



## PRESS RELEASE

Regulated information

### ELLAH LAKES PLC REPORTS IMPROVED FINANCIAL STRENGTH AND GROWTH IN ASSET BASE

**Lagos, 28 May 2021** – Ellah Lakes Plc. (“Ellah Lakes”, or “the Company”) announces its unaudited results for the nine months ended 30 April 2021.

The Company was acquired by new shareholders 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 *“This quarter, we recorded significant progress in the growth of our Company. We are geared towards improving our financial flexibility and have recently accessed ₦1 billion under the CBN Real Sector Support Facility (“RSSF”) programme.*

*We remain focused on repositioning our Company for growth, by expanding our land bank nationally and establishing a presence in three Anglophone countries in West Africa. Given the long cultivation period for oil palm, we are diversifying crop production across cassava, soyabeans, maize and cocoa, to enhance year-round cash flow generative capacity. We are strengthening our strategic partnerships and recruiting top talent. Corporate governance, sustainability and value creation will continue to be the pillars of our growth in the medium to long term.”*

### Company Highlights

#### Financial

- Ongoing recapitalisation of the balance sheet with an expected debt and equity fund raise to commence during the course of the year;
- Year-to-date growth of 9.1% in total assets (~~+₦510.4 million~~) to ~~₦6.1 billion~~, as well as significant increase in cash and cash equivalents from ~~₦92,787~~ to ~~₦23.6 million~~;
- Year-to-date, borrowings increased from ~~₦733.6 million~~ to ~~₦1.6 billion~~ with total liabilities of circa ~~₦2.4 billion~~; and
- 9M 2021 operational expenses of ~~₦92.3 million~~ driven by farm expenses, which reflects the Company’s investments in its operations, as it lays a foundation for growth.

#### Operational

- Finalisation of the acquisition of 5,000 hectares of land in Ondo State for the cultivation of Oil Palm, Soya Bean & Cassava;

- Discussions are ongoing for the acquisition of approximately 2,800 hectares of land in Ekiti State, which is expected to be completed in the next quarter;
- Ongoing improvement of soil health and structure by intercropping and diversifying crop production;
- Implementation and maintenance of infrastructure to improve overall efficiency through technologies such as the ERS monitor, which was recently acquired to monitor all fields and collect data;
- Focus on human capital and capacity building by hiring competent and experienced staff; and
- Empowerment of the people in local communities of operations with focus areas being decent work and economic growth, quality education, clean water and sanitation, and responsible consumption and production.

#### Corporate governance

- Corporate actions have been taken to resolve the Company's regulatory free float deficiency. Compliance with the regulations of NGX Exchange is expected before the end of the next quarter.

#### **For further information, please contact:**

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### Q3 & 9M 2021 INCOME STATEMENT

In million ₺, unless otherwise stated	Q3 2021	Q3 2020	9M 2021	9M 2020
Revenue	-	-	-	-
Cost of sales	-	-	-	-
<b>Gross profit/(loss)</b>	-	-	-	-
Other income/(loss)	0	33	1	4,097
Administrative expenses	(119,336)	(1,084)	(163,018)	(12,238)
Personnel expenses	(56,195)	(23,513)	(134,236)	(91,753)
Operating Expenses	(51,163)	-	(92,280)	-
Depreciation	(554)	(208)	(1,302)	(614)
Amortisation	-	-	-	-
	(227,248)	(24,806)	(390,836)	(104,605)
<b>Operating profit/(loss)</b>	<b>(227,248)</b>	<b>(24,773)</b>	<b>(390,835)</b>	<b>(100,508)</b>
Earnings per share (EPS)	(0.11)	(0.02)	(0.20)	(0.10)

### BALANCE SHEET AS AT 30 APRIL 2021

In million ₺, unless otherwise stated	30 April 2021	31 July 2020
<b>Assets</b>		
Property, plant, and equipment	5,492,782	5,484,508
Biological assets	84,528	84,528
Other non-current Asset	474,000	-
Goodwill	57,689	57,689
<b>Non-Current assets</b>	<b>6,108,999</b>	<b>5,626,725</b>
Inventory	-	-
Receivables	4,086	4,061
Prepayment	4,550	-
Cash and cash equivalents	23,599	93
<b>Current assets</b>	<b>32,235</b>	<b>4,154</b>
<b>Total assets</b>	<b>6,141,234</b>	<b>5,630,878</b>
<b>Liabilities</b>		
Trade and other payables	434,979	406,079
Current tax payable	570	570
<b>Current liabilities</b>	<b>435,550</b>	<b>406,650</b>
Payables to related parties	305,032	334,167
Borrowings	1,635,055	733,555
Deferred tax	500	500
<b>Non-current liabilities</b>	<b>1,940,587</b>	<b>1,068,222</b>
<b>Total liabilities</b>	<b>2,376,137</b>	<b>1,474,872</b>
<b>Equity</b>		
Share Capital	1,000,000	1,000,000
Reserves	4,564,788	4,564,788
Retained earnings/(loss)	(1,799,691)	(1,408,781)
<b>Total equity</b>	<b>3,765,097</b>	<b>4,156,007</b>
<b>Total liabilities and equity</b>	<b>6,141,234</b>	<b>5,630,878</b>

## **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, Soybean, and their derivative products. Ellah Lakes currently operates in Nigeria.

For more information visit [www.ellahlakes.com](http://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.