

Learn Africa Plc

**Quarter 1 Unaudited Financial Statement
1st April 2022 to 30th June 2022**

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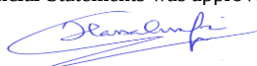
LEARN AFRICA PLC**Statement of Profit or loss and other Comprehensive Income****For period ended 30 June**

		2022 Q1	2021 Q1	2021/2022 Q4
		JUNE	JUNE	MARCH
	NOTE	N'000	N'000	N'000
Revenue	1	229,599	236,088	3,698,162
Cost of sales		<u>(105,011)</u>	<u>(109,438)</u>	<u>(1,964,344)</u>
Gross profit		124,588	126,650	1,733,818
Other operating income		12,890	-	59,909
Selling and distribution costs		(96,142)	(53,588)	(480,376)
Administrative expenses		(201,801)	(148,915)	(725,862)
Other operating expenses		<u>(37,754)</u>	<u>-</u>	<u>-</u>
Operating Profit/(Loss)		(198,219)	(75,853)	587,489
Finance costs		-	-	(13,451)
Finance income		220	-	198
Profit before tax		(197,999)	(75,853)	574,236
Income tax		<u>-</u>	<u>-</u>	<u>(172,654)</u>
Profit/(Loss) for the Period		<u>(197,999)</u>	<u>(75,853)</u>	<u>401,582</u>

LEARN AFRICA PLC
STATEMENT OF FINANCIAL POSITION

		2022	2022
		JUNE	MARCH
DESCRIPTION	NOTE	N'000	N'000
Assets			
Non- current assets			
Property and equipment	2	429,069	365,161
Investment properties		290,000	290,000
Right of use assets		19,073	6,683
Intangible asset		2,414	3,995
Deferred tax asset		228,013	228,013
		968,569	893,853
Current assets			
Inventories	3	2,453,510	2,029,152
Trade and other receivables	4	523,555	1,710,125
Prepayments	5	48,509	36,698
Cash and short- term deposits	6	992,247	274,775
		4,017,821	4,050,750
Total assets		4,986,390	4,944,603
Equity and liabilities			
Equity			
Issued share capital		385,725	385,725
Share premium		1,940,214	1,940,214
Other capital reserves		67,703	67,703
Retained earnings		923,005	1,121,004
Total equity		3,316,647	3,514,646
Current liabilities			
Trade and other payables	7	1,274,258	1,236,338
Income tax payable		145,485	193,619
Interest bearing loans and borrowings		250,000	-
Total Liabilities		1,669,743	1,429,957
Total equity and Liabilities		4,986,390	4,944,603

The Financial Statements was approved by the Board of Directors on 29 July 2022 and signed on their behalf by:



Alhaji Hassan Bala
Managing Director
(FRC/2016/IODN/00000015071)



Ojeile Cordelia (Mrs)
Finance Director
(FRC /2014/ICAN/00000002038)

LEARN AFRICA PLC
STATEMENT OF CHANGES OF EQUITY
FOR PERIOD ENDED 30 JUNE 2022

	ISSUED CAPITAL N'000	SHARE PREMIUM N'000	OTHER CAPITAL RESERVES N'000	RETAINED EARNINGS N'000	TOTAL N'000
As at 1 April 2021	385,725	1,940,214	67,703	835,139	3,228,781
Profit for the year				401,582	401,582
Dividend				(115,717)	(115,717)
As at 31st March 2022	<u>385,725</u>	<u>1,940,214</u>	<u>67,703</u>	<u>1,121,004</u>	<u>3,514,646</u>
As at 1 April 2022	385,725	1,940,214	67,703	1,121,004	3,514,646
Loss for the period				(197,999)	(197,999)
Dividend				-	-
As at June 2022.	<u>385,725</u>	<u>1,940,214</u>	<u>67,703</u>	<u>923,005</u>	<u>3,316,647</u>

LEARN AFRICA PLC
STATEMENT OF CASH FLOWS
FOR PERIOD END JUNE, 2022

	2022 JUNE N'000	2021 JUNE N'000
Operating activities		
Cash generated from operations	847,008	(363,574)
Income tax paid	<u>(50,678)</u>	<u>-</u>
Net cash generated from operating activities	<u>796,330</u>	<u>(363,574)</u>
Investing activities		
Interest received	221	-
Proceeds from sale of fixed assets	1,890	-
Purchase of fixed assets	<u>(80,969)</u>	<u>(7,638)</u>
Net cash used in investing activities	<u>(78,858)</u>	<u>(7,638)</u>
Financing activities		
Interest paid	-	-
Dividend paid	<u>-</u>	<u>-</u>
Net cash used in financing activities	<u>-</u>	<u>-</u>
Net (decrease)/increase in cash and cash equivalents	717,472	(371,212)
Cash and cash equivalents at 1 January	<u>274,775</u>	<u>508,700</u>
Cash and cash equivalents at 30 June	<u><u>992,247</u></u>	<u><u>137,488</u></u>

LEARN AFRICA PLC
NOTES TO THE FINANCIAL STATEMENTS

1. Revenue

These were sales from different depots and area offices.

	2022 Q1 JUNE N'000	2021 Q1 JUNE N'000	2022 Q4 MARCH N'000
HEAD OFFICE	76,144	106,291	1,572,591
NORTHERN ZONE	37,719	38,653	703,897
EASTERN ZONE	44,359	26,643	537,762
WESTERN ZONE	71,377	64,681	883,912
	<u>229,599</u>	<u>236,088</u>	<u>3,698,162</u>

2. PROPERTY, PLANT AND EQUIPMENT

	Leasehold Land N'000	Leasehold Building N'000	Plant & Machinery N'000	Motor Vehicles N'000	Furniture and Fittings N'000	Computer Hardware N'000	Total N'000
At 1 April 2022	108,381	133,800	112,459	350,560	185,805	106,845	997,850
Additions	-	-	1,383	38,225	2,510	38,851	80,969
Disposals	-	-	-	(8,123)	-	(190)	(8,313)
As at 30th June 2022	108,381	133,800	113,842	380,662	188,315	145,506	1,070,506
Depreciation							
At 1st April 2022	-	62,162	73,260	253,680	152,059	91,530	632,691
Charge for the period	-	352	1,387	11,005	1,532	2,782	17,058
Disposals	-	-	-	(8,123)	-	(189)	(8,312)
As at 30th June 2022	-	62,514	74,647	256,562	153,591	94,123	641,437
Net book value							
As at 30th June 2022	-	<u>71,286</u>	<u>39,195</u>	<u>124,100</u>	<u>34,724</u>	<u>51,383</u>	<u>429,069</u>
As at 31st March 2022	108,381	71,639	39,199	96,680	33,746	15,316	365,161

3. Inventories

	2022 JUNE N'000	2022 MARCH N'000
Raw materials	529,492	16,055
Work in progress	17,030	14,081
Publications	1,884,328	1,989,902
Consumables	<u>22,659</u>	<u>9,114</u>
TOTAL	<u>2,453,510</u>	<u>2,029,152</u>

4. Trade and other Receivables

	2022 JUNE N'000	2022 MARCH N'000
Trade receivables	1,217,311	2,390,772
Less: impairment doubtful receivables	(731,269)	(718,769)
Withholding tax recoverable	33,489	33,489
Staff Loan	231	241
Other receivables	<u>3,793</u>	<u>4,441</u>
TOTAL	<u>523,555</u>	<u>1,710,124</u>

5. Prepayments

	2022 JUNE N'000	2022 MARCH N'000
Current prepayments	<u>48,509</u>	<u>36,698</u>
	<u>48,509</u>	<u>36,698</u>

6. cash and cash equivalents

	2022 JUNE N'000	2022 MARCH N'000
Cash at bank and on hand	962,045	274,775
Short-term deposit	<u>30,202</u>	<u>-</u>
	<u><u>992,247</u></u>	<u><u>274,775</u></u>

7.Trade and other payables

	2022 JUNE N'000	2022 MARCH N'000
Trade payables	266,292	245,460
Royalties	409,974	398,499
Withholding tax	64,525	55,685
Accrued Expenses	295,777	285,458
Other payables	75,782	96,478
Unclaimed Dividend	<u>161,908</u>	<u>154,758</u>
	<u><u>1,274,258</u></u>	<u><u>1,236,338</u></u>

Free Float Computation

Company Name:	Learn Africa Plc.
Board Listed:	Main Board
Year End:	March
Reporting Period:	Period Ended 30 June 2022
Share Price at end of reporting period:	2.25 (NGN)

Shareholding Structure/Free Float Status

Description	30-Jun-22		30-Jun-21	
	Unit	Percentage	Unit	Percentage
Issued Share Capital	771,450,000	100%	771,450,000	100%
Substantial Shareholdings (5% and above)				
Iwerebon Emeke Felix (Chief)	102,669,428	13.31%	97,168,444	12.60%
Mr Frederick Ijewere	46,690,627	6.05%	40,843,394	5.29%
Ade-Ajayi Jacob Festus (Prof)	42,429,847	5.50%	42,429,847	5.50%
Total Substantial Shareholdings	191,789,902	24.86%	180,441,685	23.39%
Directors' Shareholdings (direct and indirect), excluding directors with substantial interests				
Hajia Binta Bakari (Indirect)	21,898,696	2.84%	21,898,696	2.84%
Alhaji Bala Salisu Hassan(Direct)	200,500	0.03%	200,500	0.03%
Mr Gbolagunte Aiyedun(Direct)	200,000	0.03%	200,000	0.03%
Mrs Cordelia Isioma Ojeile(Direct)	181,017	0.02%	181,017	0.02%
Total Directors' Shareholdings	22,480,213	2.91%	22,480,213	2.91%
Other Influential Shareholdings				
Ogundipe Phebean Ajibola	26,229,416	3.40%	26,229,416	3.40%
Iwerebon-Onwukwe Margaret	21,285,210	2.76%	21,285,210	2.76%
Estate of Adadevoh Babatunde Kwaku	20,571,908	2.67%	20,571,908	2.67%
Staff trust Scheme	17,858,938	2.31%	17,858,938	2.31%
Iloeje Nwadike Paul	15,456,131	2.00%	15,456,131	2.00%
Total Other Influential Shareholdings	101,401,603	13.14%	101,401,603	13.14%
Free Float in Units and Percentage	455,778,282	59.08%	467,126,499	60.55%
Free Float in Value	₦		₦	
	1,025,501,134.50		588,579,388.74	

Summary of significant accounting policies

The following are the significant accounting policies applied by Learn Africa Plc in preparing its financial statements:

1.1 Intangible assets

Intangible assets include purchased computer software and software licences with finite useful lives. Purchased software and software licences are recognised as assets if there is sufficient certainty that future economic benefits associated with the item will flow to the entity.

Computer software primarily comprises external costs and other directly attributable costs.

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets with finite lives are amortised over the useful economic life. The useful lives and residual values of these intangible assets are assessed and reviewed every year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives between 6-10 years is recognised in profit or loss as the expense category that is consistent with the function of the intangible assets. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

1.2 Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment loss. Cost comprises the cost of acquisition and costs directly related to the acquisition up until the time when the asset is available for use. In the case of assets of own construction, cost comprises direct and indirect costs attributable to the construction work, including salaries and wages, materials, components and work performed by subcontractors. Such cost also includes the cost of replacing part of the property, plant and equipment.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognized such parts as individual assets with specific useful lives and depreciates them accordingly.

Replacement or major inspection costs are capitalised when incurred and if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

The depreciation base is determined as cost less any residual value. Depreciation is charged on a straight-line basis over the estimated useful lives of the assets and begins when the assets are available for use.

The assets' residual values, and useful lives and method of depreciation are reviewed and adjusted, if appropriate, at each financial year end and adjusted prospectively, if appropriate.

Impairment reviews are performed when there are indicators that the carrying value may not be recoverable. Impairment losses are recognised in the profit or loss as an expense.

The estimated useful lives of the major asset categories are:

Asset category	Useful lives (Years)
Long leasehold buildings	50
Plant and machinery	10
Furniture, fittings and equipment	10
Motor Trucks	6
Motor Vehicle	4
Computer hardware	4

An item of property and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

1.3 **Earnings per share**

The company presents basic/ diluted earnings per share (EPS) data for its ordinary shares.

Basic earnings per share is calculated by dividing the profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is calculated by dividing the profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding as at year of dilution.

1.4 **Impairment of non-financial assets**

Property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets recoverable amount is estimated. For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash-generating units (CGUs). The recoverable amount is the higher of an asset's fair value less costs to sell and value in use (being the present value of the expected future cash flows of the relevant asset or CGUs).

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an assets or CGU exceeds its recoverable amount, the assets is considered impaired and is written down to its recoverable amount

Learn Africa evaluates impairment losses for potential reversals when events or circumstances may indicate such consideration is appropriate. The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. Impairment losses and reversals are recognised in profit or loss.

1.5 **Inventories**

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

Raw materials:

Purchase cost on a first in, first out basis.

Goods- In-Transit, Work- in –progress and Finished goods

Goods in transit are valued at invoice price together with other attributable charges.

The cost of finished goods comprises suppliers' invoice prices and, where appropriate, freight, printing costs and other charges incurred to bring the materials to their location and condition.

Cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

1.6 **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one party and a financial liability or equity instrument of another party.

- **Financial Asset**

Initial recognition and measurement

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available for-sale financial assets.

Learn Africa determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus directly attributable transaction costs. The company's financial assets include cash, trade and other receivables.

Subsequent measurement**Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective interest rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in profit or loss. The losses arising from impairment are recognised in administrative expenses.

Derecognition of financial assets

A financial asset (or, when applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- a) The rights to receive cash flows from the asset have expired or
- b) The company retains the right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - i. The company has transferred substantially all the risks and rewards of the asset or
 - ii. The company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
When the Company has transferred its right to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset.

Impairment of financial assets

The company assesses at each reporting date whether there is any objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Receivables together with the associated allowance are written off when there is no realistic prospect of future recovery.

The company operates credit sales policy to its business partners in varying degrees. The credit period starts from the date of delivery. Variation to this payment is considered depending on the type of customers, the sales history as well as payment history.

- **Financial Assets carried at amortised cost**

For financial assets carried at amortised cost, the Company first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the carrying amount of the asset and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in profit or loss.

If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to other operating income in profit or loss.”

- **Financial liabilities**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs carried at amortised cost. This includes directly attributable transaction costs. Learn Africa's financial liabilities are trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Gains or losses on liabilities held for trading are recognised in profit or loss.

The company has not designated any financial liabilities upon initial recognition as at fair value through profit or loss.

Financial liabilities at amortised cost:

Financial liabilities at amortised cost include accounts payable and accrued liabilities. Trade payables are initially recognized at the amount required to be paid, less, when material, a discount to reduce the payables to fair value. Subsequently, trade payables are measured at amortised cost using the effective interest method. Financial liabilities are classified as current liabilities if payment is due within 12 months. Otherwise, they are presented as non-current liabilities.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

1.7 **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less in the statement of financial position.

For the purpose of the statement cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above

1.8 Taxation

Current income and Education taxes

Current income and education taxes assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date in Nigeria. Current income and education taxes assets and liabilities also include adjustments for tax expected to be payable or recoverable in respect of previous periods.

Deferred tax

Deferred tax is provided using the liability method in respect of temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

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

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.9 Provisions

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

The expense relating to any provision is presented in profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Warranty provisions

Provisions for warranty-related costs are recognized when the product is sold or service provided to the customer. The initial determination of the extent of the warranty provision and recognition is based on historical experience and past trends. The initial estimate of warranty-related costs is revised annually.

Contingent Liability

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

Contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefit is remote. A provision for the part of the obligation for which an outflow of resources embodying economic

benefits are probable is recognized, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent liabilities are assessed continually to determine whether an outflow of economic benefit has become probable.

1.10 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

Sale of goods

Learn Africa Plc revenue comprises the fair value of the consideration received or receivable from the sale of publishing and distribution of educational materials for all levels of learning – Nursery, Primary, Secondary and Tertiary in the ordinary course of the company's activities. Revenue is shown, net of value-added tax, estimated returns, rebates and discounts. Revenue is recognized when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the activities. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved.

Interest income

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

1.11 Investment properties

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date.

After initial recognition, investment property is carried at fair value. Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable. Investment properties under construction for which the fair value cannot be determined reliably, but for which the Company expects that the fair value of the property will be reliably determinable when construction is completed, are measured at cost less impairment until the fair value becomes reliably determinable or construction is completed - whichever is earlier. Fair value is based on active market prices, adjusted, if necessary, for differences in the nature,

location or condition of the specific asset. If this information is not available, the Company uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections. Valuations are performed as of the reporting date by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the financial statements. Fair values are evaluated annually by an accredited external, independent valuers, applying a valuation model recommended by the International Valuation Standards Committee.

Changes in fair values are recognised in the profit or loss in the period in which they arise, including the corresponding tax effect. Investment properties are derecognised when they have been disposed. Where the Company disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in the profit or loss within net gain from fair value adjustment on investment property.

Transfers are made to or from investment property only when there is a change in use evidenced by the end of owner-occupation, commencement of an operating lease to another party or completion of construction or development. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property and equipment up to the date of the change in use. Further details are provided in Note 9 of the financial statements.

1.12 Employee Benefits

(a) Defined contribution plans

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employees service in the current and prior period.

For defined contribution plans, the Company pays contributions to publicly or privately administered pension fund administration (PFA) on a mandatory basis in line with Pension Act. The company has no further payment obligations once the contributions have been paid.

The company operates a defined contribution pension scheme in line with the Pension Reform Act 2016. The employees and the Company contribute 8% and 10% of basic salary, housing and transport allowances respectively. The Company's contributions are accrued and charged to the Statement of profit or loss as and when the relevant service is provided by employees. The company has no further payment obligations once the contributions have been paid.

(b) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

1.13 Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or

loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in other comprehensive income or profit or loss are also recognized in other comprehensive income or profit or loss, respectively).

1.14 **Share capital and reserves**

a) **Share issue costs**

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

b) **Dividend on ordinary shares**

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

c) **Asset revaluation reserves**

This relates to revaluation surplus on property, plant and equipment prior to date of transition to IFRS.

Securities Trading Policy

In accordance with the Post-Listing Rules of the Nigerian Stock Exchange, Learn Africa has in place a Securities Trading Policy which regulates securities transactions by its Directors, Employees and other Insiders on terms which are no less exacting than the required standard set out in the Nigerian Stock Exchange Rules. The Policy and Closed periods are communicated periodically to drive compliance. In respect of the period ended 30th June 2022, the Directors of Learn Africa hereby confirm that:

- A Code of Conduct regarding the securities transactions by all Directors has been adopted by the Company;
- Specific enquiry of all Directors has been made during the reporting period and there is no incidence of non-compliance with the listing rules of the Nigerian Stock Exchange or with Learn Africa's Code of Conduct, with respect to security transactions by Directors.

Complaint Management Policy Framework

In compliance with the Securities and Exchange Commission Rules relating to the Complaints Management Framework of the Nigerian Capital Market ("SEC Rules") issued in February 2015, Learn Africa Plc. has further strengthened its Complaint Management Procedure.

The Company currently has in place a formal Complaint Management Policy, through which complaints arising from issues covered under the Investment and Securities Act 2007 (ISA) are registered, promptly resolved.