,776	856	-	-	-	-	-	8,241	4,976	13,208	39,752	22,305
Finance costs	(59,216)	(20,016)	-	-	(31,962)	(38,354)	-	-	31,962	-	(59,216)	(58,370)
Profit before taxation	**469,237**	**224,423**	**135,558**	**167,097**	**339,036**	**74,039**	**140,610**	**136,640**	**(159,726)**	**(60,053)**	**924,715**	**542,146**
Income tax expense	(181,357)	(69,065)	(56,257)	(32,918)	(104,016)	(42,308)	(51,520)	(54,868)	(14,956)	16	(378,194)	(199,143)
Profit for the year	**287,880**	**155,358**	**79,301**	**134,179**	**235,020**	**31,731**	**89,090**	**81,772**	**(144,770)**	**(60,037)**	**546,521**	**343,003**

27 Financial risk management

(a) Classification of financial instruments and fair values

The following table shows the classification, carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

GROUP

31 March 2025	**Carrying Amount**				**Fair Value**	
In thousands of naira	**Amortised Cost**	**Fair value**	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial assets at fair value						
Equity instruments at FVOCI	-	3,357	3,357	3,357	-	-
	-	**3,357**	**3,357**	**3,357**	**-**	**-**
Financial assets not measured at fair value						
Trade and other receivables*	5,189,610	-	5,189,610	-	5,189,610	-
Cash and cash equivalents	1,367,989	-	1,367,989		1,367,989	
	6,557,599	**-**	**6,557,599**	**-**	**6,557,599**	**-**
Financial liabilities not measured at fair value						
Loans and borrowings	113,306	-	113,306	-	240,734	-
Trade and other payables[1]	4,721,932	-	4,721,932	-	4,721,932	-
	4,835,238	**-**	**4,835,238**	**-**	**4,962,666**	**-**

31 March 2024	**Carrying Amount**				**Fair Value**	
In thousands of naira	**Amortised Cost**	**Fair value**	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial liabilities not measured at fair value						
Trade and other receivables	3,076,143	-	3,076,143	-	4,029,238	-
Cash and cash equivalents	1,119,291	-	1,119,291	-	589,144	-
	4,195,434	-	4,195,434	-	4,618,382	-
Financial liabilities not measured at fair value						
Loans and borrowings	429,807	-	429,807	-	480,287	-
Trade and other payables	3,224,841	-	3,224,841	-	3,224,841	-
	3,654,648	**-**	**3,654,648**	**-**	**3,705,128**	**-**

[1] Excluding Pay As You Earn (PAYE), Value Added Tax (VAT), Pension, advance by customers and Withholding Tax (WHT).

* Withholding tax receivable has been excluded from the Trade and other receivables as they are not financial instruments.

Trade and other receivables, trade and other payable and cash and cash equivalents, are the Company's short term financial instruments. Accordingly, management believes that their fair values are not expected to be materially different from their carrying values. They are based on Level 2 hierarchy.

The fair value of loans and borrowings is based on Level 2 hierarchy using market rates of 29% for the Naira denominated payables (2024: 24%) as at the reporting date for identical financial instruments.
The fair value of the equity investment is based on Level 1 hierarchy using quoted share price on the Nigerian Stock Exchange as at 31 March 2025.

COMPANY

31 March 2025	**Carrying Amount**				**Fair Value**	
In thousands of naira	**Amortised Cost**	**Fair value**	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial assets at fair value						
Equity instruments at FVOCI	-	3,357	3,357	3,357	-	-
	-	**3,357**	**3,357**	**3,357**	**-**	**-**
Financial assets not measured at fair value						
Trade and other receivables*	2,847,999	-	2,847,999	-	2,847,999	-
Cash and cash equivalents	878,056	-	878,056	-	878,056	-
	3,726,055	**-**	**3,726,055**	**-**	**3,726,055**	**-**
Financial liabilities not measured at fair value						
Loans and borrowings	-	113,306	113,306	-	114,254	-
Trade and other payables*	-	3,251,962	3,251,962	-	3,251,962	-
	-	**3,365,268**	**3,365,268**	**-**	**3,366,216**	**-**

31 March 2024	**Carrying Amount**				**Fair Value**	
In thousands of naira	**Amortised Cost**	**Fair value**	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial assets at fair value						
Equity instruments at FVOCI	-	2,174	2,174	2,174	-	-
	-	**2,174**	**2,174**	**2,174**	**-**	**-**
Financial assets not measured at fair value						
Trade and other receivables*	2,826,188	-	2,826,188	-	2,826,188	-
Cash and cash equivalents	571,191	-	571,191	-	571,191	-
	3,397,379	**-**	**3,397,379**	**-**	**3,397,379**	**-**
Financial liabilities not measured at fair value						
Loans and borrowings	-	303,327	303,327	-	303,327	-
Trade and other payables*	-	2,816,783	2,816,783	-	2,816,783	-
	-	**3,120,110**	**3,120,110**	**-**	**3,120,110**	**-**

[1] Excluding Pay As You Earn (PAYE), Value Added Tax (VAT), Pension, and Withholding Tax(WHT)

* Withholding tax receivable has been excluded from the Trade and other receivables as they are not financial instruments.

Trade and other receivables, trade and other payable and cash and cash equivalents, are the Company's short term financial instruments. Accordingly, management believes that their fair values are not expected to be materially different from their carrying values. They are based on Level 2 hierarchy.

The fair value of loans and borrowings is based on Level 2 hierarchy using market rates of 29% for the Naira denominated payables (2024: 24%) as at the reporting date for identical financial instruments.

(I) Financial instruments in Level 1
The fair value of financial instruments traded in active markets (quoted equity) is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group and Company is the bid price at the reporting date. These instruments are included in level 1. There were no transfers between levels during the year.

(ii) Financial instruments in Level 2
The fair value of financial instruments that are not traded in an active market (loans and borrowings and finance leases) is determined by using discounted cash flow valuation techniques. This valuation technique maximize the use of observable market data by using the market related interest rates. There are no significant unobservable inputs. There were no transfers between levels during the year. The basis of measurement has remained the same between Group's current and prior years.

(iii) Financial instruments in Level 3
The fair value of financial instruments that are not based on observable market data (unobservable inputs). The valuation technique maximize the use of market multiples derived from quoted prices of companies comparable to the investee and the expected revenue and EBITDA of the investee. The estimate is adjusted for the effect of non-marketability of the equity securities. There are no significant unobservable inputs. There were no transfers between levels during the year. The basis of measurement has remained the same between current and prior years.

(b) Financial risk management framework

Risk management framework

The Board of Directors has the overall responsibility for the establishment and oversight of the Group and Company's risk management framework, including implementation and monitoring of risk management policies. The Group and Company's risk management policies are established to identify and analyse the risks faced by the Group and Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group and Company's activities.

Overview
The Group and Company has exposure to the following risks arising from financial instruments:
- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the below risks, the Group's objectives, policies and processes for measuring and managing risks.

(i) Credit risk

Credit risk is the risk of financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's and Company's receivables from its customers.

Trade receivables

The Group's and the Company's principal exposure to credit risk is in its trade and other receivables. Trade and other receivables principally represent amounts owed to the Group and the Company by third parties and credit risk is managed at that level.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of the customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. The group does not hold collateral as security. The group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Group's maximum exposure to credit risk for the components of the statement of financial position is its carrying amount.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type and customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 17. The Group does not hold collateral as security.

Deposits with banks and other financial institutions
Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Surplus funds are spread amongst reputable commercial banks and funds must be within treasury limits assigned to each of the counterparty. Counterparty treasury limits are reviewed by the Group's Finance Director periodically and may be updated throughout the year subject to approval of the Finance Director. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through potential counterparty's failure. The group's maximum exposure to credit risk for the components of the statement of financial position is its carrying amount.

Exposure to credit risk
Trade receivables
Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of the customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored by the credit committee comprising of sales, finance and internal audit.

The entity has adopted a policy of only dealing with credit worthy counterparties and a credit committee is instituted which comprises of sale, finance and internal audit department to review the outstanding balances on customers' account. Insurance certificate is required before credit is granted to key distributors. Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas.

On-going credit evaluation is performed on the financial conditions of account receivable and where appropriate, credit guarantee insurance cover is purchased.

The group evaluates the concentration of risk with respect to trade receivables to be low, as the credit risk on liquid funds is limited because the counterparties are banks with high credit-rating assigned by international credit-rating agencies.

Cash and short-term deposits

Credit risk from balances with banks and financial institutions is managed by the Red Star Express' treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty's failure.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Group		Company	
in thousands of Naira	**2025**	**2024**	**2025**	**2024**
Trade and other receivables*	3,886,834	3,076,143	2,404,251	2,826,188
Cash and cash equivalents**	1,335,556	1,105,247	846,566	564,402
	5,222,390	**4,181,390**	**3,250,817**	**3,390,590**

*Trade and other receivables includes carrying amount of trade and other receivables less withholding tax receivables.

**Cash in hand and cash-in-transit, which are not to be financial assets, has been excluded from the Group cash and cash equivalent as there is no credit risk associated with cash in hand.

Expected credit loss assessment for customers

For trade receivables, the Group applied the simplified approach in computing ECL. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses (ECL). The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity.

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

Group			**2025**		
In thousands of naira	**Weighted average loss rate**	**Gross carrying amount**	**Impairment loss allowance**	**Balance (Net)**	**Credit impaired**
Current (not past due)	0.74%	1,818,933	(13,503)	1,805,430	No
0–90 days past due	2.22%	1,021,589	(22,642)	998,947	No
91–180 days past due	7.34%	142,763	(10,479)	132,284	No
181–270 days past due	4.44%	77,585	(3,443)	74,142	No
271–360 days past due	5.18%	158,630	(8,220)	150,410	No
Above 365 days	70.00%	490,705	(342,444)	148,261	No
		3,710,205	**(400,731)**	**3,309,474**	

			2024		
In thousands of naira	**Weighted average loss rate**	**Gross carrying amount**	**Impairment loss allowance**	**Balance (Net)**	**Credit impaired**
Current (not past due)	1.97%	933,788	(18,439)	915,349	No
0–90 days past due	5.48%	565,656	(30,991)	534,665	No
91–180 days past due	1.78%	364,805	(6,506)	358,299	No
181–270 days past due	1.82%	265,524	(4,845)	260,679	No
271–365 days past due	2.21%	355,112	(7,836)	347,276	No
Above 365 days	100.00%	72,193	(72,193)	-	Yes
		2,557,078	**(140,810)**	**2,416,268**	

Company

			2025		
In thousands of naira	**Weighted average loss rate**	**Gross carrying amount**	**Impairment loss allowance**	**Balance (Net)**	**Credit impaired**
Current (not past due)	3.00%	437,796	(13,121)	424,675	No
0–90 days past due	3.02%	728,812	(22,001)	706,811	No
91–180 days past due	15.17%	67,135	(10,182)	56,953	No
181–270 days past due	6.28%	53,294	(3,346)	49,948	No
271–365 days past due	8.37%	95,451	(7,987)	87,464	No
Above 365 days	72.53%	458,787	(332,754)	126,033	No
		1,841,275	**(389,391)**	**1,451,884**	

			2024		
In thousands of naira	**Weighted average loss rate**	**Gross carrying amount**	**Impairment loss allowance**	**Balance (Net)**	**Credit impaired**
Current (not past due)	1.87%	661,581	(12,346)	649,235	No
0–90 days past due	2.27%	109,582	(2,492)	107,090	No
91–180 days past due	2.27%	217,340	(4,943)	212,397	No
181–270 days past due	2.27%	157,420	(3,580)	153,840	No
271–365 days past due	2.27%	39,677	(902)	38,775	No
Above 365 days	100.00%	66,001	(66,001)	-	Yes
		1,251,601	**(90,264)**	**1,161,337**	

Expected credit loss assessment for intercompany receivables and short-term deposits
The group applied the general approach in computing expected credit losses (ECL) for intercompany receivables and short-term deposits. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original.

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

The group considers a financial asset in default when contractual payments are 365 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

A summary of the Group and Company's exposure to credit risk for short term deposits, intercompany and other receivables is as follows.

	Group		Company	
in thousands of Naira	**2025**	**2024**	**2025**	**2024**
Trade receivables	400,731	140,810	389,391	90,046
Short term deposits	-	197	-	-
Other receivables	89,070	97,941	71,496	91,119
Intercompany receivables	-	-	16,248	17,646
	489,801	**238,948**	**477,135**	**198,811**

Allowance for impairment in respect of trade and other receivables
The allowance for impairment losses recognised in profit or loss in respect of trade and other receivables, related party receivables during the year was as follows.

	Group		Company	
in thousands of Naira	**2025**	**2024**	**2025**	**2024**
Trade receivables	259,921	(447)	299,345	1,912
Short term deposits	(197)	(826)	-	(821)
Other receivables	(8,871)	66,009	(19,623)	61,463
Intercompany receivables	-	-	(1,398)	(1,742)
Impairment loss expense/(reversal)	**250,853**	**64,736**	**278,324**	**60,812**

Investment in equity securities
The Group minimizes its exposure to credit risks relating to investment in equity security by investing mainly in equity instruments of reputable companies with a history of good financial performance and entities quoted on the Nigeria stock exchange.

(ii) Liquidity risk

Liquidity risk is the risk that the Group and Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group and Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal conditions, without incurring unacceptable losses or risking damage to the Group's and Company's reputation.

Group

2025 *In thousands of naira*	**Carrying amount**	**Contractual cash flows**	**12 months or less**	**1 to 5 years**	**Total**
Non-derivative financial liabilities:					
Trade and other payables[1]	4,150,327	4,150,327	4,150,327	-	4,150,327
Lease liabilities (Note 20)	59,137	136,086	17,913	118,173	136,086
Loans and borrowings (Note 22)	113,306	120,064	120,064	-	120,064
	4,322,770	**4,406,477**	**4,288,304**	**-**	**4,406,477**

2024 *In thousands of naira*	**Carrying amount**	**Contractual cash flows**	**12 months or less**	**1 to 5 years**	**Total**
Non-derivative financial liabilities:					
Trade and other payables[1]	3,212,611	3,212,611	3,212,611	-	3,212,611
Lease liabilities (Note 20)	66,893	111,617	16,189	95,428	111,617
Loans and borrowings (Note 22)	538,009	486,671	366,608	120,063	486,671
	3,817,513	**3,810,899**	**3,595,408**	**215,491**	**3,810,899**

Company

2025 *In thousands of naira*	**Carrying amount**	**Contractual cash flows**	**12 months or less**	**1 to 5 years**	**Total**
Non-derivative financial liabilities:					
Trade and other payables[1]	3,251,962	3,251,962	3,251,962	-	3,251,962
Lease liabilities (Note 20)	59,137	136,086	17,913	118,173	136,086
Loans and borrowings (Note 22)	113,306	120,064	120,064	-	120,064
	3,424,405	**3,508,112**	**3,389,939**	**-**	**3,508,112**

[1] Non-company income taxes, pension payable that are not financial liabilities are not included.

2024 *In thousands of naira*	**Carrying amount**	**Contractual cash flows**	**12 months or less**	**1 to 5 years**	**Total**
Non-derivative financial liabilities:					
Trade and other payables[1]	2,804,553	2,804,553	2,804,553	-	2,804,553
Lease liabilities (Note 20)	66,893	111,617	16,189	95,428	111,617
Loans and borrowings (Note 22)	546,369	360,191	240,128	120,063	360,191
	3,417,815	**3,276,361**	**3,060,870**	**215,491**	**3,276,361**

[1] Non-company income taxes, pension payable that are not financial liabilities are not included.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group and Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the Group, the Naira. The currencies to which the Group is exposed are primarily denominated are the US dollars (US$), and British pound sterling (GBP). The currency risk is the risk that the fair value or future cash flows of financial instrument will fluctuate due to the changes in foreign exchange rates.

The following significant exchange rates were applied during the year:

	Year end spot rate		Average rate	
	2025	**2024**	**2025**	**2024**
Pound (GBP)	1,968.24	1,091.84	1,998.16	1,646.24
US$ 1	1,542.01	875.83	1,541.67	1,303.33
CFA	2.49	1.93	2.52	2.29
Euros	1656.29	954.82	1,666.24	1,407.47

Sensitivity analysis

A reasonably possible weakening of the Naira against the US$, GBP and CFA as at 31 March would have affected the measurement of financial instruments denominated in these currencies and affected profit or loss (no impact on equity) by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Exposure to currency risk

The Group and Company's exposure to currency risk is as follows:

	Group		Company	
In thousands of naira	**2025**	**2024**	**2025**	**2024**
GBP				
Cash and cash equivalents	3,996	3,292	3,996	3,292
	3,996	**3,292**	**3,996**	**3,292**
US Dollar				
Cash and cash equivalents	208,125	144,670	163,417	144,670
Trade and other payables	-	(23,125)	-	(19,550)
	208,125	**121,545**	**163,417**	**125,120**
CFA				
Cash and cash equivalents	1,812	9,723	1,812	9,723
	1,812	**9,723**	**1,812**	**9,723**

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group and Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Exposure to currency risk

The Group and Company's exposure to currency risk is as follows:

		Group		Company
In thousands of naira	**2025**	**2024**	**2025**	**2024**
EURO				
Cash and cash equivalents	915	-	915	-
	915	-	**915**	-

Impact on profit or loss

In thousands of naira	**2025**	**2024**	**2025**	**2024**
GBP				
Increase in exchange rate by 20%	799	658	799	658
Decrease in exchange rate by 20%	(799)	(658)	(799)	(658)
US Dollar				
Increase in exchange rate by20%	41,625	25,024	32,683	25,024
Decrease in exchange rate by20%	(41,625)	(25,024)	(32,683)	(25,024)
CFA				
Increase in exchange rate by 20%	362	1,945	362	1,945
Decrease in exchange rate by 20%	(362)	(1,945)	(362)	(1,945)
EURO				
Increase in exchange rate by 20%	183	-	183	-
Decrease in exchange rate by20%	(183)	-	(183)	-

(iv) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in market interest rates. As at the year end, the Group is not exposed to interest rate risk as the rate of interest charged on borrowings is fixed.

(v) Equity price risk

The Group is exposed to equity securities price risk as a result of the investments held by the group and classified on the consolidated financial position as equity instrument at fair value through other comprehensive income and investments in subsidiaries held by the Company.

28 Commitments

Financial Commitments

The Directors are of the opinion that all known liabilities and commitments which are relevant in assessing the Group and Company's state of affairs have been taken into consideration in the preparation of the financial statements.

29 Contingent liabilities

Pending litigation and claims

There are certain lawsuits and claims pending against the Group and the Company in various courts of law which are being handled by external legal counsels.

The contingent liabilities in respect of pending litigation and claims and other regulatory reviews amounted to N396.8 million for Group and Company (2024: N2.5 billion for Group and Company) as at 31 March 2025. The Directors are of the opinion that all known liabilities and commitments, which are relevant in assessing the state of affairs of the Company, have been taken into consideration in the preparation of these financial statements.

30 Events after the reporting period

On 27 June 2025, a dividend of 35 Kobo (2024: 27 Kobo) per share was proposed by the directors for approval at the Annual General Meeting (AGM). This will result in dividends payment of N334.05 million (2024: N257.69 million). There were no events after the reporting date that could have had a material effect on the consolidated and separate financial statements that have not been provided for or disclosed in the consolidated and separate financial statements.

STATEMENT OF VALUE ADDED - GROUP
OTHER NATIONAL DISCLOSURES
FOR THE YEAR ENDED 31 MARCH 2025

in thousands of naira	**2025**	%	**2025**	%
Revenue	21,660,339		16,127,752	
Finance income	39,752		22,305	
Bought in materials:				
- Local	(16,116,471)		(11,579,452)	
Value added	**5,583,620**	**100**	**4,570,605**	**100**
Applied as follows:				
To pay employees:				
- as salaries and labour related expenses	4,029,344	72	3,381,553	74
To pay providers of capital:				
- as finance cost	59,216	1	58,370	1
To pay government:				
- as taxation	378,194	7	199,143	4
Retained in the business:				
- for replacement of property, plant and equipment	464,746	8	487,822	11
- for replacement of intangible asset	24,007	1	22,230	0
- for replacement of right of use	81,592	1	78,484	2
- To augment reserves	546,521	10	343,003	8
Value added	**5,583,620**	**100**	**4,570,605**	**100**

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

STATEMENT OF VALUE ADDED - COMPANY
OTHER NATIONAL DISCLOSURES
FOR THE YEAR ENDED 31 MARCH 2025

in thousands of naira	**2025**	%	**2024**	%
Revenue	10,609,408		7,581,574	
Finance income	34,776		856	
Bought in materials:				
- Local	(7,815,871)		(5,493,292)	
Value added	**2,828,313**	**100**	**2,089,138**	**100**
Applied as follows:				
To pay employees:				
- as salaries and labour related expenses	1,989,579	70	1,535,112	73
To pay providers of capital:				
- as finance cost	59,216	2	20,016	1
To pay government:				
- as taxation	181,357	6	69,065	3
Retained in the business:				
- for replacement of property, plant and equipment	223,588	8	226,159	11
- for replacement of intangible asset	24,007	1	22,230	1
- for replacement of right of use	62,686	2	61,198	3
- To augment reserves	287,880	11	155,358	8
Value added	**2,828,313**	**100**	**2,089,138**	**100**

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

FIVE -YEAR FINANCIAL SUMMARY - GROUP
OTHER NATIONAL DISCLOSURE
FOR THE YEAR ENDED 31 MARCH 2025

Consolidated Statement of Financial Position

in thousands of naira	**2025**	**2024**	**2023**	**2022**	**2021**
Assets					
Current assets	6,953,699	5,608,247	4 ,899,495	4,419,127	4,489,264
Non-Current assets	3,325,235	3,635,598	3758143	3,333,060	3,049,790
Current liabilities	(5,164,583)	(4,118,375)	(3,562,805)	(3,075,897)	(2,719,326)
Non-current liabilities	(231,784)	(451,642)	(517,078)	(482,665)	(586,779)
	4,882,567	**4,673,828**	**4,577,755**	**4,193,625**	**4,232,949**
Capital and reserves					
Share capital	477,211	477,211	477,211	477,211	463,176
Share premium	1,515,600	1,515,600	1,515,600	1,515,600	1,437,001
Other reserves	2,822	1,639	331	1,161	1,794
Retained earnings	2,886,934	2,679,378	2,584,613	2,199,653	2,330,978
	4,882,567	**4,673,828**	**4,577,755**	**4,193,625**	**4,232,949**

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Revenue	21,660,339	16,127,752	13,874,604	12,598,817	9,458,014
Profit before taxation	924,715	542,146	593,415	413,860	220,792
Profit after taxation	546,521	343,003	313,900	87,806	150,065
Basic earnings per share	0.57	0.36	0.33	0.09	0.16

FIVE -YEAR FINANCIAL SUMMARY - COMPANY
OTHER NATIONAL DISCLOSURE
FOR THE YEAR ENDED 31 MARCH 2025

Company Statement of Financial Position

in thousands of naira	**2025**	**2024**	**2023**	**2022**	**2021**
Assets					
Current assets	3,901,349	3,935,530	3,664,644	4,419,127	4,489,264
Non-Current assets	3,345,694	3,346,541	3,309,188	3,333,060	3,049,790
Current liabilities	(3,519,739)	(3,301,947)	(2,984,087)	(3,075,897)	(2,719,326)
Non-current liabilities	(137,551)	(340,469)	(258,518)	(482,665)	(586,779)
	3,589,753	**3,639,655**	**3,731,227**	**4,193,625**	**4,232,949**
Capital and reserves					
Share capital	477,211	477,211	477,211	477,211	463,176
Share premium	1,515,600	1,515,600	1,515,600	1,515,600	1,437,001
Other reserves	2,822	1,639	331	1,161	1,794
Retained earnings	1,594,120	1,645,205	1,738,085	1,472,769	1,568,728
	3,589,753	**3,639,655**	**3,731,227**	**3,466,741**	**3,470,699**

Company Statement of Profit or Loss and Other Comprehensive Income

Revenue	10,609,408	7,581,574	7,256,901	7,399,350	5,314,436
Profit before taxation	469,237	224,423	413,329	282,843	243,541
Profit after taxation	287,880	155,358	194,256	123,173	289,905
Basic earnings per share	0.30	0.16	0.20	0.13	0.30

SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY REPORT OF RED STAR EXPRESS PLC

Introduction

The 2025 Sustainability Report reflects Red Star Express Plc's ongoing commitment to responsible business practices, innovation, and sustainable development. Throughout the year, we remained focused on embedding environmental, social, and governance (ESG) considerations into every aspect of our operations, guided by our "People, Service, Profit" philosophy. This report highlights the steps taken to build resilience, support our people, serve our communities, and protect the environment.

Our Sustainability Strategy

Our sustainability strategy continues to align long-term business success with impact-driven decision-making. Through continuous investment in infrastructure, technology, and talent, Red Star Express ensures that sustainability is not a side goal but a core operating principle. Our FedEx partnership and extensive domestic coverage give us the scale and reach to deliver logistics solutions with purpose and accountability.

Achievements for 2024/2025

- Renewal of ISO 9001:2015 certification to maintain global quality and process compliance
- Secured a new partnership with an international airline to expand cross-border service capacity
- Launched the test phase of a proprietary e-logistics platform.

Reputation and Responsibility

Red Star Express remained actively engaged in national and regional logistics forums during the year.

- We participated at a session hosted by the Nigerian-British Chamber of Commerce on repositioning Nigeria's logistics and courier sector for sustainable growth. The event featured the Director General of NIPOST and other key industry stakeholders.
- We also joined a high-level policy session focused on improving the competitiveness of Nigerian ports in an era of regional integration.

Human resource management

Our culture

At Red Star Express, our people remain the foundation of everything we do. We foster a workplace built on collaboration, respect, and shared purpose. Our organisational culture is designed to inspire innovation and personal growth, ensuring every team member feels valued and empowered.

Health and safety

We prioritise the safety of our field representatives through the consistent provision of personal protective equipment, ongoing safety training, and strict adherence to quality and compliance standards. Safe working environments are a non-negotiable part of our operations.

Diversity, Equity, and Inclusion: Driving Opportunity

We remain committed to fostering inclusivity and equitable access to growth opportunities across our organisation. Our diversity strategy encourages a respectful and collaborative culture that benefits from a wide range of backgrounds and perspectives.

Description	Men	Women	Total
Staff	1584	179	1763
Managers	44	24	68

Enhancing Quality of Life
We remain committed to supporting our employees' wellbeing through healthcare, paid leave, flexible time policies, and access to continuous learning. Our Red Star Academy and e-learning platforms ensure our people are equipped with relevant, future-ready skills. Safety training in partnership with government agencies is ongoing for fleet and frontline teams.

Our Environment
Red Star Express is deepening its investment in clean energy. In 2025, solar power systems were extended to new office locations, complementing installations in Lagos. This shift supports our goal to reduce reliance on fossil fuels and transition towards a cleaner energy future. We continue to use reusable and recyclable packaging materials and maintain responsible waste disposal systems to reduce our environmental footprint.

We remain guided by robust ESG standards, and our official ESG policy statement is publicly available at: https://redstarplc.com/other-policies/

Compliance with Environmental Laws
During the reporting year, we remained fully compliant with all environmental laws. No sanctions, fines, or violations were recorded. Our sustainability team continues to monitor internal processes to ensure full alignment with local and international environmental standards.

Our Community
The Red Star Foundation has led several initiatives across education, water access, and humanitarian relief. In the 2024/25 financial year, the foundation has supported scholars from immediate environs; Oshodi Isolo Local Government.

Governance
The Board of Directors continues to promote transparency, accountability, and strong governance practices. Policies are reviewed regularly to align with evolving business ethics, compliance, and stakeholder expectations.

Whistle Blowing Mechanism and Code of Business Conduct
We maintain a whistleblowing system for reporting conduct that violates our standards, code of business conduct, policies, or regulations. Reports are treated confidentially and are thoroughly investigated by an independent team. The whistleblowing channel is accessible to staff, partners, and stakeholders.

Reports can be submitted via:
Email: whistlebox@redstarplc.com
Phone: 07031763726 or 08034190565

Bribery and Corruption
Red Star Express maintains a zero-tolerance policy toward bribery and corruption in all forms. We do not permit the exchange of gifts, cash, hospitality, or any improper advantage to influence business outcomes. All financial and business transactions are properly recorded to ensure accountability. There were no reported incidents or violations related to bribery or corruption during the 2024/25 financial year.

In conclusion, the 2025 sustainability journey reflects our continued dedication to long-term impact, responsible growth, and stakeholder engagement. From deepening innovation to reinforcing community partnerships and reducing our environmental footprint, Red Star Express remains committed to delivering value that lasts. We thank our staff, partners, and stakeholders for their unwavering support as we continue to build a resilient, inclusive, and sustainable future.

RED STAR FOUNDATION
2023/2024 FY

Established 2004, Red Star Foundation continues to serve as the corporate social responsibility arm of Red Star Express Plc. The Foundation remains committed to promoting access to education and supporting community resilience. Its flagship scholarship scheme supports students in Lagos public schools, with the goal of sustaining them through their senior secondary education.

Scholarship Scheme
In the 2024/2025 financial year, the Foundation awarded scholarships to 10 new students in Lagos State. The scholarship covers tuition and school materials, helping the students navigate their secondary education journey with less financial burden. The selection process was conducted through a reputable education agency and closely monitored by officials from the Lagos State Education District.
The programme is designed to support awardees throughout their senior secondary school years, ensuring consistency and a stable learning environment.

Ongoing Mentorship Program
Initiated in 2018, the Mentorship Program continues to play a central role in our support model. Each scholar is paired with a mentor who provides career guidance, academic advice, and personal development support. The initiative has recorded measurable success over the years, with mentees gaining confidence and exposure to various career pathways.

Community Impact and Support
The Foundation remains committed to supporting the broader community. In addition to educational and humanitarian projects, we continue to maintain the fully functional fire truck procured in 2022. This vital emergency resource remains available to serve the immediate community, reflecting our ongoing dedication to public safety and infrastructure support.

Red Star Foundation Photo Gallery

Red Star Foundation scholars with Group Managing Director/CEO, Red Star Express Plc, Auwalu Babura and Group Executive Director, Red Star Express Plc, Charles Ejekam at the award presentation ceremony.

RED STAR FOUNDATION
continued

Red Star Foundation scholars with the mentors at the award presentation ceremony

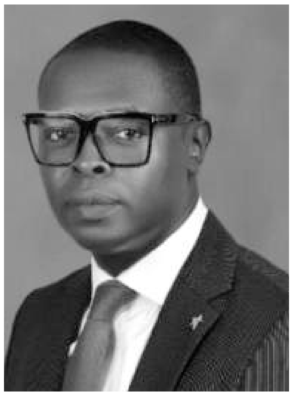
Red Star Foundation scholars with the Executive Management of Red Star Express Plc at the award presentation ceremony.

Red Star Foundation scholars with their parents, Group Managing Director/CEO of Red Star Express Plc, Auwalu Babura, and Group Executive Director, Charles Ejekam, at the scholarship award presentation ceremony.

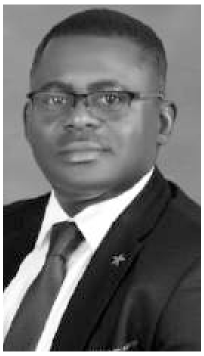
GROUP EXECUTIVE COMMITTEE MEMBERS
AS AT 31ST MARCH 2025


Charles EJEKAM
Executive Director, Sales and Marketing


Auwalu BABURA
Group Managing Director/CEO

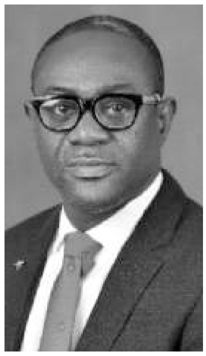

Tonye PREGHAFI
Chief Innovation Officer


Frances AKPOMUKA
Head of Operation/
Company Secretary

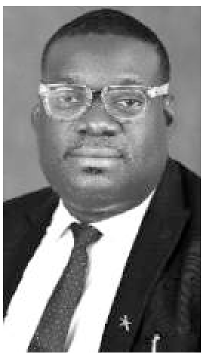

Mudiaga OKUMAGBA
Chief Operating Officer,
Red Star Freight


Abdulkadir KOGUNA
Head, Central
Administration


Inemesit JAMES-OKORO
Head, Corporate
Resources


Kayode AGBE
Chief Operating Officer,
Red Star Logistics


Vivienne EMENI
Chief Operating Officer,
RS Allied


Nosa ERUNSE
Chief Operating Officer,
Red Star Support Services


Ejide OWOEYE
Head of Sales,
Red Star Express


Valentine ONYIBO
Head , Finance

REPORT OF THE PERFORMANCE APPRAISAL OF THE BOARD OF DIRECTORS OF RED STAR EXPRESS PLC FOR THE YEAR ENDED 31ST MARCH 2025.

RC: 1423640
TEAM NOMINEES LIMITED

Plot 9B, Olatunji Moore Street,
Off TF Kuboye Road,
Lekki Phase I Lagos.
Tel: 08126043862
info@teamnominees.com

Team Nominees Limited was engaged as independent external consultants to Red Star Express Plc ("the Company") to assess the performance of the Board of Directors for the year ending March 31, 2025, in accordance with Principle 14.1 of the Nigerian Code of Corporate Governance 2018, the Companies and Allied Matters Act 2020, and global best practices in corporate governance.

The objective of the review is to evaluate the level of compliance with corporate governance principles and the overall effectiveness of the Board. In carry out the task, the Company's corporate governance structures, policies, and procedures were compared against the standards set by the Nigerian Code of Corporate Governance 2018 (NCCG), the Securities and Exchange Commission Corporate Governance Guidelines 2021 (SCGG), the Companies and Allied Matters Act 2020 (CAMA), other relevant codes, and international corporate best practices.

Our review of the corporate governance standards and processes affirms that the Board has substantially complied with the provisions of the Nigerian Code of Corporate Governance and other relevant corporate governance standards. The Board's activities are generally in compliance with the best practices in corporate governance, and each Director demonstrates a strong commitment to the growth and success of the Company.

Details of our key findings and recommendations are contained in our Report.

For: **Team Nominees Limited**

SHEDRACK CHIDOZIE OREKWU
June 2, 2025

PROXY FORM

FORM OF PROXY FOR USE AT THE THIRTY-SECOND ANNUAL GENERAL MEETING OF RED STAR EXPRESS PLC. (TO BE HELD VIRTUALLY) ON SEPTEMBER 18, 2025

I/WE, ……………………………………………………………………….………being a member(s) of RED STAR EXPRESS PLC. hereby appoint:………………………………………………………….……… Or failing him/her Mr. Auwalu Babura, as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Thursday September 18, 2025 at 11.00am and at any adjournment thereof.

Dated this……… day of ………………………………………….. 2025.

Shareholders' signature…………………………Name of shareholder……………………….………………

Common seal should be affixed if executed by a corporation.

	RESOLUTIONS	FOR	AGAINST	ABSTAIN
	ORDINARY BUSINESS			
1.	To receive the Audited Financial Statements for the year ended March 31, 2025, together with the Report of the Directors, Auditors and Statutory Audit Committee thereon.			
2.	To declare a dividend			
3.	To Re-Elect the following as Directors retiring by rotation: a. To re-elect Mr. Suleiman Barau b. To re-elect Mrs. Chioma Sideso			
4.	To authorize the Directors to fix remuneration of the External Auditors.			
5.	To disclose the remuneration of the Managers of the Company.			
6.	To elect members of the Statutory Audit Committee.			
	SPECIAL BUSINESS			
7	To approve the remuneration of the Non-Executive Directors.			
8.	That in compliance with the Rule of the Nigerian Exchange Limited governing transactions with Related Parties or Interested Persons, the Company and its related entities ("The Group") be and is hereby granted a General Mandate in respect of all recurrent transactions with related parties for the company's day to day operations including amongst others the procurement of goods and services, on normal commercial terms shall commence on the date on which this resolution is passed and shall continue to operate until the date on which the next Annual General Meeting of the company is held.			
9.	Internal Restructuring a. That the Company undergoes an Internal restructuring to subsume the activities of one of its wholly owned subsidiaries, Red Star Logistics Limited ("the Subsidiary), into the Company at the end of which the Subsidiary will cease to have a separate legal identity but will continue operations as a division of the Company; b. That the Directors be and are hereby authorized to appoint such advisers, professionals and appropriate with regard to the implementation of the aforementioned resolution; and c. That the Directors be and are hereby authorized to take all steps and do all acts that they deem necessary for the successful implementation of the above stated resolution.			

NOTE:
The above Proxy Form, when completed, must be deposited at the office of the Registrars, Apel Capital Registrars Limited, No. 6, Alhaji Bashorun Street, Off Norman Williams Crescent, South-West, Ikoyi, Lagos, Nigeria, or via email at registrars@apel.ng. not more than 48 hours before the times fixed for the meeting.

The Company shall bear the cost of stamp duties on every proxy form received within the stated timeline.

If the Proxy Form is executed by a Company, it should be sealed under its Common Seal or under the hand and seal of its attorney.

………………………………………………   ……………………………..

Signature of the Proxy attending   Date

Apel Capital
Registrars Limited

PASSPORT PHOTOGRAPH HERE

SHAREHOLDER'S INFORMATION UPDATE

The Registrar,
Apel Capital Registrars Limited
8, Alhaji Bashorun Street
Off Norman Williams Crescent S.W. Ikoyi
Lagos State.

Kindly update my information with the following details below:

FULL NAME

____

CONTACT ADDRESS

____

EMAIL ADDRESS

____

MOBILE NUMBER

____

REMARK

____

____

Thank you,

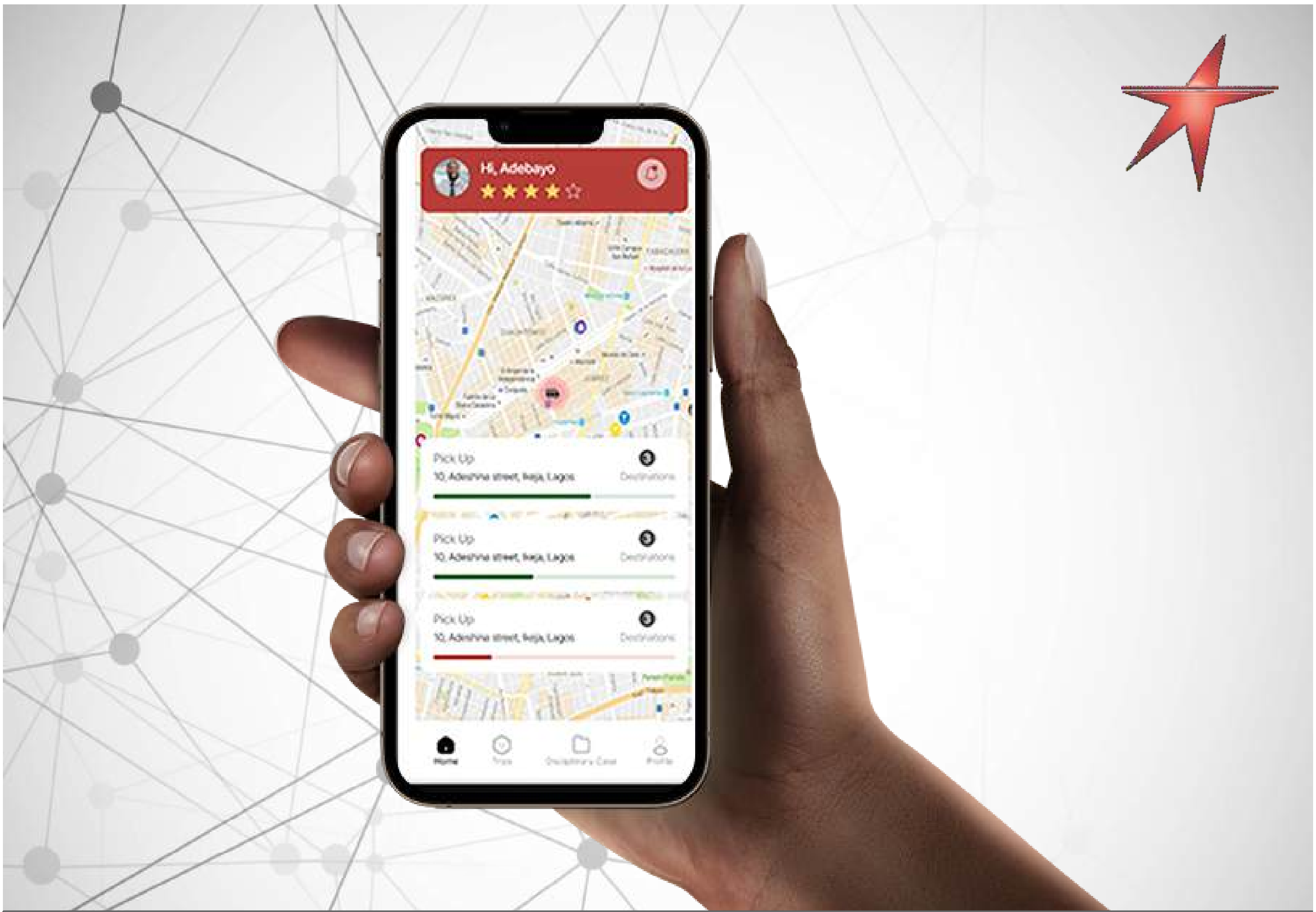
Yours faithfully

Signature(s)

Company seal (if applicable)

Joint/Company's Signatories

Tick	Name of Company	Shareholder's Acct NO.
	ADAS PROGRAMME LIMITED	
	AIICO BALANCED FUND	
	ANINO INT'L PLC	
	ARBICO PLC	
	CALIPHATE SUKUK SPV LIMITED	
	CHAPEL HILL DENHAM MONEY MARKET FUND	
	CITITRUST FINANCIAL SERVICES PLC	
	EUNISELL INTERLINKED PLC	
	INTERNATIONAL BREWERIES PLC	
	JEWEL SUKUK SPV LIMITED	
	KSIP FUNDING SPV LIMITED SERIES 1	
	KSIP FUNDING SPV LIMITED SERIES 2	
	LAGOS COMMODITIES & FUTURES EXCHANGE	
	LASACO ASSURANCE PLC	
	LEAD UNIT TRUST SCHEME	
	MAHFAS INVESTMENT LIMITED	
	MANZ SPV LIMITED	
	MASS TELECOM INNOVATION PLC	
	METAL SECURITY PRODUCTS LTD	
	MODERN SHELTER SYSTEMS & SERVICES BOND 1	
	MODERN SHELTER SYSTEMS & SERVICES BOND 2	
	MUTUAL BENEFITS ASSURANCE PLC	
	MUTUAL TRUST MICROFINANCE BANK LTD	
	NCR NIGERIA PLC	
	NEM INSURANCE PLC	
	OGC FOODS & BEVERAGES LIMITED	
	PARAMOUNT EQUITY FUND	
	PHARMA DEKO PLC	
	RED STAR EXPRESS PLC	
	SKYWAY AVIATION HANDLING CO. PLC	
	TAJ SUKUK ISSUANCE PROGRAMME SPV PLC	
	THE INITIATES PLC	
	THE NIGERIA FOOTBALL FUND	
	VITAL PRODUCTS LIMITED	



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