

MORISON INDUSTRIES PLC RC. 1274



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MORISON INDUSTRIES PLC

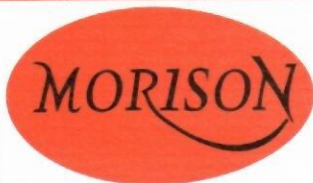
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Notes	JAN TO SEPT 2022 N'000	JAN TO SEPT 2021 N'000	JULY TO SEPT 2022 N'000	JULY TO SEPT 2021 N'000
Revenue	1	121,678	113,511	34,731	45,629
Cost of sales	2	(98,489)	(80,223)	(29,991)	(30,239)
Gross profit		23,189	33,288	4,739	15,391
Distribution expenses	3	(21,095)	(18,537)	(5,327)	(7,012)
Operating expenses	4	(102,232)	(93,964)	(36,025)	(30,596)
Other operating income	5	43,779	34,253	16,587	12,602
Loss from operations		(56,360)	(44,960)	(20,025)	(9,615)
Finance income		-	-	-	-
Finance expenses	6	(14,277)	(10,050)	(4,859)	(4,050)
Net finance expenses		(14,277)	(10,050)	(4,859)	(4,050)
Loss before taxation		(70,637)	(55,010)	(24,884)	(13,665)
Tax expense		-	-	-	-
Loss for the year		(70,637)	(55,010)	(24,884)	(13,665)
Other comprehensive income					
Items that will not be reclassified to profit or loss:		-	-	-	-
Items that will or may be reclassified to profit or loss:	6(d)	-	-	-	-
Total other comprehensive income		-	-	-	-
Total comprehensive loss		(70,637)	(55,010)	(24,884)	(13,665)
Loss per share (kobo)		(0.07)	(0.06)	(0.03)	(0.01)

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STATEMENT OF FINANCIAL POSITION AS AT 30TH SEPTEMBER 2022 (UNAUDITED)

	Notes	30TH SEPTEMBER	31ST, DECEMBER
		2022 N'000	2021 N'000
Assets			
Non-current assets			
Property, plant and equipment	7	1,478,568	1,506,695
Leased assets		-	-
		<u>1,478,568</u>	<u>1,506,695</u>
Current assets			
Inventories	8	36,110	47,323
Trade and other receivables	9	79,157	55,217
Cash and cash equivalents	10	5,126	5,422
		<u>120,393</u>	<u>107,962</u>
Total assets		<u>1,598,961</u>	<u>1,614,657</u>
Liabilities			
Current liabilities			
Borrowings	11	131,075	119,798
Trade and other payables	12	286,223	242,561
Income tax payables		857	857
		<u>418,156</u>	<u>363,216</u>
Non-current liabilities			
Employee benefit liabilities	18	-	-
Employees' benefit obligations	13	516	515
Deferred tax liabilities		184,163	184,163
		<u>184,678</u>	<u>184,678</u>
Total liabilities		<u>602,834</u>	<u>547,894</u>
Net assets		<u>996,127</u>	<u>1,066,763</u>
Equity			
Share capital	14	494,581	494,580
Share premium	15	84,477	84,477
Revenue reserve	16	(701,966)	(631,329)
Revaluation reserve		1,119,035	1,119,035
Total equity		<u>996,127</u>	<u>1,066,763</u>

The financial statements and accompanying notes were approved by the Board of Directors on October 26, 2022 and signed on behalf by:

TITILOYE, R. Olaniyi
Chairman

OLADEJO, A. Adesoji
Managing Director

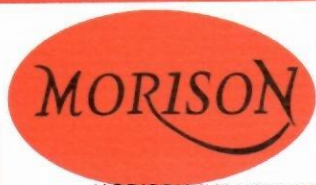
AYEGBO, Oluwafemi Olanrewaju
Financial Controller

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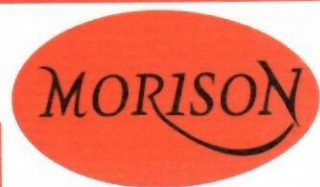
MORISON INDUSTRIES PLC

STATEMENT OF CHANGES IN EQUITY(UNAUDITED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Share Capital N'000	Share Premium N'000	Revenue Reserve N'000	Revaluation Reserve N'000	Total Equity N'000
Balance at 1 January 2021	494,580	84,477	(537,398)	-	41,659
Comprehensive income for the period:					
Loss for the period	-	-	(93,931)		(93,931)
Other comprehensive income	-	-	-	1,119,035	1,119,035
Total comprehensive income for the period	494,580	84,477	(631,329)	1,119,035	1,066,763
Transactions with owners recorded directly in equity	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-
Total transactions with equity owners	-	-	-	-	-
Balance at 31 December 2021	494,580	84,477	(631,329)	1,119,035	1,066,763
Balance at 1 January 2022	494,580	84,477	(631,329)	1,119,035	1,066,763
Comprehensive income for the year/period:					
Loss for the year/period	-	-	(70,637)		(70,637)
Other comprehensive income	-	-	-		-
Total comprehensive income for the year/period	-	-	(70,637)	-	(70,637)
Transactions with owners, recorded directly in equity	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-
Total transactions with equity owners	-	-	-	-	-
Balance at 30 September 2022	494,580	84,477	(701,966)	1,119,035	996,126

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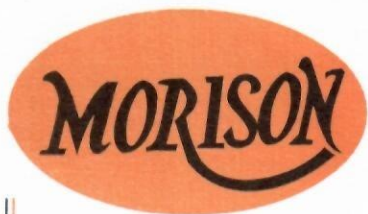
STATEMENT OF CASH FLOW (UNAUDITED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

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	SEPT 2022 N'000	SEPT 2021 N'000	31ST, DECEMBER 2021 N'000
Net cash flow from Operating Activities	(14,874)	16,484	(42,023)
Net cash flow from Investing Activities	14,578	19,938	(1,614)
Net cash flow from Financing Activities	-	-	45,857
Cash and Cash equivalent for the year	(296)	36,422	2,220
Cash and cash equivalent at the beginning of the year	5,422	3,202	3,202
Cash and cash equivalent at the end of the year/period	5,126	39,624	5,422



Continuation Sheet.

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MORISON INDUSTRIES PLC
 FINANCIAL STATEMENTS, 30 SEPTEMBER 2022 (UNAUDITED)
 NOTES TO THE FINANCIAL STATEMENTS

	SEPT 2022			SEPT 2021		
	Revenue N'000	Cost of sales N'000	Gross profit N'000	Revenue N'000	Cost of sales N'000	Gross profit N'000
1. Revenue and Profit						
Analysis by activities:						
Pharmaceuticals	5,462	5,327	136	167	109	58
LMP-Consumers	89,664	55,075	34,589	83,955	50,199	4,800
Others/Contracts	26,552	5,608	20,944	29,390	961	28,429
	<u>121,678</u>	<u>66,009</u>	<u>55,669</u>	<u>113,511</u>	<u>51,268</u>	<u>33,288</u>
2. <u>Cost of sales</u>				2022		2021
Cost of sales includes:				N'000		N'000
Materials consumed				66,009		51,268
Production salaries and wages				14,244		17,117
Repairs and maintenance				3,496		3,432
Electricity				3,105		3,250
Depreciation of property, plant and equipment				3,324		1,647
Production - Oil & Gas				5,541		2,076
Laboratory Expenses/Technical Analysis				1,270		1,054
Factory Annual Registration				1,336		335
Obsolete and damaged inventory written off				164		44
				<u>98,489</u>		<u>80,223</u>
3. <u>Distribution expenses</u>				N'000		N'000
Advertisement and Tender Expenses				6,631		2,507
Discount allowed and commission				526		772
Salaries, bonuses and commission				8,769		11,094
Local Freight				2,097		2,558
Trade Samples				757		-
Transportation and Travel Expenses				2,316		1,606
				<u>21,095</u>		<u>18,537</u>
4. <u>Operating expenses</u>				N'000		N'000
Audit fees				1,500		1,500
Salaries and wages				33,740		28,205
Bank charges				250		225
Depreciation on property, plant and equipment				26,552		21,968
Directors' emoluments				1,175		1,125
Directors' fees				-		-
Electricity				2,331		1,393
Product Registration				772		263
Insurance, licence and fees				486		779
Computer expenses				325		531
Donations & Company Social Responsibility				-		-
Land use charges				363		284
Office expenses -Note 6(c)				11,807		8,970
Postages and telephones				1,948		1,932



Continuation Sheet.

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Professional fees	5,863	10,417
Legal Expenses	150	700
Rent and rates	670	660
Repairs and renewals- Offices & premises	1,260	713
Meals & Entertainment	504	443
Environmental Development Charge	321	290
Analytical & NAFDAC Charges	-	533
Secretariat expenses	6,300	6,820
Security expenses	2,376	1,884
Company Income Tax - Previous Year	-	11
Vehicle running expenses	3,541	4,319
	<u>102,232</u>	<u>93,964</u>
Other operating income		
This comprises:	N'000	N'000
Disposal of Fixed Asset	-	-
Sales of empty drums and scraps	944	604
Rental and freight	42,835	33,649
	<u>43,779</u>	<u>34,253</u>
Finance income/ expenses	N'000	N'000
Finance income	-	-
Finance expenses comprise:		
Interest on borrowings	(14,277)	(10,050)
Net finance expenses	<u>(14,277)</u>	<u>(10,050)</u>
Directors	N'000	N'000
The aggregate emoluments of the Directors were:		
Fees	-	-
Other emoluments	1,175	1,125
	<u>1,175</u>	<u>1,125</u>
Office expenses		
Canteen expenses	4,285	3,277
Subscriptions	135	221
Recruitment expenses	-	11
Newspaper & magazines	-	13
Printing & stationery	774	884
Staff welfare	6,513	4,543
Training expenses	100	20
	<u>11,807</u>	<u>8,970</u>



Continuation Sheet.

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7 Property, plant and equipment

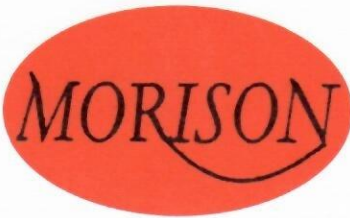
	Leasehold land and buildings N'000	Plant, machinery and equipment N'000	Computer equipment N'000	Motor Vehicles N'000	Capital work in progress N'000	Total N'000
<u>Cost</u>						
At 1 January 2021	387,019	55,689	2,227	86,937	7,598	539,470
Additions	-	3,238	425	-	227	3,890
Disposals	-	-	-	(20,853)	-	(20,853)
Revaluation Surplus	1,086,481	-	-	-	-	1,086,481
At 31 December 2021	1,473,500	58,927	2,652	66,084	7,825	1,608,988
At 1 January 2022	1,473,500	58,927	2,652	66,084	7,825	1,608,988
Additions	-	1,371	-	-	-	1,371
Disposals	-	-	-	-	-	-
At 30 September 2022	1,473,500	60,298	2,652	66,084	7,825	1,610,359
<u>Accumulated depreciation</u>						
At 1 January 2021	139,802	34,502	2,227	71,783	-	248,314
Charge for the year	17,089	4,497	35	9,726	-	31,347
On disposals	-	-	-	(20,852)	-	(20,852)
Write back on revaluation	(156,891)	-	-	-	-	(156,891)
At 31 December 2021	-	38,999	2,262	60,657	-	101,918
At 1 January 2022	-	38,999	2,262	60,657	-	101,918
Charge for the period	19,996	4,449	142	5,286	-	29,873
Disposals	-	-	-	-	-	-
At 30 September 2022	19,996	43,448	2,404	65,943	-	131,791
<u>Impairment</u>						
At 1 January 2021	-	375	-	-	-	375
Impairment	-	-	-	-	-	-
At 31 December 2021	-	375	-	-	-	375
At 1 January 2022	-	375	-	-	-	375
Impairment	-	-	-	-	-	-
Deferred Expenses	-	-	-	-	-	-
At 30 September 2022	-	375	-	-	-	375
<u>Carrying amounts at:</u>						
30 September 2022	1,453,504	16,850	248	141	7,825	1,478,568
31 December 2021	1,473,500	19,553	390	5,427	7,825	1,506,695



Continuation Sheet.

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	30/09/2022	31/12/2021	8
8. <u>Inventories</u>	N'000	N'000	
Raw materials	28,641	38,264	
Finished goods	17,646	19,236	
	<u>46,287</u>	<u>57,500</u>	
Provision for obsolete inventory	(10,177)	(10,177)	
	<u>36,110</u>	<u>47,323</u>	
(a) No inventory was pledged as security for borrowings.			
9. <u>Trade and other receivables</u>	N'000	N'000	
Trade receivables	133,403	123,259	
Provision for trade receivables	(96,339)	(96,339)	
	<u>37,064</u>	<u>26,920</u>	
<i>Total financial assets other than</i>	<u>42,093</u>	<u>28,297</u>	
<i>Other receivables and prepayments</i>	<u>79,157</u>	<u>55,217</u>	
(a) <u>Provision for trade receivables</u>	N'000	N'000	
Balance at the beginning of the year	96,339	82,340	
Provision for the period	-	13,999	
Write back during the year	-	-	
Balance at the end of the period	<u>96,339</u>	<u>96,339</u>	
Trade receivables represents receivables from customers for goods sold and other trading services			
(b) <i>The age analysis of trade receivables is as follows:</i>	N'000	N'000	
Past due < 90days	16,986	15,708	
Past due 91-180 days	5,816	6,198	
Past due 181-360 days	19,544	5,014	
Past due 360days and above	91,057	96,339	
	<u>133,403</u>	<u>123,259</u>	
(c) <i>The carrying value of trade and other receivables classified as loans and receivables approximates fair value.</i>			
	N'000	N'000	
Neither past due nor impaired	42,346	26,920	
Past due but not impaired	5,282	-	
Collectively impaired	96,339	96,339	
	<u>133,403</u>	<u>123,259</u>	
(d) <u>Other receivables and prepayments:</u>	N'000	N'000	
Staff receivables	1,969	65	
Withholding tax receipts	14,911	14,911	
Withholding tax receivables	19,994	18,419	
Provision for WHT and other receivables	(16,045)	(17,423)	
Advance to suppliers	13,926	3,686	
Unpaid invoices	1,417	-	
Receivable from Unosource	-	500	
Other receivables	5,886	1,595	
	<u>42,057</u>	<u>21,753</u>	
Prepayments	35	6,544	
	<u>42,093</u>	<u>28,297</u>	
(e) <u>Prepayments</u>	N'000	N'000	
Insurance and Rates	35	6,544	
	<u>35</u>	<u>6,544</u>	
10. <u>Cash and cash equivalents</u>			
Cash and cash equivalents comprise:	N'000	N'000	
Cash at bank	5,078	5,279	
Cash in hand	48	143	
Cash and cash equivalents for the purpose of cash flows	<u>5,126</u>	<u>5,422</u>	



Continuation Sheet

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11. <u>Borrowings</u>		
(a) The book value and fair value of	N'000	N'000
Balance at the beginning of the year		
Additions during the year	119,798	58,393
Interest charged during the year	-	50,000
Interest paid during the year	14,277	15,548
Balance at the end of 30/9/2022	(3,000)	(4,143)
	<u>131,075</u>	<u>119,798</u>
12. <u>Trade and other payables</u>	N'000	N'000
Trade payables	31,825	30,139
Other payables		
Due to related company	227,207	187,046
Total financial liabilities,	9,800	9,800
Other payables - Tax	268,832	226,985
	17,391	15,576
	<u>286,223</u>	<u>242,561</u>
(a) <u>Other payables</u>	N'000	N'000
Unclaimed dividend	5,632	5,632
Accruals	54,280	37,420
Pension payable -Note 12 c	95,562	92,758
Rent received in advance	24,317	8,945
Advance deposit by customers	1,033	1,007
Other payables	46,383	41,284
	<u>227,207</u>	<u>187,046</u>
(b) <u>Accruals</u>	N'000	N'000
Wages	16,675	8,198
Sundry accruals	24,305	3,192
Audit fees	2,390	2,650
Secretarial expenses	531	-
Chairman's Allowance	7,125	6,000
Nigerian Stock Exchange	-	3,927
Professional Fees	-	4,082
Lease charge	79	2,418
Directors' fees	862	862
Backduty assessments	-	3,778
Interest expense	2,313	2,313
	<u>54,280</u>	<u>37,420</u>
(c) <u>Pension payable</u>	N'000	N'000
Balance at the beginning of the period	92,758	84,271
Contributions for the period	3,837	8,844
Remittances	(1,032)	(357)
Balance at the end of the period	<u>95,562</u>	<u>92,758</u>

The Company operates a defined contributory pension scheme for eligible employees. Both employer and employee contribute 10% and 8% respectively of the employees' basic, housing and transport allowances in line with the provisions of the Pensions Reformed Act, 2014 (as amended)

(d) <u>Other payables-tax</u>			
Value Added Tax	N'000	N'000	10
Withholding Tax	9,563	7,760	
PAYE	2,849	2,309	
	4,979	5,507	
	<u>17,391</u>	<u>15,576</u>	
13 <u>Employees' benefits obligations</u>	N'000	N'000	
Balance at the beginning of the year	516	516	
Provision for the year	-	-	
Payments during the year	-	-	
Balance at the end of 30/9/2022	<u>516</u>	<u>516</u>	
14 <u>Share capital</u>	31/3/2022	31/12/2021	
<u>Authorised</u>	N'000	N'000	
<u>Value</u>			
Ordinary shares of N0.50 each at beginning of the year	500,000	500,000	
Ordinary shares of N0.50 each as at 30 September, 2022	<u>500,000</u>	<u>500,000</u>	
<u>Number</u>			
Ordinary shares of N0.50 each at beginning of the year	1,000,000	1,000,000	
Ordinary shares of N0.50 each as at 30 September, 2022	<u>1,000,000</u>	<u>1,000,000</u>	
<u>Issued and fully paid:</u>			
<u>Value</u>			
Ordinary shares of N0.50 each at beginning of the year	N494,580	N494,580	
Ordinary shares of N0.50 each as at 30 September, 2022	<u>N494,580</u>	<u>N494,580</u>	
<u>Number</u>			
Ordinary shares of N0.50 each at beginning of the year	989,160	989,160	
Ordinary shares of N0.50 each as at 30 September, 2022	<u>989,160</u>	<u>989,160</u>	
15 <u>Share premium</u>			
Balance at the beginning of the year	84,477	84,477	
Balance as at 30th September, 2022	<u>84,477</u>	<u>84,477</u>	
16 <u>Revenue reserve</u>	N'000	N'000	
Balance at the beginning of the year	(631,329)	(537,398)	
Transfer from statement of comprehensive income	(70,637)	(93,931)	
Balance as at 30th September, 2022	<u>(701,966)</u>	<u>(631,329)</u>	
17 <u>Revaluation reserve</u>	N'000	N'000	
Balance at the beginning of the year	1,119,035	-	
Revaluation surplus - Cost	-	1,086,481	
Revaluation surplus - Depreciation	-	156,891.00	
Balance as at 30th September, 2022	1,119,035	1,243,372	
Less: Tax on revaluation surplus	-	(124,337)	
Balance at the end of the year	<u>1,119,035</u>	<u>1,119,035</u>	

Incompliance with Rule 17.15 Disclosure of Dealings in Issuers, Shares, Rules of Exchange 2015 (Issuers' Rule), Morison Industries Plc (the Company) is currently updating and finalising its Securities Trading Policy as mandated by the Issuers Rule. The Policy when becomes effective Applies to all Directors, Audit Committee, employees of the Company and any other person in possession of insider information from the dealing in the Company's shares during the Non-Authorised Trading Period, in accordance with the Investment and Security Act, 2007 and Post Listing Rules of The Nigerian Stock Exchange.