



PRESS RELEASE

Regulated information

ELLAH LAKES PLC REPORTS ITS AUDITED RESULTS FOR THE FULL YEAR ENDED 31 JULY 2021

Lagos, 27 September 2021 – Ellah Lakes Plc. (“Ellah Lakes”, or “the Company”) announces its audited results for the full year ended 31 July 2021.

The Company was acquired by new shareholders in 2019 and is in the process of transitioning into a leading agribusiness in West Africa. Prior to 2019, Ellah Lakes Plc. was an insolvent entity with no revenue.

Commenting, Mr. Chuka Mordi, Chief Executive Officer/Managing Director said “*Over the last 12 months, we have focused on laying the foundation for a sustainable growth and value-adding company by improving our financial flexibility, expanding our land bank nationally, forming partnerships and recruiting top talent. A key achievement in line with our strategic plan was the acquisition of a total of 7,400 hectares of land.*

Our focus for the coming year is to begin to generate cashflow by diversifying our products to more crops and commodities that can be traded in the medium term and processed to finished goods in the long term. We are excited about our trajectory and the value we are unlocking for our shareholders.”

COMPANY HIGHLIGHTS

Financial

- Year-to-date growth in total assets to ₦10.08 billion from ₦5.63 billion, as well as significant increase in cash and cash equivalents
- Year-to-date, borrowings increased to ₦2.23 billion from 733.56 million with total liabilities of ₦2.96 billion
- Total operating expenses of ₦327.72 million driven by administrative expenses (47.8% of total), personnel expenses (51.5% of total), and depreciation (0.6% of total) which reflects the Company’s investment in its operations
- Ongoing recapitalisation of the balance sheet with an expected debt and equity fund raise to commence after the Annual General Meeting (AGM) in October

Operational

- A produce offtake agreement was signed with Pure Flour Mills Ltd and Premium Cassava Products Ltd. during the course the year for the supply of Cassava
- Update on our landbank
 - Acquisition of 5,000 hectares of land in Ondo State for the cultivation of Oil Palm, Soya Beans & Cassava.
 - Ongoing discussions for the acquisition of approximately 2,800 hectares of land in Ekiti State which will bring the total size of the land bank nationally to approximately 10,000 hectares
 - Approximately 140 hectares have been cultivated, with additional 300 hectares cleared at the Edo state farm. In Ondo state, an access road is being cleared, which will lead to the land acquired from the government

- In line with plans to transition into a leading West African agribusiness, the Company signed an MOU with KJM Trading Ltd. Ghana to expand its business in Ghana, and Ellah Lakes Ghana has been incorporated
- MOU Signed with AFGEAN (Agricultural Fresh Produce Growers and Exporters Association of Nigeria) and ALTS Consult to establish strategic partnerships in the agriculture sector

Environmental, Social and Governance

Environmental

Ellah Lakes aims to follow principles of Good Agricultural Practices ("GAP"), from before the seed is in the ground to the non-processed end products, to ensure soil protection and protect the environment. To this end, Ellah Lakes is committed to:

- Applying fertilisers at appropriate moments and in adequate doses
- Maintaining/restoring organic soil content by crop rotation and/or manure application
- Preventing soil salinisation by limiting water input to needs, and recycling water whenever possible
- Avoiding drainage and fertiliser run-off
- Maintaining permanent soil covering to avoid nitrogen run-off

The Company intends to incorporate other GAP principles as it expands

Social

- The Company is partnering with Edugrant, an NGO on its scholarship scheme to promote girl-child education in STEM subjects. Four scholarships were granted this year

Governance

- Mr. Robert Grant was appointed as Chief Financial Officer, and brings over 20 years of solid financial experience to the Company
- Corporate actions have been taken to resolve the Company's regulatory free float deficiency, and CBO Capital is reducing its stake, to achieve this. Full compliance with the regulations of NGX Exchange is expected by December 2021

For further information, please contact:

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Q4 & FY2021 INCOME STATEMENT

In million ₦, unless otherwise stated	Q4 2021	Q4 2020	Δ%	FY 2021	FY 2020	Δ%
Revenue	-	-	-	-	-	-
Cost of sales	-	-	-	-	-	-
Gross profit/(loss)	-	-	-	-	-	-
Administrative expenses	(27,632)	(222)	123%	(156,777)	(54,347)	188%
Personnel expenses	(57,212)	(27,000)	112%	(168,908)	(120,626)	40%
Operating Expenses	(106,646)					
Depreciation	(713)	(211)	238%	(2,032)	(825)	146%
Amortisation	-	-	-	-	-	-
Finance Cost	-	-	-	(327,717)	(175,798)	203%
Gains on foreign exchange	-	-	-	(229,947)	(136,602)	68%
Other Income	-	-	-	(5,124)	159	-3314%
				-	3,939	-100%
				(235,071)	(132,504)	77%
Operating profit/(loss)	(192,203)	(832,136)	(77%)	(562,788)	(308,301)	170%
Taxation	-	-	-	(490)	(1,070)	-54%
Profit/(loss) for the year	-	-	-	(563,279)	(309,371)	
Earnings per share (EPS)	(0.10)	(0.42)	(76%)	(0.28)	(0.15)	170%

BALANCE SHEET AS AT 31 JULY 2021

In million ₦, unless otherwise stated	FY 2021	FY 2020
Assets		
Property, plant, and equipment	9,045,767	5,484,508
Biological assets	296,835	84,528
Goodwill	57,689	57,689
Other asset	276	
Non-Current assets	9,400,567	5,626,725
Inventory	4,375	-
Receivables	389,034	4,061
Cash and cash equivalents	287,350	93
Current assets	680,759	4,154
Total assets	10,081,326	5,630,878
Liabilities		
Trade and other payables	423,424	406,079
Current tax payable	570	570
Borrowings	1,290,023	733,555
Current liabilities	1,714,020	1,140,205
Payables to related parties	305,032	334,167
Borrowings	940,000	-
Deferred tax	990	500
Non-current liabilities	1,246,022,	334,667
Total liabilities	2,960,042	1,474,872
Equity		
Share Capital	1,000,000	1,000,000
Reserves	2,910,788	710,788
Share Premium	3,854,000	3,854,000
Retained earnings/(loss)	(1,971,293)	(1,408,781)
Revaluation Surplus	1,327,789	
Total equity	7,121,283	4,156,007
Total liabilities and equity	10,081,326	5,630,879

ABOUT ELLAH LAKES

Ellah Lakes (or “the Company”) is a diversified Agribusiness operator founded in 1980 and listed on the Main Board of the Nigerian Exchange. In 2019, The Company was acquired by new shareholders, and under a new management team has transformed into oil palm production through the acquisition of Telluria Farms in May 2019, as well its expansion into cassava farming.

The acquisition repositioned the Company’s focus towards the production of Oil palm, Cassava, Maize, Soya Bean, and their derivative products. Ellah Lakes currently operates in Nigeria.

For more information visit www.ellahlakes.com

DISCLAIMER

This announcement contains forward-looking statements which reflect management's expectations regarding the Company's future growth, results of operations, performance, business prospects and opportunities. Wherever possible, words such as "anticipate", "believe", "expects", "intend" "estimate", "project", "target", "risks", "goals" and similar terms and phrases have been used to identify the forward- looking statements. These statements reflect management's current beliefs and are based on information currently available to management. Certain material factors or assumptions have been applied in drawing the conclusions contained in the forward-looking statements. These factors or assumptions are subject to inherent risks and uncertainties surrounding future expectations generally.

Ellah Lakes Plc cautions readers that several factors could cause actual results, performance, or achievements to differ materially from the results discussed or implied in the forward-looking statements. These factors should be considered carefully, and undue reliance should not be placed on the forward-looking statements. For additional information with respect to certain of these risks or factors, reference should be made to the Company's disclosure materials filed from time to time with Securities & Exchange Commission in Nigeria. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether because of new information, future events or otherwise.