Carbacid Investments plc

Report and Financial Statements 2025

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Board of directors
Amb D N O Awori - Chairman
Mr B C Patel
Mr M K R Shah
Mrs S O Mudhune
Dr Eng. E A Musebe
Mr R B Patel
Dr J P N Simba

Company secretary
Mr. C Nyukuri CPS (K)

Board Committees

Audit and Risk Committee
Mrs S O Mudhune - Chairperson
Mr M K R Shah
Mr R B Patel
Dr Eng. E A Musebe

Finance and Investment Committee
Dr Eng. E A Musebe – Chairman
Mr M K R Shah
Mr R B Patel

Nomination, Remuneration and Governance Committee
Dr J P N Simba - Chairman
Mr B C Patel
Mrs S O Mudhune

Registered office
L.R. No. 1870/1/569
ALN House,
Eldama Ravine Close, off Eldama Ravine Road, Westlands
P.O. Box 764 - 00606, Sarit Centre
Nairobi, Kenya.

Registrars and transfer office
C & R Group
IKM Place, Tower B, 1st Floor,
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P.O. Box 8484 - 00100, GPO Nairobi
Tel: 0208690360,0207608216
Email: info@candrgroup.co.ke
Nairobi, Kenya.

Independent auditor
RSM Eastern Africa LLP
Certified Public Accountants
1st Floor, Pacis Centre, Slip Road, off Waiyaki Way, Westlands
P.O. Box 349 - 00606, Sarit Centre
Nairobi, Kenya.

Principal banker
NCBA Bank Kenya PLC
Upper Hill Branch, Mara & Ragati Road
P.O. Box 30437 - 00100, GPO
Nairobi, Kenya.

Legal advisors
Wainaina Ireri & Company Advocates
5th Floor, Laiboni Centre, Lenana Road, Kilimani
P.O. Box 42706 - 00100, GPO
Nairobi, Kenya.

Oraro & Company Advocates
6th Floor ACK Garden Annex, 1st Ngong Avenue
P.O. Box 51236 - 00200, City Square
Nairobi, Kenya.

Anjarwalla & Khanna LLP
ALN House,
Eldama Ravine Close, off Eldama Ravine Road, Westlands
P.O. Box 200 - 00606, Sarit Centre
Nairobi, Kenya.

Overview

The past year has been marked by various surprises and challenges at both the global and regional levels. Carbacid serves multiple markets across East and Southern Africa and imports equipment, parts and other inputs from across the globe, and is therefore impacted by both positive and negative factors in these environments.

Persistent geo-political tensions and wars causing delayed shipping timelines, exchange rates and foreign currency availability are some of the global macro-economic factors that the business dealt with during the year.

Factors impacting on the business in the year included extreme weather conditions affecting demand for our core product, elections in some key markets in East and Southern Africa, foreign currency availability and trade tensions. Locally, microeconomics presented mixed dynamics with some positive outlook on the reducing interest rates, relatively stable exchange rate and inflation rate. However, the unpredictable tax and mining industry policies make it challenging to plan for the longer term. The cost of fuel and electricity, which are the main production inputs, have been on the rise and the consumer spending has been on the decline despite the positive statistics.

In this environment of mixed challenges and opportunities, Carbacid managed to deliver minimal growth in volume and revenue but managed to deliver robust earnings growth due to internal cost efficiencies, particularly in power arising from the significant investment in solar energy infrastructure.

A key focus area of the Company's strategy is regional expansion through seeking new customers in new markets. It is a major achievement of the Group that it was able to serve new customers across a number of new markets including South Africa, Namibia and Botswana. The milestone is a great testament to Carbacid's preparedness to serve emerging customers in new markets.

The focus on outstanding customer satisfaction is achieved through the consistent delivery of high-quality carbon dioxide that is delivered to the customer on time and in full with no error.

General outlook

The business experienced minimal revenue growth in Kenya shilling terms due to the strengthening of the Kenya shilling versus the US dollar compared to the previous year when the exchange rate to convert foreign currency-sales was much higher.

Gross margin increased from 59% to 64% due to improved operational efficiency, especially on the lower cost of power after significant investment in solar energy infrastructure. For the better part of the year, fuel prices were lower compared to last year, but the last quarter saw an increase in fuel prices. The new CO_2 production plant, commissioned in 2024 with its high efficiency and lower production costs, further contributed to the improved gross margin.

Labour cost, fleet maintenance and other related costs increased due to additional distance covered to serve the customers in various markets.

During the year, the Group continued to undertake additional investments in solar energy infrastructure with a 250 KWp plant commissioned in March 2025 to add to the already existing solar power plant of 450 KWp that was commissioned in February 2024. The Group will expand the solar infrastructure with plans to commission a further 750 KWp solar plant in the financial year 2025-2026. This investment is in line with the Group's strategy on sustainable use of natural resources and reducing reliance on grid power.

The new state-of-the-art CO_2 recovery plant, which was commissioned in June 2024, is fully operational and produces CO_2 at best-in-class world standards. The additional capacity from the new plant minimised overreliance on the existing CO_2 plants and enabled the business to venture into new markets during the year.

During the year, the Group continued to make additions and carry out major maintenance on its fleet to enable efficient delivery to the customers in full and with zero transit losses.

Carbacid offers natural, food-grade carbon dioxide meeting the highest international quality standards. This quality statement is verified by international quality service providers and leading global beverage companies. There is continuous focus on research and innovation to develop and grow new applications for carbon dioxide to further expand market presence and penetration. The carbon dioxide supplied by Carbacid meets the latest food safety management standard and is FSSC 22000 Version 6 approved, meeting the stringent food grade certification and is halal approved.

General outlook (continued)

The regulatory and statutory requirements are constantly changing, and the Group is vigilant to ensure compliance and develop required reports. The Group has made investments to keep up with the new developments and to continuously engage with the relevant stakeholders.

Strategic update

The Group's three-year strategy to 2028 is focused on customer retention in core regional markets and expansion to others markets.

Strategic enablers in the areas of increased production capacity, an increased fleet, increased solar energy and continued development of our workforce to enable the successful execution of Carbacid's business strategy.

Sustainability

The Group's strategy is firmly anchored within the sustainability policy. For a review of the Group's sustainability initiatives please refer to the sustainability report on Page 5 and 6. Additionally, you can access the full Sustainability Report by visiting the website at https://carbacid.com.

The 2024 Sustainability Report was recognized with the prestigious Financial Reporting (FiRe) Award for Environmental and Social Reporting at the awards ceremony held in December 2024.

Corporate governance

The Board is firmly committed to maintaining the standards of corporate governance in line with best practice. During the year, the Board reviewed the Company's corporate governance policies and procedures to monitor compliance with latest best practice developments.

Every two years the Board conducts a formal comprehensive evaluation of its own performance, as well as that of its committees. In the current year, this evaluation was guided by an external facilitator. The ensuring results affirm that both the Board and its Committees deem their operations to be effective.

Financial results and dividends

2025 turnover grew by 1.6% reaching KSh 2,100 million (2024 - KSh 2,066 million). This slight increase was driven by demand in non-traditional markets in Southern Africa, including Namibia and Malawi. However, the stronger Kenya Shilling versus the US$ negatively impacted the growth in Kenya shilling terms.

Despite a sharp increase in the cost of doing business, driven primarily by the significant higher royalties payable to the Ministry of Mining & Blue Economy, as well as rising labour expenses, fleet maintenance, and fuel costs in the last quarter, the Group still delivered a robust performance.

Group profit before tax increased by 15% to KSh 1,289 million (2024 – KSh 1,124 million). Earnings per share increased to KSh 3.94 from KSh 3.31.

There are headwinds that will have to be carefully managed in the current year. The cost of higher royalty payments, combined with persistent inflationary pressures on labour, energy, and fleet costs, is expected to put a strain on operating margins. Unless there is meaningful policy review or relief on royalties by the Ministry, these costs will pose a competitive disadvantage to Kenya's exports of liquified carbon dioxide.

Dividend

The Board recommends that a final dividend of KSh 2.00 per share (2024: KSh 1.70 per share) to be paid as soon as practicable after approval by the Members at the Annual General Meeting in December 2025.

Update on BOC acquisition

In 2020, the company made an offer to acquire the shares of BOC Kenya plc.

After years of delays at the Capital Markets Authority Tribunal, the appeal filed by a shareholder of BOC Kenya Plc was dismissed by the Capital Markets Tribunal for lack of merit on the 29 August 2024, and in turn the suspension of the Offer was lifted allowing for completion. However, after carefully evaluating the proposed transaction in the current circumstances, Carbacid ultimately decided not to progress with its offer to acquire BOC Kenya.

Appreciation

I want to extend my heartfelt appreciation to everyone who gives vibrancy to the Carbacid Group — my fellow directors for their guidance, our management team for their drive, our employees for their dedication, our customers and partners for their trust, and our shareholders and stakeholders for their unwavering support. It is this collective energy, commitment, and belief in the Carbacid Brand that powers our success and inspires us to reach even greater heights.

Ambassador Dennis N O Awori

Chairman

30 October 2025

Over six decades ago, Carbacid Investments plc was founded on a bold vision: to create an organisation that combines technical excellence, financial strength, and environmental stewardship. Today, that vision is more relevant than ever. As Eastern Africa's leading producer of natural, food-grade carbon dioxide our operating company continues to sustain market leadership, while the holding company provides the governance, capital allocation, and oversight that enable long-term, responsible growth.

2025 marks a transformative chapter for the Carbacid Group— a year where we have sharpened our strategy to compete, grow, and lead responsibly. In a region where climate resilience, operational efficiency, and sustainable practices increasingly define competitiveness, Carbacid stands at the forefront of innovation and ESG leadership.

Recognition of Excellence

We were delighted that Carbacid was recognized with the prestigious Financial Reporting (FiRe) Award for Environmental and Social Reporting at the awards ceremony held on Friday, 6 December 2024. This recognition reflects our unwavering commitment to transparency, sustainability, and social responsibility. It also affirms Carbacid Investments plc's role in setting Group-wide expectations for disclosure quality and continuous improvement.

Driving Competitive Advantage Through Sustainability

This year, we made significant strides that set us apart in the market:

- Powering the Future with Renewable Energy
  With the commissioning of our third solar power plant, renewable energy now contributes a substantial share of our operations, reducing reliance on the national grid by over 40%. This shift enhances both cost competitiveness and environmental performance. Our goal is clear: achieve 50% renewable energy usage by 2027 and driving continuous reductions in our environmental footprint.
- Efficiency as a Strategic Lever
  By investing in advanced CO_2 recovery technologies and expanding our closed-circuit cooling systems, we have optimized resource utilization while cutting operational costs. Our 70% reduction in water consumption compared to legacy systems sets a regional benchmark for sustainable manufacturing.
- Restoring Nature, Protecting Resources
  Environmental stewardship remains central to our identity. In 2025, we planted 3,200 additional indigenous trees, bringing our six-year total to nearly 14,000 trees. These efforts support water catchment restoration and position Carbacid as a partner in Kenya's climate resilience agenda.

The holding company's disciplined capital allocation has been instrumental in delivering these projects at pace and scale.

Empowering People, Strengthening Communities

Our competitive strength is anchored not only in operational excellence but also in the trust and partnership we build with the communities where we operate. In 2025, we took a major step forward by registering and gazetting Community Development Agreements (CDAs) for each location where Carbacid has operations.

These agreements were developed through inclusive consultations with community representatives to identify and prioritize local needs, ensuring that our social investments are aligned with community aspirations. The CDAs provide a structured framework to support initiatives in areas such as:

- Education – improving access to quality learning opportunities.
- Healthcare – strengthening local health and wellness programs.
- Environmental restoration – protecting water catchments and ecosystems.
- Economic empowerment – enabling sustainable livelihoods around our sites.

Within Carbacid, we continue to invest in our people by fostering a diverse, inclusive, and safe workplace. We have strengthened employee wellness programs, expanded leadership development initiatives, and for yet another year, achieved zero workplace injuries. The holding company sets Group policies, monitors culture and safety performance, and supports leadership development to embed these outcomes.

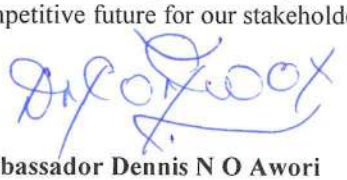
Leading the Industry Forward

Looking ahead, we are focused on maintaining our market leadership while setting pace for sustainable industrial transformation in East Africa. Over the next three years, we will:

- : Scale renewable energy adoption to strengthen cost efficiency and energy security.
- Embed circular economy principles into our operations to maximize recovery, minimize waste, and unlock new value streams.
- Enhance ESG transparency to meet the evolving expectations of regulators, investors, and customers.
- Continue investing in innovation and technology to secure our competitive advantage and future-proof our business

Carbacid is not just responding to change — we are driving it. By combining operational excellence, sustainability leadership, and community impact, we are redefining what it means to deliver value in today's world.

I invite you to explore this report on https://carbacid.com to see how Carbacid is building a stronger, greener, and more competitive future for our stakeholders and for East Africa.



Ambassador Dennis N O Awori

Chairman

30 October 2025

Chairman's comments

The Board of Directors of Carbacid Investments plc (the "Group") remains firmly committed to the highest standards of corporate governance. Effective governance underpins sustainable performance, prudent risk-taking, and long-term value creation for all stakeholders. As Chairman, I guide and lead the Board to ensure it operates effectively, maintains an appropriate balance of skills and experience, and provides clear oversight of the Group's strategy and performance.

Code compliance

The Group continues to comply with the Code of Corporate Governance Practices for Issuers of Securities to the Public, 2015 (the "Code") issued by the Capital Markets Authority under the Capital Markets Act (Cap 485A), as read together with the Companies Act, 2015. Our Board Charter documents the Board's commitments, principles, and practices and is reviewed periodically to close any gaps and embed emerging best practice.

Independent governance and legal audits are conducted periodically by accredited professionals. These audits assess compliance with the Code and relevant legislation and evaluate the adequacy of our governance framework. The most recent audits confirmed our adherence to applicable standards and the implementation of best-practice structures, reinforcing our commitment to transparency, accountability, and stakeholder trust.

The Board

As of 31 July 2025, the Board comprised seven non-executive Directors drawn from diverse professional and industry backgrounds. The Group's operations are technical and specialized; accordingly, the Board composition emphasises domain expertise, sound judgement, and independence of mind.

In line with CMA guidelines, the Board recognises the following independent non-executive Directors: Mrs. Susan Mudhune, Dr Eng. Edward Musebe, and Dr John Simba. The Board considers all Directors to be independent in character and judgement, able to exercise objective oversight free from undue influence. Directors receive formal letters of appointment setting out their terms and conditions.

The Company Secretary, appointed by the Board, serves as Secretary to the Board of all the Group companies and its committees. The role covers preparing agendas, circulating papers, keeping minutes and records, and handling statutory filings and basic compliance matters. The Company Secretary provides routine procedural guidance to Directors as needed and supports the smooth running of Board and Committee meetings. He is evaluated annually by the Directors.

The Board has appointed two members to the Board Executive Committee (EXCO), which is charged with providing guidance to management on strategic matters. The two members are Mukesh Shah and Rohan Patel. The Chief Operating Officer, the Finance & Administration Manager, and the Chief Commercial Officer are co-opted to the Executive Committee.

The EXCO meets monthly, and more frequently as business needs require. Its agenda is anchored on execution of Board-approved strategy and delivery of annual performance objectives. In particular, the Committee oversees commercial execution of strategy, financial stewardship, and compliance within the Board's approved risk appetite, and it implements Board resolutions through time-bound action plans.

During the year under review, the EXCO drove delivery of company and functional targets, monitored key operational and financial KPIs, and executed Board decisions, thus contributing to the strong results presented in the Company's financial statements. Regular reporting by the EXCO supports the Board's oversight of performance, risk, and control.

In accordance with the Articles of Association, one-third of the Directors retire by rotation each year and, if eligible, offer themselves for re-election. Any Director appointed by the Board is presented to shareholders for election at the next Annual General Meeting.

All Directors and Executive Management undertake ongoing professional development, including training in business, governance, risk, and regulatory developments.

Board responsibilities

The Board is responsible for:

- setting the Group's purpose, values, and strategy and monitoring delivery against approved plans.
- approving major policies and overseeing effective risk management and internal control systems.
- ensuring prudent capital allocation, financial resilience, and long-term sustainability.
- overseeing succession planning for the Board and senior leadership.

Detailed matters are delegated to Board Committees and to Management in line with approved Terms of Reference and delegated authority matrices. The Board retains overall accountability and receives timely, complete information in advance of meetings.

Board meetings

The Board schedules quarterly meetings and convenes additional meetings as required. Scheduled business includes strategic reviews, quarterly performance, and oversight of operational and risk matters.

FY2025 attendance

		Meetings Eligible to Attend	Meetings Attended
Amb D N O Awori	Chairman, Independent Director	5	5
B C Patel	Non-executive Director	5	5
M K R Shah	Non-executive Director	5	5
S O Mudhune	Independent Director	5	4
Dr Eng. E A Musebe	Independent Director	5	5
R B Patel	Non-executive Director	5	5
Dr J P N Simba	Independent Director	5	4

Board Audit and Risk Committee (BARC)

Chair: Mrs. Susan Mudhune (Independent Director)
Members: M K R Shah, R B Patel, Dr Eng. E A Musebe

The Committee oversees the integrity of financial reporting, the effectiveness of risk management and internal controls, the independence and performance of both the External Auditor and Internal Audit, and the adequacy of compliance systems. The Committee regularly reviews principal and emerging risks, risk appetite and tolerances, mitigation plans, business continuity arrangements, and control enhancements.

FY2025 attendance

		Meetings Eligible to Attend	Meetings Attended
S O Mudhune	Chair	3	3
M K R Shah	Member	3	3
R B Patel	Member	3	3
Dr Eng. E A Musebe	Member	3	3

Board Nomination, Remuneration & Governance Committee (NRGC)

Chair: Dr John Simba (Independent Director)
Members: B C Patel, S O Mudhune.

The Committee leads Board and senior management succession planning, oversees Board composition and diversity, and sets remuneration policies and frameworks that attract and retain talent while aligning pay with long-term value creation and risk outcomes. Where appropriate, external advisors are engaged to support recruitment against written specifications. All appointments are made on merit and without discrimination.

FY2025 attendance

		Meetings Eligible to Attend	Meetings Attended
Dr J P N Simba	Chair	2	2
B C Patel	Member	2	2
S O Mudhune	Member	2	1

Board Finance & Investment Committee (BFIC)

Chair: Dr Eng. Edward Musebe (Independent Director)
Members: M K R Shah, R B Patel.

The Committee reviews capital structure, liquidity, and investment policies, and recommends objectives and strategies for the Group's investment portfolio and asset allocation, ensuring alignment with risk appetite and strategic priorities.

FY2025 attendance

		Meetings Eligible to Attend	Meetings Attended
Dr Eng. E A Musebe	Chair	2	2
M K R Shah	Member	2	2
R B Patel	Member	2	2

Roles of the Chairman and the Board

There is a clear division of responsibilities between the Chairman and the Board, documented in the Board Charter and related policies. The Chairman ensures the Board's effectiveness, fosters constructive challenge and open dialogue, and promotes a culture of high standards and ethical conduct.

Conflicts of Interest

Formal procedures exist for declaring and managing conflicts of interest. Directors must notify the Board of any actual or potential conflicts. Related-party transactions are conducted on an arm's-length basis with appropriate disclosure and oversight. Directors have a continuing duty to report changes to their interests.

Board Performance Evaluation

An independent evaluation of the Board, Committees, individual Directors, and the Group Secretary is conducted bi-annually. The 360-degree review considers composition and skills, Board dynamics, leadership effectiveness, strategic oversight, risk governance, stakeholder engagement, and succession planning. Findings inform a time-bound action plan monitored by the NRGC to drive continuous improvement.

Whistleblowing and Ethics

The Group upholds the highest standards of integrity. A secure and confidential whistleblowing platform is available via the Group website, enabling stakeholders to report concerns without fear of retaliation. The Board oversees the effectiveness of this mechanism and reviews reports and remediation.

The Group maintains robust Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) and Counter-Proliferation Financing (CPF) Policy, controls, and a Data Protection framework aligned with applicable laws and best practice.

Use of Company Assets and Directors' Loans

The Board Audit & Risk Committee confirms that there has been no improper personal use of Company assets by Directors. There were no arrangements during the year under which Directors acquired benefits through transactions in the Company's shares, and there were no Directors' loans at any time during the year.

Shareholder and Stakeholder Relations

The Board's primary duty is to promote the long-term success of the Group for the benefit of shareholders while considering the interests of wider stakeholders. Policies on conflicts, dispute resolution, and stakeholder engagement guide transparent, fair, and timely communication. The Board engages regularly with shareholders and encourages participation at the Annual General Meeting.

Sustainability & ESG

Sustainable success requires careful management of operational, financial, social, and environmental risks and opportunities. The Board has approved an Environmental, Social and Governance (ESG) Policy, supported by measurable objectives and disclosures. A detailed Sustainability Report is available on our website (www.carbacid.com) and the Chairman's sustainability statement appears earlier in this report.

Directors' interest

The interest of the Directors in the Shares of the Company as at 31 July 2025 were as follows:

	No. of Shares	
Name	**2025**	**2024**
BC Patel through Aksaya Investment Holdings Limited	127,172,592	127,172,592

Shareholders' profile

The Company, through its Secretary, files return regularly in line with Capital Markets Authority and the Nairobi Securities Exchange under the listing regulations on transactions related to shareholders.

a) Distribution of shareholders as at 31 July 2025

Shareholding (No of shares)	**No. of Shareholders**	**No. of Shares**	**%**
Less than 500	1,553	298,830	0.12%
501-5,000	1,364	2,669,742	1.05%
5,001-10,000	330	2,473,401	0.97%
10,001-100,000	716	23,982,898	9.41%
100,001-1,000,000	92	26,845,116	10.53%
Over 1,000,000	19	198,581,998	77.92%
Total	**4,074**	**254,851,985**	**100.00%**

b) Major Shareholders

The top 10 major shareholders as at 31 July 2025 were as follows:

Name	No of Shares	Shares held %
Aksaya Investment Holdings Limited	127,172,592	49.90
Boc Kenya plc	14,850,000	5.83
Miss Tessa Irena Friedman	11,275,695	4.42
Standard Chartered Kenya Nominees Ltd A/C Ke004667	7,623,600	2.99
Mwangi, Peter Kingori	5,661,241	2.22
Standard Chartered Kenya Nominees Ltd A/C Ke000954	5,000,000	1.96
Kampf, Brenda Clare	4,037,130	1.58
Patel, Anjay Vithalbhai	3,501,800	1.37
Standard Chartered Kenya Nominees Ltd A/C 133935500055	3,477,800	1.36
Mr. Roger Bryan Robson (Deceased)	2,426,220	0.95
	185,026,078	72.60
4,064 other shareholders	69,825,907	27.40
Total 4,074 shareholders	**254,851,985**	**100.00**

AMBASSADOR DENNIS N O AWORI - CHAIRMAN, NON-EXECUTIVE DIRECTOR (71 Yrs)

Amb. Dennis Awori is an accomplished business executive and respected leader with extensive experience in both the private and public sectors. He currently serves as the Chairman of CFAO Motors Kenya Limited and Bank of Africa Kenya Limited and sits on the boards of several reputable companies in Kenya.

In 2025, he was appointed Chancellor of the United States International University (USIU-Africa), further recognizing leadership skills and commitment to education in Kenya.

Amb. Awori joined the Board of Carbacid Investments plc in August 2014. Over the course of his career, he has held several senior positions in the motor industry, where he has made significant contributions to its growth and development in the region. He was also Kenya's ambassador to Japan and has been instrumental in developing and maintaining strong ties between Kenya and Japan.

He holds an Honours' Degree in Aeronautical Engineering from the University of Manchester, having graduated in 1976.

BALOOBHAI C PATEL, NON-EXECUTIVE DIRECTOR (86 Yrs)

Mr. B.C. Patel is a significant shareholder in the Company through his investment holding vehicle, Aksaya Investment Holdings Limited. He has extensive business interests across a range of sectors in Kenya and serves as a director in several other unlisted companies.

With his diverse business background, Mr. Patel brings a wealth of experience and a broad skill set to the Board, contributing valuable insights to the Company's strategic direction.

MUKESH K R SHAH FCCA, CPA (K), CPS (K), NON-EXECUTIVE DIRECTOR (71 Yrs)

Mr. Mukesh Shah is a Director at Strategic Consultants, a leading consultancy firm specializing in business advisory services for family-owned enterprises in various parts of the world. He joined the Board of Carbacid Investment Plc in 2002 and primarily serves as a non-executive Director, with specific oversight responsibilities in the financial affairs of the Group.

Mr. Shah also serves as a Director on the Board of NCBA Bank PLC and holds directorships in various other companies, reflecting his extensive experience in corporate governance and financial management. He also served as an independent director on the Board of the Kenya Revenue Authority from 2018 to 2023.

He is a member of the Institute of Certified Public Accountants of Kenya and the Institute of Certified Public Secretaries of Kenya, and a Fellow of the Association of Chartered Certified Accountants (ACCA), UK. His professional journey includes serving as a Partner at Price Waterhouse, bringing decades of expertise in audit, advisory, and financial leadership.

SUSAN MUDHUNE, MBS, NON-EXECUTIVE DIRECTOR (76 Yrs)

Mrs. Susan Mudhune is a seasoned consultant in corporate governance and leadership, with extensive experience in consultancy and training across the region. She is a certified trainer in corporate governance and has played a key role in strengthening governance structures in both public and private sector organizations.

She was appointed to the Board of Carbacid Investments plc in July 2017 and also serves as a Director at MUA University and various other organizations.

Mrs. Mudhune holds a Bachelor of Arts degree and a Master of Business Administration (MBA) from the University of Nairobi. Her distinguished career spans a range of previous high-profile Board appointments, including Kenya Commercial Bank Group as the Chair, Safaricom, the Kenya Revenue Authority (KRA), and Sanlam Kenya PLC.

Dr (Eng.) EDWARD A MUSEBE, NON-EXECUTIVE DIRECTOR (59 Yrs)

Dr (Eng.) Edward Musebe is an accomplished academic and business leader with extensive experience in strategic management and industrial operations. He currently serves as an Assistant Professor of Strategic Management at the United States International University-Africa (USIU-Africa), where he contributes to research, teaching, and mentorship in the field of business strategy.

Dr Musebe was appointed to the Board of Carbacid Investments Plc in December 2018 and also serves as a non-executive independent Board Member of the Kenya Pipeline Company Limited. His corporate experience includes serving as the Managing Director of Chemelil Sugar Company Limited, along with leadership roles in other prominent commercial enterprises

He holds a Ph.D. in Business Administration from the University of Nairobi, an MBA from USIU-Africa, and a bachelor's degree in mechanical engineering from the University of Nairobi. His unique blend of academic insight and executive experience makes him a valuable asset in strategic governance and organizational development.

ROHAN B PATEL, NON-EXECUTIVE DIRECTOR (50 Yrs)

Mr. Rohan B. Patel is a seasoned investment and business executive with significant experience in corporate development, strategic management, and financial advisory. He currently serves as the Group CEO at a diversified investment group with interests spanning real estate investment and services, hospitality, insurance, and asset management.

Prior to his current role, Mr. Patel worked with KPMG Eastern Africa in both Business and Financial Advisory Services and Development Advisory Services, gaining deep expertise in finance, strategy, and consulting.

He was appointed to the Board of Carbacid Investments plc in May 2020 and also serves as a non-executive Director of Sanlam Kenya PLC and Sanlam Allianz Investments Limited, alongside holding board positions in various other companies.

Mr. Patel holds an MBA from IMD (International Institute for Management Development), a Master of Science (Economics) in Management and a Bachelor of Arts in Geography from the London School of Economics (LSE). He is also a graduate of the Advanced Management Program at Harvard Business School.

Dr JOHN P N SIMBA EGH, OGW, MBS, NON-EXECUTIVE DIRECTOR (80 Yrs)

Dr Simba is an Advocate of the High Court of Kenya, holding a Bachelor of Laws (LLB) degree from the University of Dar es Salaam and a Diploma in Law from the Kenya School of Law. In recognition of his distinguished service to the University of Nairobi and the nation, he was awarded an Honorary Doctor of Laws (LLD) by the University. He is the Senior Partner at Simba and Simba Advocates, a leading legal practice in Kenya

Dr Simba was appointed to the Board of Carbacid Investments plc in May 2022. He also serves on the boards of several private and public companies and is currently the Chairman of Sanlam Kenya PLC, Bamburi Cement PLC, and Funguo Investments Limited.

Previously, Dr Simba held key leadership roles as the Chief Executive Officer of both the Industrial and Commercial Development Corporation (ICDC) and the National Bank of Kenya.

The Directors' Remuneration Report sets out the remuneration arrangements the Group has applied to remunerate Directors. The report has been prepared in accordance with the Companies Act and the relevant provisions of the Capital Markets Authority (CMA) Code of Corporate Governance.

Policy

It is the Company's policy to fairly remunerate Directors for the role and responsibilities that they undertake for the Group and Company. The remuneration is determined by the Board Nomination Remuneration and Governance Committee by reference to market forces. The remuneration is subject to approval by the shareholders at the Annual General meeting.

Remuneration - auditable part

The table below provides the emoluments paid to Directors

	2025 KSh'000	2024 KSh'000
Amb. D N O Awori	5,399	5,029
Mr. B C Patel	3,861	3,598
Mr. M K R Shah*	8,382	8,182
Mrs. S O Mudhune	3,861	3,598
Eng. E A Musebe	3,861	3,598
Mr. R B Patel	7,086	6,598
Dr J P N Simba	3,861	3,598
Total	**36,311**	**34,201**

* Part of Mr. Shah's remuneration is paid through a corporate entity.

At the Annual General Meeting held on 18 December 2024, the shareholders unanimously approved the Directors' 2024 remuneration report and policy.

The Group provides Directors' and Officers' Liability Insurance cover for all directors. There were no other benefits provided to the Directors.

There are formal letters of appointment for services as Directors. On termination Directors are not entitled to compensation for loss of office.

There were no share options, long-term incentive schemes, nor pensions for current Directors or compensation due to past Directors. There were no sums paid to third parties in respect of Directors' services.

BY ORDER OF THE BOARD

Mr C Nyukuri
Group Secretary
Nairobi

30 October 2025

The Directors present their report together with the audited financial statements of Carbacid Investments plc (the "Company") and its subsidiaries (together, the "Group") for the year ended 31 July 2025 which disclose the state of financial affairs of the Group and the Company.

Incorporation

The Company is domiciled in Kenya where it is incorporated as a public company limited by shares under the Companies Act, Laws of Kenya. The address of the registered office is set out on page 1.

Directorate

The directors who held office during the year and to the date of this report are set out on page 1.

Principal activities

The Company is an investment and holding company with three subsidiaries. The principal activities of the main subsidiary, Carbacid (CO_2) Limited, are mining, processing and marketing of natural carbon dioxide gas while the other two subsidiaries, Goodison Twenty Nine Limited and Goodison Forty Seven Limited, are investment companies.

Group financial results	**2025** **KSh '000**	**2024** **KSh '000**
Profit before tax	1,288,564	1,123,758
Tax charge	(285,650)	(280,484)
Profit transferred to retained earnings	1,002,914	843,274

Dividends

The Directors recommend a final dividend of KSh 2.00 per share (2024: KSh 1.70 per share). The total dividend will amount to KSh 509,703,970 (2024: KSh 433,248,375).

Business review

The company recorded a 1.6% growth in turnover, reaching KSh 2,100 million (2024: KSh 2,066 million). This modest increase was primarily driven by expanding demand in non-traditional markets such as Southern Africa, including Namibia and Malawi. However, the appreciation of the Kenyan Shilling against the US Dollar negatively impacted growth in local currency terms.

Gross margin improved significantly from 59% to 65%, attributed to enhanced operational efficiency, notably from reduced power costs following substantial investments in solar energy infrastructure. While fuel prices were generally lower throughout the year, there was a notable uptake in the last quarter.

The Nairobi Securities Exchange (NSE) and Dar-es-Salaam Stock Exchange (DSE) continued their recovery, positively affecting the company's investment portfolio. This led to unrealized gains of KSh 68 million in NSE-listed stocks and KSh 52 million in DSE stocks. Additionally, dividend income rose sharply by 95% compared to the previous year, reflecting improved market performance.

Environmental matters

The Group continues to be conscious of environmental aspects and operates accordingly. At a minimum, the Group is in compliance with the National Environmental Management Authority (NEMA) requirements. Safety is paramount in the operations and there is particular attention to a conducive working environment for staff and all other stakeholders. All Carbacid's manufacturing facilities continue to be FSSC 22000 (Food Safety System Certification) certified.

Our people

The Company believes in developing talent and rewarding fairly for performance and is committed to improving skills, knowledge and wellbeing of all employees. The selection process, training, development and promotion policies are geared to giving equal opportunities for all employees.

As of 31 July 2025, Carbacid's staff headcount stood at 75 (2024: 74) with 53 employees handling operations and 22 employees in administration and management.

Directors' indemnities

In line with sound governance practices, the Group maintains Directors' and officers' liability insurance, which gives appropriate cover for legal action, brought against its Directors. The Group has also granted indemnities to each of its directors and the Group Secretary to the extent permitted by law.

Corporate social responsibility

Our community engagement programme continued to support and assist communities, in particular in the support of education, in paying school fees, university fees and stipends and in assisting to refurbish school buildings in areas in which we operate from.

Appointment of Auditor

A resolution is to be proposed at the Annual General Meeting to appoint RSM Eastern Africa LLP as auditor of the Company.

Statement as to disclosure to the Group's auditor

With respect to each Director at the time this report was approved:
(a) there is, so far as the Director is aware, no relevant audit information of which the Group's auditor is unaware; and
(b) the Director has taken all the steps that the Director ought to have taken as a Director so as to be aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Terms of appointment of the auditor

The Directors approve the annual audit engagement contract which sets out the terms of the auditor's appointment and the related fees.

The Directors' report was approved by the Board on **30 October 2025** and signed by the Group Secretary on its behalf.

By order of the board

.....
Mr C. Nyukuri, Group Secretary

Nairobi
30 October 2025

The Companies Act requires the directors to prepare financial statements for each financial year that give a true and fair view of the financial position of the Group and of the Company as at the end of the financial year and of their profit or loss for that year. It also requires the directors to ensure that the Company keeps proper accounting records that: (a) show and explain the transactions of the Company; (b) disclose, with reasonable accuracy, the financial position of the Company; and (c) enable the directors to ensure that every financial statement required to be prepared complies with the requirements of the Companies Act.

The directors accept responsibility for the preparation and presentation of these financial statements in accordance with IFRS Accounting Standards and in the manner required by the Companies Act. They also accept responsibility for:

i) designing, implementing and maintaining such internal control as they determine necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error;
ii) selecting suitable accounting policies and applying them consistently; and
iii) making accounting estimates and judgements that are reasonable in the circumstances.

Having made an assessment of the Group's ability to continue as a going concern, the directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the Group's ability to continue as a going concern.

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the board of directors on **30 October 2025** and signed on its behalf by:

.....
Director

.....
Director

RSM

RSM Eastern Africa LLP
Certified Public Accountants

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REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF CARBACID INVESTMENTS PLC

Opinion

We have audited the accompanying financial statements of Carbacid Investments plc (the "Company") and its subsidiaries (together, the "Group"), set out on pages 21 to 58, which comprise, for both the Group and the Company, the balance sheet as at 31st July 2025, the profit and loss account and statements of changes in equity and cash flows for the year then ended, and notes, including material accounting policy information.

In our opinion the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31st July 2025 and of their financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *International Ethics Standards Board for Accountants' 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 financial statements in Kenya, and we have fulfilled our 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 matter

We have determined that there are no key audit matters to communicate in our report.

Other information

The directors are responsible for the other information. Other information comprises the information included in the reports accompanying the annual financial statements, other than our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon, other than that prescribed by the Companies Act, as set out below.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

Directors' responsibility for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the requirements of the Companies Act 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 financial statements, the directors are responsible for assessing the Group'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 or to cease operations, or have no realistic alternative but to do so.

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

Registration number: LLP-3A1VXM, a limited liability partnership under the Limited Liability Partnership Act, 2011.
Partners: Ashif Kassam, Elvis Ogeto, George Mutua

RSM Eastern Africa LLP is a member of the RSM network and trade as RSM. RSM is the trading name used by the members of the RSM Network. Each member of the RSM network is an independent accounting and consulting firm, each of which practises in its own right. The RSM network is not itself a separate legal entity of any description in any jurisdiction.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF CARBACID INVESTMENTS PLC (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

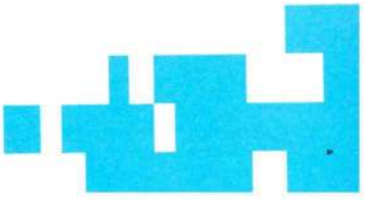
As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the 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's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 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 the auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Group's consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF CARBACID INVESTMENTS PLC (CONTINUED)

Report on other matters prescribed by the Companies Act

In our opinion,

i) the information given in the report of the directors on pages 14 and 15 is consistent with the financial statements; and
ii) the auditable part of the directors' remuneration report has been properly prepared in accordance with the Companies Act.

The engagement partner responsible for the audit resulting in this independent auditor's report is **CPA George Mutua**, Practising Certificate No. A/0011.

G. Mutua

RSM Eastern Africa LLP
Certified Public Accountants
Nairobi

30TH OCTOBER, ... 2025

534/2025

UNIQUE CODE: 18486251030

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST JULY 2025

	Note	2025 KSh'000	2024 KSh'000
Revenue	6	2,099,850	2,066,315
Cost of sales		(747,182)	(846,795)
Gross profit		1,352,668	1,219,520
Other income	7	322,516	354,492
Fair value (loss)/gain on equity investments	21	121,234	(31,224)
Fair value loss on investment property	17	-	(4,860)
Administrative expenses		(440,031)	(371,054)
Operating profit		1,356,387	1,166,874
Finance cost	8	(67,823)	(43,116)
Profit before tax	9	1,288,564	1,123,758
Tax expense	10	(285,650)	(280,484)
Profit for the year		1,002,914	843,274
Earnings per share			
Basic and diluted	11	3.94	3.31

COMPANY PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST JULY 2025

	Note	2025 KSh'000	2024 KSh'000
Investment income	7	885,029	1,853,960
Fair value gain on equity investments	21	68,631	3,009
Fair value loss on investment property	17	-	(4,860)
Administrative expenses		(33,449)	(32,205)
Profit before tax	9	920,211	1,819,904
Tax expense	10	(11,713)	(26,329)
Profit for the year		908,498	1,793,575

CONSOLIDATED BALANCE SHEET AT 31ST JULY 2025

	Note	2025 KSh'000	2024 KSh'000
EQUITY			
Share capital	12	254,852	254,852
Share premium	12	27	27
Revaluation surplus	13	-	10,798
Retained earnings		4,886,715	4,306,251
Total equity		5,141,594	4,571,928
Non-current liabilities			
Borrowings	14	500,554	655,496
Deferred income tax	15	391,035	380,158
		891,589	1,035,654
		6,033,183	5,607,582
REPRESENTED BY			
Non-current assets			
Property, plant and equipment	16	2,221,789	1,963,988
Investment property	17	222,900	145,894
Intangible assets	18	3,716	1,853
Right - of - use assets	19	51,227	51,516
Financial assets	21	2,366,872	2,363,154
		4,866,504	4,526,405
Current assets			
Inventories	22	159,475	140,612
Trade and other receivables	23	640,533	581,108
Short-term bank deposits	24	894,600	399,676
Cash at bank and in hand	25	118,576	524,882
Current tax recoverable		-	105,640
		1,813,184	1,751,918
Current liabilities			
Borrowings	14	276,719	177,080
Trade and other payables	26	257,648	408,883
Dividend payable	27(ii)	100,135	84,778
Current tax payable		12,003	-
		646,505	670,741
Net current assets		1,166,679	1,081,177
		6,033,183	5,607,582

The financial statements on pages 21 to 58 were authorised for issue by the board of directors on **30 October 2025** and were signed on its behalf by:

.....
Director

.....
Director

COMPANY BALANCE SHEET AT 31ST JULY 2025

	Note	2025 KSh'000	2024 KSh'000
EQUITY			
Share capital	12	254,852	254,852
Share premium	12	27	27
Retained earnings		4,616,231	4,140,981
Total equity		4,871,110	4,395,860
Non-current liabilities			
Deferred income tax	15	36,394	31,332
		4,907,504	4,427,192
REPRESENTED BY			
Non-current assets			
Property, plant and equipment	16	500	534
Investment property	17	143,804	143,282
Right - of - use assets	19	8,753	9,042
Investment in subsidiaries	20	29,392	3,546
Financial assets	21	2,049,972	2,098,857
Due from subsidiary companies	28(ii)	950,000	650,000
		3,182,421	2,905,261
Current assets			
Trade and other receivables	23	3,455	4,657
Short-term bank deposits	24	638,007	386,447
Due from subsidiary companies	28(ii)	1,166,024	1,167,629
Cash at bank and in hand	25	11,306	41,284
Current tax recoverable		20,227	12,965
		1,839,019	1,612,982
Current liabilities			
Trade and other payables	26	13,801	6,273
Dividend payable	27(ii)	100,135	84,778
		113,936	91,051
Net current assets		1,725,083	1,521,931
		4,907,504	4,427,192

The financial statements on pages 21 to 58 were authorised for issue by the board of directors on **30 October 2025** and were signed on its behalf by:

.....
Director

.....
Director

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

	Note	Share capital KSh'000	Share premium KSh'000	Revaluation surplus KSh'000	Retained earnings KSh'000	Total KSh'000
At 1st August 2023		254,852	27	32,914	3,874,109	4,161,902
Changes in equity in 2024						
Profit for the year		-	-	-	843,274	843,274
Transfer of excess depreciation		-	-	(29,916)	29,916	-
Deferred income tax on depreciation transfer		-	-	8,975	(8,975)	-
Realized revaluation on disposal		-	-	(1,175)	1,175	-
Total comprehensive income for the year		-	-	(22,116)	865,390	843,274
Transactions with owners:						
Dividends:						
- Final for 2023		-	-	-	(433,248)	(433,248)
At 31st July 2024		254,852	27	10,798	4,306,251	4,571,928
At 1st August 2024		254,852	27	10,798	4,306,251	4,571,928
Changes in equity in 2025						
Profit for the year		-	-	-	1,002,914	1,002,914
Transfer of excess depreciation		-	-	(15,426)	15,426	-
Deferred income tax on depreciation transfer		-	-	4,628	(4,628)	-
Total comprehensive income for the year		-	-	(10,798)	1,013,712	1,002,914
Transactions with owners:						
Dividends:						
- Final for 2024		-	-	-	(433,248)	(433,248)
At 31st July 2025		254,852	27	-	4,886,715	5,141,594

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST JULY 2025

	Share capital KSh'000	Share premium KSh'000	Retained earnings KSh'000	Total KSh'000
At 1st August 2023	254,852	27	2,780,654	3,035,533
Changes in equity in 2024				
Profit for the year	-	-	1,793,575	1,793,575
Total comprehensive income for the year	-	-	1,793,575	1,793,575
Transactions with owners:				
Dividends:				
- Final for 2023	-	-	(433,248)	(433,248)
At 31st July 2024	254,852	27	4,140,981	4,395,860
At 1st August 2024	254,852	27	4,140,981	4,395,860
Changes in equity in 2025				
Profit for the year	-	-	908,498	908,498
Total comprehensive income for the year	-	-	908,498	908,498
Transactions with owners:				
Dividends:				
- Final for 2024	-	-	(433,248)	(433,248)
At 31st July 2025	254,852	27	4,616,231	4,871,110

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST JULY 2025

	Note	2025 KSh'000	2024 KSh'000
Cash flows from operating activities			
Profit for the year		1,002,914	843,274
Adjustments for:			
Income tax expense	10	285,650	280,484
Depreciation of property, plant and equipment	16	152,697	97,081
Depreciation of right - of - use asset	19	289	289
Amortisation of intangible assets	18	1,361	271
Loss/(gain) on disposal of property, plant and equipment		578	(4,134)
Fair value (gain)/loss on equity investments	21	(121,234)	31,224
Gain on disposal of investment property	7	-	(17,473)
Fair value loss on investment property	17	-	4,860
Dividend income - financial assets at fair value through profit or loss	7	(15,431)	(30,113)
Interest expense	8	67,823	43,116
Interest income	7	(263,955)	(273,469)
Operating profit before working capital changes		1,110,692	975,410
Increase in:			
Inventories		(18,863)	(53,422)
Trade and other receivables		(59,425)	(33,202)
Increase in:			
Trade and other payables		(151,235)	20,741
Cash generated from operations		881,169	909,527
Interest received		263,955	273,469
Interest expense		(67,823)	(43,116)
Income tax paid		(157,128)	(208,839)
Net cash generated from operating activities		920,173	931,041
Cash flows from investing activities			
Purchase of property, plant and equipment	16	(426,911)	(705,615)
Purchase of intangible assets	18	(3,224)	(1,212)
Purchase of investment property	17	(77,006)	(5,022)
Proceeds from disposal of property, plant and equipment		15,833	8,771
Proceeds from sale of investment property		-	168,473
Proceeds on redemption of corporate bond		117,516	100,500
Purchase of equity investments		-	(41,348)
Decrease in short term bank deposits		(494,924)	(145,018)
Purchase of government securities		-	(70,862)
Dividends received on quoted shares		15,431	30,113
Net cash used in investing activities		(853,285)	(661,220)
Cash flows from financing activities			
Repayment of borrowings	14	(236,512)	(148,273)
Proceeds from borrowings	14	184,712	755,450
Dividends paid	27(ii)	(417,891)	(420,637)
Net cash (used in)/generated from financing activities		(469,691)	186,540
Foreign exchange on borrowings		(3,503)	(48,933)
Net (decrease)/increase in cash and cash equivalents		(406,306)	407,428
Cash and cash equivalents at start of year		524,882	117,454
Cash and cash equivalents at end of year	25	118,576	524,882

COMPANY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST JULY 2025

	Note	2025 KSh'000	2024 KSh'000
Cash flows from operating activities			
Profit for the year		908,498	1,793,575
Adjustments for:			
Income tax expense	10	11,713	26,329
Depreciation of equipment	16	34	34
Depreciation of right - of - use asset	19	289	289
Fair value gain on equity investments	21	(68,631)	(3,009)
Fair value loss on investment property	17	-	4,860
Gain on sale of investment property	7	-	(17,473)
Dividend income - financial assets at fair value through profit or loss	7	(15,431)	(9,730)
Dividend income - investment in subsidiary	7	(600,000)	(1,550,000)
Interest income	7	(260,759)	(272,096)
Operating loss before working capital changes		(24,287)	(27,221)
Increase in:			
Trade and other receivables		1,202	78,127
Due from subsidiary companies		(298,395)	(1,441,058)
Increase/(decrease) in:			
Trade and other payables		7,528	(4,153)
Cash used in operations		(313,952)	(1,394,305)
Interest received		260,759	272,096
Income tax paid		(13,913)	(34,208)
Net cash used in operating activities		(67,106)	(1,156,417)
Cash flows from investing activities			
Proceeds on redemption of corporate bonds		117,516	100,500
Decrease in short term bank deposits		(251,560)	(144,337)
Purchase of investment property	17	(522)	(5,022)
Proceeds from sale of investment property		-	168,473
Purchase of government securities		-	(70,862)
Investment in subsidiary	20	(25,846)	-
Dividends received on quoted shares		15,431	9,730
Dividend received from subsidiary		600,000	1,550,000
Net cash generated from investing activities		455,019	1,608,482
Cash flows from financing activities			
Dividends paid	27(ii)	(417,891)	(420,637)
Net cash used in financing activities		(417,891)	(420,637)
Net (decrease)/increase in cash and cash equivalents		(29,978)	31,428
Cash and cash equivalents at start of year		41,284	9,856
Cash and cash equivalents at end of year	25	11,306	41,284

NOTES

1. General information

Carbacid Investments plc (the "company") is domiciled in Kenya where it is incorporated under the Companies Act as a public company limited by shares. Its shares are listed at the Nairobi Securities Exchange . The address of its registered office is P.O. Box 764 - 00606, Sarit Centre and L.R. No. 1870/1/569.

2. Material accounting policy information

The accounting policy information considered material in the preparation of these general purpose financial statements are set out below:

a) Basis of preparation

The financial statements are prepared on a going concern basis and in compliance with International Accounting Standards issued by the IFRS Accounting Standards Board. They are presented in Kenya Shillings, which is also the functional currency (see (c) below), rounded to the nearest thousand (KSh '000).

The financial statements comprise a profit and loss account (statement of profit or loss), balance sheet (statement of financial position), statement of changes in equity, statement of cash flows, and notes.

Measurement basis

The measurement basis used is the historical cost basis except where otherwise stated in the accounting policy information summarised below.

For those assets and liabilities measured at fair value, 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. When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. If the fair value of an asset or a liability is not directly observable, it is estimated by the Group using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items or discounted cash flow analysis). Inputs used are consistent with the characteristics of the asset / liability that market participants would take into account.

Fair values are categorised into three levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety:

• Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

• Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

• Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Transfers between levels of the fair value hierarchy are recognised by the Group at the end of the reporting period during which the change occurred.

NOTES (CONTINUED)

2. Material accounting policy information (continued)

b) New and revised standards

i) Adoption of new and revised standards

Four Amendments to Standards became effective for the first time in the financial year beginning 1st August 2024 and have been adopted by the Company.

None of the amendments have had a material impact on the Company's financial statements.

ii) New and revised standards that have been issued but are not yet effective

The Company has not applied any of the new or revised Standards and Interpretations that have been published but are not yet effective for the year beginning 1st August 2024, and the Directors do not plan to apply any of them until they become effective. Note 31 lists all such new or revised standards and interpretations, with their effective dates and expected impact.

c) Consolidation

A subsidiary is an entity (an investee) controlled by the Company. The Company controls an investee when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Group's financial statements incorporate the results, cash flows, assets and liabilities of the Company and its subsidiaries. All intragroup transactions, balances, income, and expenses are eliminated on consolidation.

d) Translation of foreign currencies

On initial recognition, all transactions are recorded in the functional currency of the respective entity (the currency of the primary economic environment in which the entity operates), which for the Parent is Kenya Shillings.

Transactions in foreign currencies during the year are converted into the functional currency using the exchange rate prevailing at the transaction date. Monetary assets and liabilities at the balance sheet date denominated in foreign currencies are translated into the functional currency using the exchange rate prevailing as at that date. The resulting foreign exchange gains and losses from the settlement of such transactions and from year-end translation are recognised on a net basis in the profit and loss account in the year in which they arise.

e) Revenue recognition

The Group recognises revenue from direct sales of carbon dioxide gas and dry ice. The Group recognises revenue as and when it satisfies a performance obligation by transferring control of a product or service to a customer. The amount of revenue recognised is the amount the Group expects to receive in accordance with the terms of the contract, and excludes amounts collected on behalf of third parties, such as Value Added Tax.

Sale of goods are recognised upon the delivery of the product and customer acceptance and represents the value of carbon dioxide gas and/or dry ice invoiced to customers, excluding Value Added Tax while transport income is recognised upon performance of the service and customer acceptance.

NOTES (CONTINUED)

2. Material accounting policy information (continued)

f) Other income

Rental income from operating leases is recognised on a straight line basis over the period of the lease.

Dividend income is recognised when the right to receive the payment is established.

Interest income is recognised on a time proportion basis using the effective interest method.

f) Borrowing costs

All other borrowing costs are recognised in the profit and loss account in the year in which they are incurred.

g) Income tax

Income tax expense is the aggregate amount charged/(credited) in respect of current tax and deferred tax in determining the profit or loss for the year. Tax is recognised in the profit and loss account except when it relates to items recognised in other comprehensive income, in which case it is also recognised in other comprehensive income, or to items recognised directly in equity, in which case it is also recognised directly in equity.

Current tax

Current tax is the amount of income tax payable on the taxable profit for the year, and any adjustment to tax payable in respect of prior years, determined in accordance with the Kenyan Income Tax Act.

Deferred income tax

Deferred tax is determined for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, using tax rates and laws enacted or substantively enacted at the balance sheet date and expected to apply when the asset is recovered or the liability is settled.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets or liabilities. However, for investment property that is measured using the fair value model, there is a rebuttable presumption that the carrying amount of the investment property will be recovered through sale.

Deferred tax liabilities are recognised for all taxable temporary differences except those arising on the initial recognition of an asset or liability, other than through a business combination, that at the time of the transaction affects neither the accounting nor taxable profit or loss.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Recognised and unrecognised deferred tax assets are reassessed at the end of each reporting period and, if appropriate, the recognised amount is adjusted to reflect the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

h) Share capital and share premium

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received over and above the par value of the shares issued are classified as 'share premium' in equity.

NOTES (CONTINUED)

2. Material accounting policy information (continued)

i) Dividends

Dividends on ordinary shares are recognised as a liability in the year in which they are declared. Proposed dividends are not recognised until they have been declared at an annual general meeting.

j) Financial instruments

Initial recognition

Financial instruments are recognised when, and only when, the Group becomes party to the contractual provisions of the instrument. All financial assets are recognised initially using the trade date accounting which is the date the company commits itself to the purchase or sale.

Classification

The Group classifies its financial instruments into the following categories:

i) Financial assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows, and for which the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are classified and measured **at amortised cost**;

ii) All other financial assets are classified and measured **at fair value through profit or loss.**

iii) All financial liabilities are classified and measured at amortised cost.

Financial instruments held during the year were classified as follows:

- Trade and other receivables, demand and term deposits, investment in treasury bonds and corporate bonds with banking institutions were classified as at amortised cost:
- Investment in quoted shares were classified at fair value through profit and loss
- Borrowings and trade and other payables and other liabilities were classified as at amortised cost.

Initial measurement

On initial recognition:

i) Financial assets classified as at fair value through profit or loss are measured at fair value.
ii) Trade receivables are measured at their transaction price.
iii) All other categories of financial assets and financial liabilities are measured at the fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the instrument.

Subsequent measurement

Financial assets and financial liabilities after initial recognition are measured either at amortised cost, or at fair value through profit or loss according to their classification.

Interest income, dividend income, and exchange gains and losses on monetary items are recognised in profit or loss.

Fair value is determined as set out in Note 1(a). Amortised cost is the amount at which the financial asset or liability is measured on initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

NOTES (CONTINUED)

2. Material accounting policy information (continued)

j) Financial instruments (continued)

Impairment

The Group recognises a loss allowance for expected credit losses on debt instruments that are measured at amortised cost or at fair value through other comprehensive income. The loss allowance is measured at an amount equal to the lifetime expected credit losses for trade receivables and for financial instruments for which: (a) the credit risk has increased significantly since initial recognition; or (b) there is observable evidence of impairment (a credit-impaired financial asset). If, at the reporting date, the credit risk on a financial asset other than a trade receivable has not increased significantly since initial recognition, the loss allowance is measured for that financial instrument at an amount equal to 12-month expected credit losses. All changes in the loss allowance are recognised in profit or loss as impairment gains or losses.

Lifetime expected credit losses represent the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses represent the portion of lifetime expected credit losses that result from default events on a financial asset that are possible within 12 months after the reporting date.

Expected credit losses are measured in a way that reflects an unbiased and probability-weighted amount determined by evaluating a range of possible outcomes, the time value of money, and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Presentation

All financial assets are classified as non-current except those that are held for trading, those with maturities of less than 12 months from the balance sheet date, those which management has the express intention of holding for less than 12 months from the balance sheet date or those that are required to be sold to raise operating capital, in which case they are classified as current assets.

All financial liabilities are classified as non-current except those held for trading, those expected to be settled in the company's normal operating cycle, those payable or expected to be paid within 12 months of the balance sheet date and those which the Group does not have an unconditional right to defer settlement for at least 12 months after the balance sheet date.

Derecognition/write off

Financial assets are derecognised when the rights to receive cash flows from the financial asset have expired, when the Group has transferred substantially all risks and rewards of ownership, or when the Group has no reasonable expectations of recovering the asset.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged or cancelled or expires.

Offsetting

Financial assets and liabilities are offset and the net amount reported in the balance sheet only when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

NOTES (CONTINUED)

2. Material accounting policy information (continued)

k) Leases

Leases under which the company is the lessee

On the commencement date of each lease (excluding leases with a term, on commencement, of 12 months or less and leases for which the underlying asset is of low value) the company recognises a right-of-use asset and a lease liability.

The lease liability is measured at the present value of the lease payments that are not paid on that date. The lease payments include fixed payments, variable payments that depend on an index or a rate, amounts expected to be payable under residual value guarantees, and the exercise price of a purchase option if the Group is reasonably certain to exercise that option. The lease payments are discounted at the interest rate implicit in the lease. If that rate cannot be readily determined, the company's incremental borrowing rate is used.

For leases that contain non-lease components, the company allocates the consideration payable to the lease and non-lease components based on their relative stand-alone components.

The right-of-use asset is initially measured at cost comprising the initial measurement of the lease liability, any lease payments made on or before the commencement date, any initial direct costs incurred, and an estimate of the costs of restoring the underlying asset to the condition required under the terms of the lease.

Subsequently the lease liability is measured at amortised cost, subject to remeasurement to reflect any reassessment, lease modifications, or revised fixed lease payments.

Leasehold land and buildings are subsequently carried at revalued amounts, based on annual/triennial valuations by external independent valuers, less accumulated depreciation and accumulated impairment losses. All other right-of-use assets are subsequently measured at cost less accumulated depreciation and any accumulated impairment losses, adjusted for any remeasurement of the lease liability. Depreciation is calculated using the straight-line method to write down the cost of each asset to its residual value over its estimated useful life. If ownership of the underlying asset is not expected to pass to the Group at the end of the lease term, the estimated useful life would not exceed the lease term.

Increases in the carrying amount arising on revaluation are recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. Decreases that offset previous increases of the same asset are recognised in other comprehensive income. All other decreases are charged to the profit and loss account. Annually, the difference between the depreciation charge based on the revalued carrying amount of the asset charged to the profit and loss account and depreciation based on the asset's original cost (excess depreciation) is transferred from the revaluation surplus reserve to retained earnings.

For leases with a term, on commencement, of 12 months or less and leases for which the underlying asset is of low value, the total lease payments are recognised in profit or loss on a straight-line basis over the lease period.

Leases under which the Company is the lessor

Leases that transfer substantially all the risks and rewards of ownership of the underlying asset to the lessee are classified as finance leases. All other leases are classified as operating leases. Payments received under operating leases are recognised as income in the profit and loss account on a straight-line basis over the lease term. The company has not entered into any finance leases.

NOTES (CONTINUED)

2. Material accounting policy information (continued)

l) Provisions for liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

m) Post-employment benefit obligations

The Group operates a defined contribution retirement benefits plan for its employees, the assets of which are held in a separate trustee administered scheme managed by an insurance company. A defined contribution plan is a plan under which the Group pays fixed contributions into a separate fund, and has no legal or constructive obligation 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 or prior periods. The Group's contributions are charged to the profit and loss account in the year to which they relate.

The Group and its employees also contribute to the National Social Security Fund (NSSF), a national defined contribution scheme. Contributions are determined by local statute and the Group's contributions are charged to the profit and loss account in the year to which they relate.

n) Short term employee benefits

The estimated monetary liability for employees' accrued annual leave entitlement at the balance sheet date is recognised as an employment cost accrual.

o) Property, plant and equipment

All categories of property, plant and equipment are initially recognised at cost. Cost includes expenditure directly attributable to the acquisition of the assets. Computer software, including the operating system, that is an integral part of the related hardware is capitalised as part of the computer equipment. Items of property, plant and equipment are subsequently carried at a revalued amount, based on triennial revaluations by external independent valuers, less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that it will increase the future economic benefits associated with the item that will flow to the company over those originally assessed and the cost of the item can be measured reliably. Repairs and maintenance expenses are charged to the profit and loss account in the year in which they are incurred.

Increases in the carrying amount arising on revaluation are recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. Decreases that offset previous increases of the same asset are recognised in other comprehensive income. All other decreases are charged to the profit and loss account. Annually, the difference between the depreciation charge based on the revalued carrying amount of the asset charged to the profit and loss account and depreciation based on the asset's original cost (excess depreciation) is transferred from the revaluation surplus reserve to retained earnings.

Depreciation is calculated using the straight line method to write down the cost or the revalued amount of each asset to its residual value over its estimated useful life.

NOTES (CONTINUED)

2. Material accounting policy information (continued)

o) Property, plant and equipment (continued)

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item, is depreciated separately.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit. On disposal of revalued assets, amounts in the revaluation surplus reserve relating to that asset are transferred to retained earnings.

p) Intangible assets

Software licence costs and computer software that is not an integral part of the related hardware are initially recognised at cost, and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. Costs that are directly attributable to the production of identifiable computer software products controlled by the Group are recognised as intangible assets. Amortisation is calculated using the straight line method to write down the cost of each licence or item of software to its residual value over its estimated useful life.

q) Investment property

Investment property is property held to earn rentals or for capital appreciation or both. Investment property, including interests in leasehold land, is initially recognised at cost including the transaction costs. Subsequently, investment property is carried at fair value representing the open market value at the balance sheet date determined by annual valuations carried out by external registered valuers (Level 2). Gains or losses arising from changes in the fair value are included in determining the profit or loss for the year to which they relate.

Subsequent expenditure on investment property where such expenditure increases the future economic value in excess of the original assessed standard of performance is added to the carrying amount of the investment property. All other subsequent expenditure is recognised as an expense in the year in which it is incurred.

r) Investment in subsidiaries

In the Company's balance sheet, investments in subsidiaries are measured at cost less accumulated impairment losses.

s) Impairment of non-financial assets

Non-financial assets that are carried at amortised cost are reviewed at the end of each reporting period for any indication that an asset may be impaired. If any such indication exists, an impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

t) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods comprises raw material, direct labour, other direct costs, variable production overheads and an allocation of fixed production overheads based on normal operating capacity, but exclude borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

NOTES (CONTINUED)

2. Material accounting policy information (continued)

u) Cash and cash equivalents

Cash and cash equivalents include cash in hand and demand and term deposits, with maturities of three months or less from the date of acquisition, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3. Significant judgements and key sources of estimation uncertainty

In the process of applying the accounting policies adopted by the Group, the directors make certain judgements and estimates that may affect the amounts recognised in the financial statements. Such judgements and estimates are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the current circumstances. However, actual results may differ from those estimates. The judgements and estimates are reviewed at each financial reporting date to ensure that they are still reasonable under the prevailing circumstances based on the information available, and any revisions to such judgements and estimates are recognised in the year in which the revision is made.

a) Significant judgements made in applying the Group's accounting policies

The judgements made by the directors in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements include:

i) Classification of financial assets: whether the business model in which financial assets are held has as its objective the holding of such assets to collect contractual cash flows or to both collect contractual cash flows and sell the assets; and whether the contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest; and

ii) Judgement made by management in determining royalties payable by Carbacid (CO_2) Limited to the Ministry of Mining.

b) Key sources of estimation uncertainty

Key assumptions made about the future and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year include:

i) Impairment losses on financial assets

Estimates made in determining the expected credit losses on financial assets. Such estimates include the determination of probabilities of default including the use of forward looking information, and of losses given default.

ii) Provision for inventories

Estimates made in determining the provision for slow moving and obsolete inventory. Such estimates include the determination of the net realisable value of the asset.

iii) Fair value of investment property and property, plant and equipment

Estimates made in determining the fair value of investment property and property, plant and equipment. Such estimates include the determination of the open market value of investment property and property, plant and equipment. The company engaged a registered valuers CP Robertson-Dunn Valuers & Estate Agents to carry out the valuation.

NOTES (CONTINUED)

4. Nature and extent of risks arising from financial instruments

a) Financial risk management

The Group's activities expose it to a variety of financial risks including credit, liquidity and market risks. The Group's overall risk management policies are set out by the board and implemented by the management, and focus on the unpredictability of changes in the business environment and seek to minimise the potential adverse effects of such risks on the Group's performance by setting acceptable levels of risk. The Group does not hedge against any risks.

i) Credit risk and expected credit losses

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk mainly arises from financial assets.

Credit risk on financial assets with banking institutions is managed by dealing with institutions with good credit ratings. The Group carries out its own assessment of credit risk before investing in corporate bonds, and updates such assessments at each reporting date.

Credit risk on trade receivables is managed by ensuring that credit is extended to customers with an established credit history. The credit history is determined by taking into account the financial position, past experience and other relevant factors. Credit is managed by setting a credit limit and credit period for each customer. The utilisation of the credit limits and the credit period is monitored by management on a monthly basis.

In assessing whether the credit risk on a financial asset has increased significantly, the Group compares the risk of default occurring on the financial asset as at the reporting date with the risk of default occurring on that financial asset as at the date of initial recognition. In doing so, the Group considers reasonable and supportable information that is indicative of significant increases in credit risk since initial recognition and that is available without undue cost or effort. There is a rebuttable assumption that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due.

For these purposes default is defined as having occurred if the debtor is in breach of contractual obligations, or if information is available internally or externally that suggests that the debtor is unlikely to be able to meet its obligations. However, there is a rebuttable assumption that default does not occur later than when a financial asset is 60 days past due.

If the Group does not have reasonable and supportable information to identify significant increases in credit risk and/or to measure lifetime credit losses when there has been a significant increase in credit risk on an individual instrument basis, lifetime expected credit losses are recognised on a collective basis. For such purposes, the company groups financial assets on the basis of shared credit risk characteristics, such as:

- type of instrument
- industry in which the debtor operates
- nature of collateral.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit impaired include

- significant financial difficulty of the debtor
- a breach of contract
- it is probable that the debtor will enter bankruptcy
- the disappearance of an active market for the financial asset because of financial difficulties.

NOTES (CONTINUED)

4. Nature and extent of risks arising from financial instruments (continued)

a) Financial risk management (continued)

i) Credit risk and expected credit losses (continued)

The gross carrying amount of financial assets with exposure to credit risk at the balance sheet date was as follows:

Group

	Basis for measurement of loss allowance				
	12-month expected credit losses	Lifetime expected credit losses (see note below)			
At 31st July 2025		(a)	(b)	(c)	Total
	KSh'000	**KSh'000**	**KSh'000**	**KSh'000**	**KSh'000**
Trade receivables	-	-	-	457,448	457,448
Other receivables	220,553	-	-	-	220,553
Cash at bank	118,576	-	-	-	118,576
Financial assets	1,846,009	-	-	-	1,846,009
Short-term bank deposits	894,600	-	-	-	894,600
Gross carrying amount	3,079,738	-	-	457,448	3,537,186
Loss allowance	-	-	-	(43,381)	(43,381)
Exposure to credit risk	3,079,738	-	-	414,067	3,493,805
At 31st July 2024	**KSh'000**	**KSh'000**	**KSh'000**	**KSh'000**	**KSh'000**
Trade receivables	-	-	-	417,737	417,737
Other receivables	183,195	-	-	-	183,195
Cash at bank	524,882	-	-	-	524,882
Financial assets	1,963,525	-	-	-	1,963,525
Short-term bank deposits	399,676	-	-	-	399,676
Gross carrying amount	3,071,278	-	-	417,737	3,489,015
Loss allowance	-	-	-	(31,561)	(31,561)
Exposure to credit risk	3,071,278	-	-	386,176	3,457,454

Company

	Basis for measurement of loss allowance				
	12-month expected credit losses	Lifetime expected credit losses (see note below)			
At 31st July 2025		(a)	(b)	(c)	Total
	KSh'000	**KSh'000**	**KSh'000**	**KSh'000**	**KSh'000**
Trade receivables	-	-	-	3,424	3,424
Other receivables	586	-	-	-	586
Receivable from subsidiaries	1,166,024	-	-	-	1,166,024
Cash at bank and in hand	11,306	-	-	-	11,306
Financial assets	1,846,009	-	-	-	1,846,009
Short-term bank deposits	638,007	-	-	-	638,007
Gross carrying amount	3,661,932	-	-	3,424	3,665,356
Loss allowance	-	-	-	(980)	(980)
Exposure to credit risk	3,661,932	-	-	2,444	3,664,376

NOTES (CONTINUED)

4. Nature and extent of risks arising from financial instruments (continued)

a) Financial risk management (continued)

i) Credit risk and expected credit losses (continued)

	Basis for measurement of loss allowance				
	12-month expected credit losses	Lifetime expected credit losses (see note below)			
At 31st July 2024		(a)	(b)	(c)	Total
	KSh'000	KSh'000	KSh'000	KSh'000	KSh'000
Trade receivables	-	-	-	5,212	5,212
Receivable from subsidiaries	1,167,629	-	-	-	1,167,629
Cash at bank and in hand	41,284	-	-	-	41,284
Financial assets	1,963,525	-	-	-	1,963,525
Short-term bank deposits	386,447	-	-	-	386,447
Gross carrying amount	3,558,885	-	-	5,212	3,564,097
Loss allowance	-	-	-	(980)	(980)
Exposure to credit risk	3,558,885	-	-	4,232	3,563,117

Financial assets for which the loss allowance has been measured at an amount equal to lifetime expected credit losses have been analysed above based on their credit risk ratings as follows:

(a) financial assets for which credit risk has increased significantly since initial recognition but that are not credit impaired;
(b) financial assets that are credit impaired at the balance sheet date; and
(c) trade receivables, contract assets and lease receivables for which the loss allowance is always measured at an amount equal to lifetime expected credit losses, based, as a practical expedient, on provision matrices.

The age analysis of the trade receivables at the end of each year was as follows:

Group

	Not past due	30 to 90 days past due	90 to 120 days past due	Over 120 days past due	Total
	KSh'000	KSh'000	KSh'000	KSh'000	KSh'000
At 31st July 2025	168,670	191101	20,466	77,211	457,448
At 31st July 2024	130,858	200422	38,618	47,839	417,737

Company

	Not past due	30 to 90 days past due	90 to 120 days past due	Over 120 days past due	Total
	KSh'000	KSh'000	KSh'000	KSh'000	KSh'000
At 31st July 2025	-	-	3,424	-	3,424
At 31st July 2024	5,212	-	-	-	5,212

NOTES (CONTINUED)

4. Nature and extent of risks arising from financial instruments (continued)

a) Financial risk management (continued)

i) Credit risk and expected credit losses (continued)

The changes in the loss allowance during the year were as follows:

Group	**Basis for measurement of loss allowance**				
	12-month expected	**Lifetime expected credit losses (see note above)**			
		(a)	**(b)**	**(c)**	**Total**
	KSh'000	**KSh'000**	**KSh'000**	**KSh'000**	**KSh'000**
Year ended 31st July 2025					
At start of year	-	-	-	31,561	31,561
Changes arising from receivables originating during the year	-	-	-	11,820	11,820
At end of year	-	-	-	43,381	43,381
Year ended 31st July 2024					
At start of year	-	-	-	25,444	25,444
Changes arising from receivables originating during the year	-	-	-	6,117	6,117
At end of year	-	-	-	31,561	31,561

Company	**Basis for measurement of loss allowance**				
	12-month expected	**Lifetime expected credit losses (see note above)**			
		(a)	**(b)**	**(c)**	**Total**
	KSh'000	**KSh'000**	**KSh'000**	**KSh'000**	**KSh'000**
Year ended 31st July 2025					
At start of year	-	-	-	980	980
Changes arising from receivables originating during the year	-	-	-	-	-
At end of year	-	-	-	980	980
Year ended 31st July 2024					
At start of year	-	-	-	980	980
Changes arising from receivables originating during the year	-	-	-	-	-
At end of year	-	-	-	980	980

The Group does not hold any collateral against the past due or impaired receivables. The management continues to actively follow up past due receivables.

No provision for expected credit losses was recognised on other receivables, cash in hand, financial assets and short term deposits since it was not considered to be material.

NOTES (CONTINUED)

4. Nature and extent of risks arising from financial instruments (continued)

a) Financial risk management (continued)

ii) Liquidity risk

Liquidity risk is the risk that the Group and Company will encounter difficulty in meeting obligations associated with financial liabilities. The board has developed a risk management framework for the management of the Group's short, medium and long-term liquidity requirements thereby ensuring that all financial liabilities are settled as they fall due.

The table below summarises the maturity analysis for financial liabilities to their remaining contractual maturities. The amounts disclosed are the contractual undiscounted cash flows.

Group	**Less than one month KSh'000**	**Between 1-3 months KSh'000**	**Between 3-12 months KSh'000**	**Over 12 months KSh'000**	**Total KSh'000**
31st July 2025					
Trade and other payables	229,770		27,878	-	257,648
Dividend payable	100,135	-	-	-	100,135
Borrowings	23,060	46,120	207,539	500,554	777,273
	352,965	46,120	235,417	500,554	1,135,056
31st July 2024					
Trade and other payables	383,164		25,719	-	408,883
Dividend payable	84,778	-	-	-	84,778
Borrowings	14,757	29,513	132,810	655,496	832,576
	482,699	29,513	158,529	655,496	1,326,237

Company	**Less than one month KSh'000**	**Between 1-3 months KSh'000**	**Between 3-12 months KSh'000**	**Over 12 months KSh'000**	**Total KSh'000**
31st July 2025					
Trade and other payables	13,801	-	-	-	13,801
Dividend payable	100,135	-	-	-	100,135
	113,936	-	-	-	113,936
31st July 2024					
Trade and other payables	6,273	-	-	-	6,273
Dividend payable	84,778	-	-	-	84,778
	91,051	-	-	-	91,051

NOTES (CONTINUED)

4. Nature and extent of risks arising from financial instruments (continued)

iii) Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market price and comprises three types of risks: currency risk, interest rate risk and other price risk.

Interest rate risk

Interest rate risk is the risk that the Group's financial condition may be adversely affected as a result of changes in interest rate levels. The Group's interest rate risk arises from deposits with banking institutions, investments in corporate and government bonds and its variable rate borrowings resulting from changes in market interest rates. This exposes the Group to cash flow interest rate risk. Management consider that a change in interest rates of 1 percentage in the year ending 31st July 2026 is reasonably possible. If the interest rates on the Group's deposit with financial institution at the year-end were to increase/decrease by this number of percentage points, with all other factors remaining constant, the post tax profit and equity of the Group would be higher/lower by KSh ,11,703,000 (2024: KSh 8,626,000) and the Company is faced with Interest rate risk from deposits with banking institution that would result post tax profit be higher/lower by KSh 4,466,000 (2024: KSh 2,705,000).

Currency risk

Currency risk arises on financial instruments denominated in foreign currency. The Group has financial assets and liabilities that are denominated in foreign currency.

The Company did not have any foreign currency denominated monetary assets and liabilities at the balance sheet date.

The significant exposure in respect of foreign currency is as follows:

	Group			
	US$ KSh'000	**Euro KSh'000**	**TZS KSh'000**	**Total KSh'000**
At 31st July 2025				
Trade receivables	282,198	-	29,736	311,934
Cash and bank	57,154	65	377	57,596
Short term deposits	-	-	242,256	242,256
Trade payables	(208)	(10,156)	(914)	(11,278)
Borrowings	(676,187)	-	-	(676,187)
Net exposure	(337,043)	(10,091)	271,455	(75,679)
At 31st July 2024				
Trade receivables	178,947	-	83,583	262,530
Cash and bank	402,756	4,345	62,332	469,433
Trade payables	(1,315)	1,881	(1,246)	(680)
Borrowings	(715,382)	-	-	(715,382)
Net exposure	(134,994)	6,226	144,669	15,901

Management considers that an appreciation/depreciation of the United States Dollar, Euros and Tanzanian Shillings against the Kenya Shilling of 1% in the year ending 31st July 2026 is both reasonably possible. If the United States Dollar were to appreciate/depreciate against the Kenya Shilling by the said percentages, with all other factors remaining constant, the post-tax profit and equity of the Group would be lower/higher by KSh 530,000 (2024: KSh 111,000).

NOTES (CONTINUED)

4. Nature and extent of risks arising from financial instruments (continued)

iii) Market risk (continued)

Other price risk

Other price risk arises on financial instruments because of changes in the price of a financial instrument. The Group is exposed to other price risk on its investment in quoted shares. Management consider that a change in the market prices of its quoted shares of 5% either way in the year ending 31st July 2026 is reasonably possible. If the price of equity investments decreased/increased by the said percentage, with other factors remaining constant, the profit after tax of the Group would decrease/increase by KSh 36,460,000 (2024: KSh 27,974,000), and of the Company would decrease/increase by KSh 14,277,000 (2024: KSh 9,473,000).

b) Capital management

The Group's objective in managing its capital is to ensure that it supports the development of its business and is able to continue as a going concern, while at the same time maximising the return to its shareholders. The Group is not subject to any external capital requirements.

5. Segmental information

a) Operating segments

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance.

Information reported to the Group's chief operating decision maker (the Board of Directors) for the purposes of resource allocation and assessment of the segment performance is focused on the principal activities of the Group.

The principal activities of the Group are processing of carbon dioxide gas and investments. These are organised in the following operating segments:

i) Trading
ii) Investments

b) Segment revenues and results, assets and liabilities

The segment report provided to the Group's board of directors for the reportable segments is as follows:

Year 2025	**Trading**	**Investment**	**Group**
	KSh' 000	**KSh' 000**	**KSh' 000**
Revenue from contracts with customers	2,099,850	-	2,099,850
Interest income	3,196	260,759	263,955
Profit before tax	915,707	372,857	1,288,564
Segment assets	3,268,685	5,536,162	8,804,847
Segment liabilities	(2,804,285)	(451,051)	(3,255,336)
Tax expense	(273,876)	(11,774)	(285,650)
Depreciation of property, plant and equipment	152,663	34	152,697
Amortisation of intangible assets	55,726	-	55,726
Amortization of right - of - use assets	3,272	289	3,561
Capital expenditure	426,911	-	426,911

NOTES (CONTINUED)

5. Segmental information (continued)

b) Segment revenues and results, assets and liabilities (continued)

Year 2024	Trading KSh' 000	Investment KSh' 000	Group KSh' 000
Revenue from contracts with customers	2,066,315	-	2,066,315
Interest income	1,373	272,096	273,469
Fair value loss on investment property	-	(4,860)	(4,860)
Profit before tax	867,202	256,556	1,123,758
Segment assets	3,216,495	4,903,868	8,120,363
Segment liabilities	(2,797,818)	(351,703)	(3,149,521)
Tax expense	(252,529)	(27,955)	(280,484)
Depreciation of property, plant and equipment	97,047	34	97,081
Amortisation of intangible assets	271	-	271
Depreciation of right - of - use assets	5,085	289	5,374
Capital expenditure	704,611	1,004	705,615

Revenue reported above represents revenue generated from external customers. Two customers each represents more than 10% of the total Group's revenue.

c) Turnover - geographical distribution

The sale of carbon dioxide is derived from sale in the following markets:

	2025 KSh' 000	2024 KSh' 000
Domestic sales	613,397	501,652
Export sales	1,486,453	1,564,663
	2,099,850	2,066,315

	Group		Company	
6. Revenue	**2025 KSh'000**	**2024 KSh'000**	**2025 KSh'000**	**2024 KSh'000**
Revenue from customers - Sale of CO_2	1,314,242	1,340,801	-	-
Revenue from customers - Transport revenue	785,608	725,514	-	-
	2,099,850	2,066,315	-	-

	Group		Company	
7. Other income	**2025 KSh'000**	**2024 KSh'000**	**2025 KSh'000**	**2024 KSh'000**
Sale of machine spares	3,650	3,413	-	-
Sundry income	9,187	12,892	-	-
Net foreign exchange gain/(loss)	9,590	(7,922)	(3,105)	(15,328)
Gain on sale of investment property	-	17,473	-	17,473
Investment income				
Rental income	20,703	25,054	11,944	19,989
Dividend income				
- Financial assets at fair value through profit or loss	15,431	30,113	15,431	9,730
- Dividend from subsidiary	-	-	600,000	1,550,000
Interest income	263,955	273,469	260,759	272,096
	322,516	354,492	885,029	1,853,960

NOTES (CONTINUED)

	Group		Company	
8. Finance costs	**2025 KSh'000**	**2024 KSh'000**	**2025 KSh'000**	**2024 KSh'000**
Interest expense on bank loan (Note 14)	67,823	43,116	-	-

9. Profit before tax

(a) Items charged

The following items have been charged in arriving at profit before tax expense/income:

Extraction and processing expenses	747,182	846,795	-	-
Employee benefits expense (Note 8(b))	301,810	267,504	-	-
Net foreign exchange gain	(9,590)	7,922	-	-
Depreciation of property, plant and equipment	152,697	97,081	34	34
Depreciation of right-of-use assets	289	289	289	289
Amortisation of intangible assets	1,361	271	-	-

(b) Employee benefits expense

The following items are included in employee benefits expense:

Wages and salaries	288,548	255,998	-	-
Retirement benefit costs:				
- Defined contribution scheme	10,548	10,324	-	-
- National Social Security Fund	2,714	1,182	-	-
	301,810	267,504	-	-

The average number of persons employed during the year, by category, were:

	Group		Company	
	Number	**Number**	**Number**	**Number**
Production	33	32	-	-
Sales and distribution	22	21	-	-
Management and administration	20	21	-	-
Total	75	74	-	-

NOTES (CONTINUED)

10. Tax	Group 2025 KSh'000	Group 2024 KSh'000	Company 2025 KSh'000	Company 2024 KSh'000
Current income tax	274,773	116,907	6,651	33,321
Deferred tax (income)/expense (Note 15)	10,877	163,577	5,062	(6,992)
Income tax expense	285,650	280,484	11,713	26,329
The tax on the Group's and Company's profit before income tax differs from the theoretical amount that would arise using the statutory income tax rate as follows:				
Profit before income tax	1,288,564	1,123,758	920,211	1,819,904
Tax calculated at the statutory tax rate of 30% (2024: 30%)	386,569	337,127	276,063	545,971
Tax effect of:				
Income not subject to tax	(104,849)	(85,340)	(269,117)	(545,020)
Income subject to tax at 15%	-	23,182		23,182
Expenses not deductible for tax purposes	4,087	16,450	4,924	903
Non-qualifying items of property, plant and equipment	(157)	-	(157)	(1,506)
Prior year (under)/overprovision	-	(10,935)	-	2,799
Income tax expense	285,650	280,484	11,713	26,329

11. Earnings per share - basic and diluted

Earnings per share is calculated by dividing the profit for the year attributable to shareholders by the number of ordinary shares in issue during the year.

	2025 KSh'000	2024 KSh'000
Profit for the year (KSh ' 000)	1,002,914	843,274
Number of ordinary shares (thousands) - Note 12	254,852	254,852
Earnings per share - Basic and diluted (KSh)	3.94	3.31

There were no potentially dilutive shares outstanding at either 31st July 2025 or 31st July 2024.

12. Share capital	Group and Company No. of ordinary shares	Issued and fully paid up capital KSh'000	Share premium KSh'000
At 1st August 2024 and 31st July 2025	254,851,985	254,852	27
At 1st August 2023 and 31st July 2024	254,851,985	254,852	27

The total number of authorised ordinary shares is 1,000,000,000 (2024: 1,000,000,000) with a par value of KSh 1 each.

NOTES (CONTINUED)

13. Revaluation surplus

The cumulative revaluation surplus arose on the revaluation of items of property, plant and equipment and is stated net of deferred income tax. The surplus is not distributable.

14. Borrowings

	Group		Company	
	2025 KSh'000	2024 KSh'000	2025 KSh'000	2024 KSh'000
The borrowings are analysed as follows:				
Non-current				
Bank loan	500,554	655,496	-	-
Current				
Bank loan	276,719	177,080	-	-
	777,273	832,576	-	-

Reconciliation of liabilities arising from financing activities:

	Group long term borrowings	
	2025 KSh'000	2024 KSh'000
Year ended 31 July		
At start of year	832,576	274,332
Interest charged to profit or loss	67,823	43,116
Cash flows:		
Operating activities (interest paid)	(67,823)	(43,116)
Proceeds from long-term borrowings	184,712	755,450
Repayments of long-term borrowings	(236,512)	(148,273)
Foreign exchange fluctuation	(3,503)	(48,933)
At end of year	777,273	832,576

The borrowings are secured by:

i) Jointly registered logbooks held for trucks financed;
ii) Letter of lien and set off over 3,727,355 shares held in favor of NCBA Bank Kenya PLC supported by memorandum of general pledge in the name of Carbacid Investments plc;
iii) Specific debenture of KSh 210,561,000 over the existing plant in Sosiani and Eldoret;
iv) Corporate Guarantee from Carbacid Investments plc to support the liens over the shares; and
v) Corporate Guarantee to be issued by Goodison Twenty Nine Limited for KSh 483,843,000.

NOTES (CONTINUED)

15. Deferred income tax

Deferred tax is calculated using the currently enacted corporation tax rate of 30%, except for capital gains, for which the enacted tax rate of 15% is used (2024: 30% and 5% respectively). Deferred tax (assets)/liabilities, and the deferred tax charge/(credit) in the profit and loss account and in other comprehensive income are attributable to the following items:

Group	At start of year KSh'000	(Credited)/ charged to profit or loss KSh'000	At end of year KSh'000
Year ended 31st July 2025			
Property, plant and equipment	376,355	37,645	414,000
Investment property	29,980	-	29,980
Unrealised exchange gains	1,877	4,529	6,406
Provision for impairment of receivables and short term deposit	(10,220)	(3,546)	(13,766)
Leave pay	(399)	(163)	(562)
Other general provision	(14,352)	(6,154)	(20,506)
Provision for inventories	(3,083)	(8)	(3,091)
Provision for liability	-	(21,426)	(21,426)
Tax losses carried forward	(9,758)	-	(9,758)
Deferred tax not recognised	9,758	-	9,758
Net deferred tax liability	380,158	10,877	391,035

Group	At start of year KSh'000	(Credited)/ charged to profit or loss KSh'000	At end of year KSh'000
Year ended 31st July 2024			
Property, plant and equipment	203,052	173,303	376,355
Investment property	30,709	(729)	29,980
Unrealised exchange gains	3,493	(1,616)	1,877
Provision for impairment of receivables and short term deposit	(8,385)	(1,835)	(10,220)
Leave pay	(1,316)	917	(399)
Other general provision	(7,773)	(6,579)	(14,352)
Provision for inventories	(3,199)	116	(3,083)
Tax losses carried forward	(9,758)	-	(9,758)
Deferred tax not recognised	9,758	-	9,758
Net deferred tax liability	216,581	163,577	380,158

NOTES (CONTINUED)

15. Deferred income tax (continued)

Company

Year ended 31st July 2025	At start of year KSh'000	(Credited)/charged to profit or loss KSh'000	At end of year KSh'000
Investment property	27,447	-	27,447
Property, plant and equipment	5,992	1,081	7,073
Provision for impairment of receivables and short term deposit	(294)	-	(294)
Right-of-use asset	2,713	(87)	2,626
Tax losses carried forward	(9,758)	-	(9,758)
Unrealized exchange gain/(loss)	(4,526)	4,068	(458)
Deferred tax assets not recognised	9,758	-	9,758
Net deferred tax liability	31,332	5,062	36,394

Year ended 31st July 2024	At start of year KSh'000	(Credited)/charged to profit or loss KSh'000	At end of year KSh'000
Investment property	28,176	(729)	27,447
Property, plant and equipment	6,305	(313)	5,992
Provision for impairment of receivables and short term deposit	(294)	-	(294)
Right-of-use asset	-	2,713	2,713
Tax losses carried forward	(9,758)	-	(9,758)
Unrealized exchange gain/(loss)	4,137	(8,663)	(4,526)
Deferred tax assets not recognised	9,758	-	9,758
Net deferred tax liability	38,324	(6,992)	31,332

The deferred tax asset has not been recognised on tax losses carried forward amounting to KSh 32,527,329 (2024: KSh 32,527,329) due to lack of certainty of availability of future taxable profits against which such deductible temporary differences and tax losses could be utilised.

Under the Kenyan Income Tax Act, with effect from 1 July 2025, the tax losses can be carried forward up to a period of 5 years from the time the losses were incurred.

Arising in	Tax losses KSh	Expiring
Prior years tax losses to 2025	32,527,329	31st July 2030

NOTES (CONTINUED)

16. Property, plant and equipment - Group

	Leasehold land, buildings and boreholes KSh'000	Freehold land KSh'000	Roads KSh'000	Motor vehicles KSh'000	Plant and equipment KSh'000	Capital work-in-progress KSh'000	Total KSh'000
At 31st July 2023							
Cost or valuation	164,180	58,045	15,956	424,809	553,336	189,988	1,406,314
Accumulated depreciation	(2,414)	-	(2,386)	(14,521)	(26,902)	-	(46,223)
Net carrying amount	161,766	58,045	13,570	410,288	526,434	189,988	1,360,091
Year ended 31st July 2024							
Opening carrying amount	161,766	58,045	13,570	410,288	526,434	189,988	1,360,091
Additions	7,619	1,004	-	201,348	179,092	316,552	705,615
Transfer from work-in-progress	-	-	-	-	489,741	(489,741)	-
Disposals	-	-	-	(1,119)	(3,518)	-	(4,637)
Depreciation charge	(2,586)	-	(1,357)	(50,283)	(42,855)	-	(97,081)
Closing carrying amount	166,799	59,049	12,213	560,234	1,148,894	16,799	1,963,988
At 31st July 2024							
Cost or valuation	171,799	59,049	15,956	625,038	1,218,651	16,799	2,107,292
Accumulated depreciation	(5,000)	-	(3,743)	(64,804)	(69,757)	-	(143,304)
Net carrying amount	166,799	59,049	12,213	560,234	1,148,894	16,799	1,963,988
Year ended 31st July 2025							
Opening carrying amount	166,799	59,049	12,213	560,234	1,148,894	16,799	1,963,988
Additions	25,837	-	3,955	224,029	137,434	35,656	426,911
Transfer from work-in-progress							-
Disposals	-	-	-	(10,232)	(17,663)	-	(27,895)
Depreciation eliminated on disposal	-	-	-	8,351	3,131	-	11,482
Depreciation charge	(2,782)	-	(1,752)	(69,384)	(78,779)	-	(152,697)
Closing carrying amount	189,854	59,049	14,416	712,998	1,193,017	52,455	2,221,789
At 31st July 2025							
Cost or valuation	197,636	59,049	19,911	838,835	1,338,422	52,455	2,506,308
Accumulated depreciation	(7,782)	-	(5,495)	(125,837)	(145,405)	-	(284,519)
Net carrying amount	189,854	59,049	14,416	712,998	1,193,017	52,455	2,221,789

The annual depreciation rates used are as follows:	**Rate - %**
Leasehold land and buildings	Over 50 years or remaining lease period whichever is less
Boreholes	5
Freehold land	Nil
Roads	10
Motor vehicles	10 - 25
Plant and equipment	5 - 33.3

All items of property, plant and equipment were valued (Level 2) as at 31st July 2023 by C. P Robertson Dunn Valuers and Estate Agents, independent valuers, on the basis of open market value. The carrying amount of each asset was restated to the revalued amount of the asset, and the resulting deficit arising on revaluation net of deferred income tax was recognised in other comprehensive income and debited to the revaluation surplus in equity.

NOTES (CONTINUED)

16. Property, plant and equipment - Group (continued)

If the property, plant and equipment were stated on the historical cost basis, the carrying values would be as follows:

	Leasehold land buildings and boreholes KSh'000	Freehold land KSh'000	Road KSh'000	Motor vehicles KSh'000	Plant and equipment KSh'000	Capital work-in-progress KSh'000	Total KSh'000
31st July 2025							
Cost	140,518	40,926	35,145	930,924	1,753,582	52,455	2,953,550
Accumulated depreciation	(26,023)	-	(27,158)	(328,847)	(482,805)	-	(864,833)
Net book amount	114,495	40,926	7,987	602,077	1,270,777	52,455	2,088,717
31st July 2024							
Cost	114,681	40,926	31,190	717,127	1,633,811	16,799	2,554,534
Accumulated depreciation	(23,213)	-	(23,643)	(244,106)	(398,257)	-	(689,219)
Net book amount	91,468	40,926	7,547	473,021	1,235,554	16,799	1,865,315

Property plant and equipment - Company

Equipment	**2025 KSh'000**	**2024 KSh'000**
At 31st July		
Cost or valuation	670	670
Accumulated depreciation	(170)	(136)
Net carrying amount	500	534
Year ended 31st July		
Opening carrying amount	534	568
Depreciation charge	(34)	(34)
Closing carrying amount	500	534

17. Investment property

	Group		Company	
	2025 KSh'000	**2024 KSh'000**	**2025 KSh'000**	**2024 KSh'000**
At beginning of the year	145,894	296,732	143,282	294,120
Additions	77,006	5,022	522	5,022
Disposal	-	(151,000)	-	(151,000)
Fair value loss	-	(4,860)	-	(4,860)
At the end of year	222,900	145,894	143,804	143,282

The fair value of the investment property is based on the valuation carried out as at 31st July 2025 by CP Robertson-Dunn Valuers & Estate Agents, independent valuers, on the basis of open market value (Level 2). The valuers are registered valuers and are members of Institute of Surveyors of Kenya and have experience in the location and the category of the investment property being valued.

NOTES (CONTINUED)

18. Intangible assets - Group	2025 KSh'000	2024 KSh'000
Cost		
At 1st August	4,218	3,006
Additions	3,224	1,212
At 31st July	7,442	4,218
Amortisation		
At 1st August	2,365	2,094
Charge for the year	1,361	271
At 31st July	3,726	2,365
Net book amount		
At 31st July	3,716	1,853

Intangible assets relate to computer software and fleet management software.

The annual amortisation rate used is 25%.

19. Right-of use assets

	Group KSh'000	Company KSh'000
Year ended 31st July 2024		
Opening carrying amount	51,805	9,331
Depreciation charge	(289)	(289)
Closing carrying amount	51,516	9,042
Year ended 31st July 2025		
Opening carrying amount	51,516	9,042
Depreciation charge	(289)	(289)
Closing carrying amount	51,227	8,753

The Group has leased lands for a period of 99 years. None of the leases contains any restrictions or covenants.

20. Investment in subsidiaries (Company)

	Holding %	Place of incorporation and operation	2025 KSh'000	2024 KSh'000
Carbacid (CO_2) Limited	100	Kenya	3,348	3,348
Goodison Twenty Nine Limited	100	Kenya	99	99
Goodison Forty Seven Limited	100	Kenya	99	99
Carbacid Gases Import Ethiopia	100	Ethopia	25,846	-
			29,392	3,546

NOTES (CONTINUED)

21. Financial assets	Group		Company	
	2025 KSh'000	2024 KSh'000	2025 KSh'000	2024 KSh'000
Non-current				
Financial assets at amortised cost:				
Government securities	1,846,009	1,963,525	1,846,009	1,963,525
Financial assets at fair value through profit or loss:				
Equity investments	520,863	399,629	203,963	135,332
	2,366,872	2,363,154	2,049,972	2,098,857

The fair values of the financial assets measured at amortised cost at balance sheet date were:

	2025 KSh'000	2024 KSh'000
Government securities	1,842,483	1,997,485

The fair values of the government securities and corporate bonds are based on prices published by the Nairobi Securities Exchange.

Investments in equity instruments carried at fair value are valued on the basis of open market value (Level 1).

The movement in the fair value of those assets measured at fair value based on Level 1 were as follows:

Financial assets at fair value through profit or loss

	Group		Company	
	2025 KSh'000	2024 KSh'000	2025 KSh'000	2024 KSh'000
Equity investments				
At start of year	399,629	389,505	135,332	132,323
Additions	-	41,348	-	-
Fair value gain/(loss)	121,234	(31,224)	68,631	3,009
At end of year	520,863	399,629	203,963	135,332

NOTES (CONTINUED)

22. Inventories - Group	**2025 KSh'000**	**2024 KSh'000**
Spare parts and materials	151,407	125,397
Carbon dioxide gas and dry ice	5,745	10,702
Fuel and chemicals	2,323	4,513
	159,475	140,612

	Group		**Company**	
	2025 KSh'000	**2024 KSh'000**	**2025 KSh'000**	**2024 KSh'000**
23. Trade and other receivables				
Trade receivables	457,448	417,737	3,424	5,212
Less: provision for expected credit loss	(43,381)	(31,561)	(980)	(980)
Net trade receivables	414,067	386,176	2,444	4,232
Prepayments	5,913	11,737	425	425
Other receivables	220,553	183,195	586	-
	640,533	581,108	3,455	4,657
The movement on the provision for expected credit loss is as follows:				
At 1st August	31,561	25,444	980	980
Net increase charged to profit and loss account	11,820	6,117	-	-
At 31st July	43,381	31,561	980	980
24. Short-term bank deposits				
Bank deposit (maturity > 90 days)	894,600	399,676	638,007	386,447
25. Cash and cash equivalents				
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:				
Cash and current account balances	118,576	524,882	11,306	41,284
26. Trade and other payables				
Trade payables	60,898	58,942	997	492
Accruals	125,134	107,135	12,804	5,781
Provision for liabilities	71,418	242,608	-	-
Due to other related parties	198	198	-	-
	257,648	408,883	13,801	6,273

NOTES (CONTINUED)

27. Dividends

i) Proposed dividend

At the forthcoming annual general meeting, a final dividend in respect of the year ended 31st July 2025 of KSh 2.00 per share, amounting to KSh 509,703,970 (2024: KSh 1.70 per share amounting to KSh 433,248,375) is to be proposed. Payment of dividends to shareholders (other than companies owning more than 12.5% of the issued shares) is subject to the deduction of withholding tax at a rate of 5% for residents and 15% for non-residents.

ii) The movement in the dividend payable account is as follows:	2025 KSh'000	2024 KSh'000
At the beginning of the year	84,778	72,167
Final dividend declared	433,248	433,248
	518,026	505,415
Dividend paid to shareholders	(414,637)	(417,613)
Unclaimed dividend transferred to Unclaimed Financial Assets Authority	(3,254)	(3,024)
Dividend paid	(417,891)	(420,637)
At the end of the year	100,135	84,778

28. Related party transactions

The Company is related to other companies which are related through common shareholding or common directorships.

i) The following transactions were carried out with related parties:

	Company	
	2025 KSh'000	2024 KSh'000
Dividends received from Carbacid (CO_2) Limited	600,000	1,550,000
	600,000	1,550,000

ii) Outstanding balances arising from sale and purchase of goods/services

Other receivables from/(payables to) subsidiaries

Non-current		
- Carbacid (CO_2) Limited	950,000	650,000
Current		
- Carbacid (CO_2) Limited	828,941	906,960
- Goodison Twenty Nine Limited	172,543	96,239
- Goodison Forty Seven Limited	164,540	164,430
	1,166,024	1,167,629

NOTES (CONTINUED)

28. Related party transactions (continued)

iii) Key management compensation (including directors' remuneration)

	Group		Company	
	2025 KSh'000	2024 KSh'000	2025 KSh'000	2024 KSh'000
Salaries and other employment benefits	108,416	98,023	1,815	1,640

iv) Directors' benefits and other remuneration

- salaries	36,311	34,201	3,093	2,926

29. Contingent liabilities

	Group		Company	
	2025 KSh'000	2024 KSh'000	2025 KSh'000	2024 KSh'000
Guarantees	11,500	11,500	-	-

NCBA Bank Plc has issued a payment guarantee of KSh 11,500,000 (2024: KSh 11,500,000) to Kenya Power and Lighting Company on behalf of Carbacid (CO_2) Limited against a security of an equivalent amount.

30. Commitments

Capital commitments

Capital expenditure contracted for at the balance sheet date but not recognised in the financial statements is as follows:

	Group		Company	
	2025 KSh'000	2024 KSh'000	2025 KSh'000	2024 KSh'000
Authorised and contracted for	52,456	16,060	-	-

31. New and revised financial reporting standards

The company has not applied the following new and revised standards and interpretations that have been published but are not yet effective for the year beginning 1st August 2024. None of the changes is expected to have any material impact on the Company's financial statements except IFRS 18, which will require changes to the presentation, and related disclosures, of the Profit and Loss Account and the Statement of Cash Flows.

IFRS 18 titled Presentation and Disclosure in Financial Statements (issued in April 2024)
The new standard, applicable to annual periods beginning on or after 1st January 2027, replaces IAS 1 and sets out revised requirements for the presentation and disclosure of information in general purpose financial statements.

IFRS 19 titled Subsidiaries without Public Accountability: Disclosures (issued in May 2024)
The new standard, applicable to annual periods beginning on or after 1st January 2027, specifies the disclosure requirements a subsidiary without public accountability is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards.

Amendments to IFRS 9 and IFRS 7 titled *Amendments to the Classification and Meassurement of Financial*
The amendments, applicable to annual periods beginning on or after 1st January 2026, address diversity in accounting practice by making the requirements more understandable and consistent.

NOTES (CONTINUED)

31. New and revised financial reporting standards (continued)

Annual Improvements to IFRS Accounting Standards - Volume 11 (issued in July 2024)

The document sets out minor amendments to five Standards, applicable to annual periods beginning on or after 1st January 2026.

Amendments to IFRS 9 and IFRS 7 titled *Contracts Referencing Nature-dependent Electricity* (issued in

The amendments, applicable to annual periods beginning on or after 1st January 2026, help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements.

Amendments to IFRS 10 and IAS 28 titled *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (issued in September 2014)

The amendments, applicable from a date yet to be determined, address a current conflict between the two standards and clarify that a gain or loss should be recognised fully when the transaction involves a business, and partially if it involves assets that do not constitute a business.

The following new and revised standards have become effective for the first time in the financial year beginning 1st August 2024:

Amendments to IAS 1 titled *Classification of Liabilities as Current or Non-current* (issued in January 2020, amended in October 2022)

The amendments clarify a criterion in IAS 1 for classifying a liability as non-current: the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period.

Amendment to IFRS 16 titled *Lease Liability in a Sale and Leaseback* (issued in September 2022)

The amendment requires a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains.

Amendments to IAS 1 titled *Non-current Liabilities with Covenants* (issued in October 2022)

The amendments improve the information an entity provides about liabilities arising from loan arrangements for which an entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement.

Amendments to IAS 7 and IFRS 7 titled *Supplier Finance Arrangements* (issued in May 2023)

The amendments require an entity to provide additional disclosures about its supplier finance arrangements.