

PHARMA DEKO PLC

..... Providing Healthy Solutions

PHARMA-DEKO PLC

**UNAUDITED FINANCIAL STATEMENTS FOR HALF
YEAR ENDED 30TH JUNE 2022**

Prepared in accordance with IFRS & IAS 34

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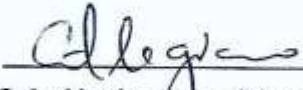
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Financial Highlights of Pharma-Deko PLC Operations Ended June 2022:

Half Year Ended June 30th 2022

| Description | As At 30th June' 2022 | | As At 30th June'2021 | | Diff | |
|----------------------------------|-----------------------|-----------|----------------------|-----------|----------|-------|
| | N'000 | % Revenue | N'000 | % Revenue | N'000 | % |
| 1 Revenue | 252,810 | 100% | 311,733 | 100% | (58,923) | -19% |
| 2 Cost of sales | (207,180) | -82% | (216,837) | -70% | 9,657 | 4% |
| 3 Loss before taxation | (48,990) | -19% | (8,269) | -3% | (40,721) | -492% |
| 4 Taxation | 0 | 0% | 0 | 0% | 0 | 0% |
| 5 Loss after taxation | (48,990) | -19% | (8,269) | -3% | (40,721) | -492% |
| 6 Issued Share Capital | 108,466 | | 108,466 | | 0 | 0% |
| 7 Total Equity | 1,258,855 | | 977,998 | | 280,857 | 29% |
| 8 Total Non Current Assets | 2,022,225 | | 1,643,387 | | 378,838 | 23% |
| 9 Total Current Assets | 239,838 | | 303,804 | | (63,966) | -21% |
| 10 Total Assets | 2,262,063 | | 1,947,191 | | 314,872 | 16% |
| 11 Total Non Current Liabilities | 61,556 | | 18,071 | | 43,485 | 241% |
| 12 Total Current Liabilities | 941,652 | | 951,122 | | (9,470) | -1% |
| 13 Total Equity and Liabilities | 2,262,063 | | 1,947,191 | | 314,872 | 16% |

The financial statements and accompanying notes were approved by Board of Directors on and signed on its behalf by:

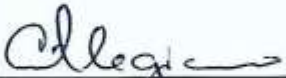

 G.A. Alegieuno - DIRECTOR
 (FRC/2014/ICAN/00000007613)


 Funmilayo Adedeji - CHIEF ACCOUNTANT
 (FRC/2020/ICAN/00000022389)

Statements of Financial Position As At 30 June, 2022

| S/N | STATEMENT OF FINANCIAL POSITION | | Unaudited AS AT June'2022 | Audited AS AT Dec.'2021 |
|-----|--------------------------------------|------|---------------------------------|----------------------------|
| | ASSET | NOTE | N''000 | N''000 |
| 1 | PROPERTY, PLANT AND EQUIPMENT | 6 | 2,022,225 | 2,056,472 |
| 2 | Intangible assets | 6.2 | - | |
| | | | <u>2,022,225</u> | <u>2,056,472</u> |
| | CURRENT ASSETS | | | |
| 3 | Stocks(Inventories) | 7 | 152,417 | 182,383 |
| 4 | Trade Receivables | 8 | 46,747 | 11,690 |
| 5 | Other Receivables and prepayments | 9 | 29,017 | 46,022 |
| 6 | Cash and bank balances | 10 | 11,657 | 38,754 |
| | | | <u>239,838</u> | <u>278,849</u> |
| | Total Assets | | <u>2,262,063</u> | <u>2,335,321</u> |
| | | | | |
| | Equity and liabilities | | | |
| 7 | Share capital | 17 | 108,466 | 108,466 |
| 8 | Share premium | 18 | 380,009 | 380,009 |
| 9 | Revaluation reserve | 19 | 1,756,588 | 1,756,588 |
| 10 | Retained (loss)/earnings | 20 | (986,208) | (937,218) |
| | Total Equity | | <u>1,258,855</u> | <u>1,307,845</u> |
| | | | | |
| 11 | Deferred Tax Liability | 16 | 61,556 | 61,556 |
| | Total Non Current Liabilities | | <u>61,556</u> | <u>61,556</u> |
| | | | | |
| 12 | Employee Benefits | 11 | 197,577 | 197,827 |
| 13 | Loans and Borrowings | 10.2 | 35,000 | 13,000 |
| 14 | Trade Payables | 12 | 13,509 | 14,584 |
| 15 | Other Payables | 13 | 570,830 | 615,773 |
| 16 | Tax Payable | 15 | 124,736 | 124,736 |
| 17 | Total Current Liabilities | | <u>941,652</u> | <u>965,920</u> |
| 18 | Total Liabilities | | <u>1,003,208</u> | <u>1,027,476</u> |
| 19 | Total Equity and Liabilities | | <u>2,262,063</u> | <u>2,335,321</u> |

The financial statements and accompanying notes were approved by Board of Directors on and signed on its behalf by:



 G.A. Alegieuno - DIRECTOR
 (FRC/2014/ICAN/00000007613)



 Funmilayo Adedeji - CHIEF ACCOUNTANT
 (FRC/2020/ICAN/00000022389)

STATEMENT OF COMPREHENSIVE INCOME JANUARY – JUNE 2022:

| UNAUDITED ACTUAL Q2 ENDED JUNE 2022 COMPARISM | | | | | | |
|--|------|-----------------|-----------------|-----------------|------------------|-----------------|
| DESCRIPTION | Note | 3 months | 3 months | 6 months | 6 months | 12 months |
| | | Apr-Jun 2022 | Apr-Jun 2021 | Jan-Jun 2022 | Jan-June 2021 | Jan-Dec 2021 |
| | | N'000 | N'000 | N'000 | N'000 | N'000 |
| Turnover | 4 | 100,420 | 161,243 | 252,810 | 311,733 | 503,548 |
| Cost of sales | | (86,033) | (105,888) | (207,180) | (216,837) | (410,193) |
| Gross Margin | | 14,387 | 55,355 | 45,630 | 94,896 | 93,355 |
| Other operating Income | 5.2 | 25,238 | 851 | 25,970 | 6,260 | 61,438 |
| Other operating gains (losses) | | - | - | - | - | - |
| | | 39,625 | 56,206 | 71,600 | 101,156 | 154,793 |
| Selling and distribution expenses | | (6,407) | (12,252) | (22,170) | (21,909) | (22,092) |
| Administration expenses | | (36,510) | (45,255) | (93,510) | (86,541) | (198,357) |
| Operating (Loss)/profit | 5.1 | (3,292) | (1,301) | (44,080) | (7,294) | (65,656) |
| Finance cost | | (1,625) | (488) | (4,910) | (975) | (2,833) |
| Loss after Finance cost | | (4,917) | (1,789) | (48,990) | (8,269) | (68,489) |
| Taxation | | - | - | - | - | (1,298) |
| Loss from Continuing Operation | | (4,917) | (1,789) | (48,990) | (8,269) | (69,787) |
| Operation | | | - | - | - | - |
| Loss for the period | | (4,917) | (1,789) | (48,990) | (8,269) | (69,787) |
| share): | | | | | | |
| Profit per share-Kobo (Note: the number of shares as at Dec.'20, 217million shares. (See note 20 of Note to Account) | | (2.3) | (0.8) | (22.6) | (3.8) | (32.16) |

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 G.A. Alegieund - DIRECTOR
 (FRC/2014/ICAN/00000007613)


 Funmilayo Adedeji - CHIEF ACCOUNTANT
 (FRC/2020/ICAN/00000022389)

| Statements of Changes in Equity As At 30th June, 2022 | | | | | |
|---|----------------------|----------------------|----------------------------|--------------------------|------------------|
| Statement of Changes in Equity | Share Capital | Share Premium | Revaluation Reserve | Retained Earnings | Total |
| | N''000 | N''000 | N''000 | N''000 | N''000 |
| Balance as at January 1, 2022 | <u>108,466</u> | <u>380,009</u> | <u>1,756,588</u> | <u>(937,218)</u> | <u>1,307,845</u> |
| Total Comprehensive income of the Period | | | | | |
| Adjustment to opening Retained Earnings | | | | - | |
| Loss for the year | - | - | - | (48,990) | (48,990) |
| Other comprehensive income | - | - | - | - | - |
| Total comprehensive income | | | - | (48,990) | (48,990) |
| Dividend paid | - | - | - | - | - |
| Unclaimed dividend written back | - | - | - | - | - |
| Total contributions by and distributions to owners of company recognised directly in equity. | - | - | - | - | - |
| Balance as at 30th June 2022 | <u>108,466</u> | <u>380,009</u> | <u>1,756,588</u> | <u>(986,208)</u> | <u>1,258,855</u> |
| Balance as at January 1, 2021 | <u>108,466</u> | <u>380,009</u> | <u>1,365,223</u> | <u>(867,431)</u> | <u>986,267</u> |
| Total Comprehensive income of the Period | | | | | |
| Loss for the year | - | - | - | (69,787) | (69,787) |
| Other comprehensive income | | | 391,365 | | 391,365 |
| Total comprehensive income | | | 391,365 | (69,787) | 321,578 |
| Dividend paid | - | - | - | | 0 |
| Unclaimed dividend written back | - | - | - | | - |
| Total contributions by and distributions to owners of company recognised directly in equity. | - | - | - | | - |
| Balance as at 31st Dec 2021 | <u>108,466</u> | <u>380,009</u> | <u>1,756,588</u> | <u>(937,218)</u> | <u>1,307,845</u> |

| STATEMENT OF CASH FLOWS AS AT 30th June 2022 | | | |
|---|-------------|---------------------------|--------------------------|
| STATEMENT OF CASH FLOWS AS AT 30th June 2022 | | AS AT June.'22 | AS AT Dec.'21 |
| | Note | N''000 | N''000 |
| Cash flows from operating activities | | | |
| Cash (used in)/generated from operations | | (43,980) | (39,480) |
| Finance costs | | (4,910) | (2,833) |
| Tax received (paid) | 15 | - | (1,164) |
| Net cash provided by operating activities | | (48,890) | (43,477) |
| Cash flow from investing activities | | | |
| Purchase of property, plant and equipment | | (207) | (26,066) |
| Purchase of intangible asset | | - | - |
| Sales of PPE | | | 225 |
| Interest received and similar income | 5.2 | - | - |
| Net cash provided (used) by investing activities | | (207) | (25,841) |
| Cash flow from financing activities | | | |
| Loans and borrowings | 10.2 | 22,000 | (336) |
| Repayment of borrowings | | | - |
| Dividend Paid | 14 | - | - |
| Net cash from financing activities | | 22,000 | (336) |
| Total cash movement for the year | | (27,097) | (69,654) |
| Cash at the beginning of the year | | 38,754 | 108,408 |
| Effect of exchange rate movement on cash balances | | - | 0 |
| Total cash at end of the period | 10 | 11,657 | 38,754 |

Pharma Deko Plc
IFRS Financial Statements for January to June Ended 30th, 2022

Notes to the Financial Statement

1. Nature of Operations

The company's principal activities include the marketing, manufacturing of high quality pharmaceutical and consumer products. The consumer and pharmaceutical products share the same production utilities and the company leverages on this to ensure efficiency and effectiveness in its production process.

The company is also engaged in the canning of high quality beverages for other companies in the beverages – Brewers/distillers sector. Adequate investment is being made in this line to ensure that the company becomes the number one canning choice for beverages.

2. General information and statement of compliance with IFRS

The 2011 IFRS financial statements of the company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

An explanation of how the transition to IFRSs has affected the reported financial position of the company is provided in the notes. The financial statement is presented in the functional currency, Nigerian Naira rounded up to the nearest thousand.

The 2011 IFRS financial statements have been approved by the Board of Directors in July 2012.

3. Summary of Significant Accounting Policies

3.1. Property, Plant and Equipment

Property, Plant and Equipment are tangible assets that can span more than one accounting period. These items are stated at their original cost or fair value less accumulated depreciation and impairment losses.

Land and Building is measured at fair value which is determined every two years. The fair value is determined by engaging the services of an external professional valuer.

Any increase as a result of the revaluation of Land and Building is recognized in other comprehensive income and accumulated in equity under the heading of revaluation surplus. However, the increase is recognized in profit or loss to the extent that it reverses a revaluation decrease previously recognized in profit or loss. If the revaluation results to a decrease in the carrying amount of Land and Building, the decrease is recognized in profit or loss. However, the decrease is recognized in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of the asset. Any revaluation surplus remaining in equity on disposal of the asset is transferred to retained earnings.

Plant and Machinery, Furniture and Fittings, Motor Vehicles and Computer Equipment are measured at cost.

The initial cost of these assets comprises its purchase price and any costs directly attributable to bringing the asset into operation.

The capitalized value of property, plant and machinery acquired via finance lease is also included within property, plant and equipment.

Notes to the Financial Statement (continued)

3.2 Depreciation and Impairment

Depreciation is charged over the estimated useful live of the assets when available for use and is calculated at the following rates per annum on cost or valuation:

| | % |
|------------------------|--------|
| Buildings | 2 |
| Plant and Machinery | 10 |
| Furniture and Fittings | 15 |
| Motor Vehicles | 20 |
| Motor Bike/Tricycle | 50 |
| Computer Equipment | 33'1/3 |
| Computer Software | 33'1/3 |

The useful lives and methods of depreciation of the assets are reviewed at each reporting period and adjusted prospectively if appropriate.

Impairment is measured as the difference between the carrying amount of an asset and its recoverable amount. Recoverable amount of an asset is the higher of its fair value less cost to sell and its value in use. Impairment is tested for when there is an indication of impairment such as:

- Decline in the market value of an asset;
- Changes in the technological, economic or legal environment resulting in an adverse effect on our activities;
- Obsolescence or damage of assets;
- Worsening performance of assets.

When there is an objective evidence of impairment, the loss is recognized in profit or loss except when there has been a previous upward revaluation in which case the impairment loss is recognized directly in equity.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in profit or loss within 'other income' or 'other expenses'.

3.3. Fair Value

Land and Building are measured at fair value by reference to market based evidence (Level 1 Fair Value Measurement). The fair value measurement is carried out every two years to ensure that the carrying amount of Land and Building is not materially different from its market value.

3.4. Lease Assets

In accordance with *IAS 17 Leases*, the economic ownership of a leased asset is transferred to the lessee if the Lessee bears substantial all the risks and rewards related to the ownership of the leased asset. The related asset is then recognized at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments plus incidental payments, if any. A corresponding amount is recognized as a finance leasing liability, irrespective of whether some of these lease payments are payable upfront at the date of inception of the lease.

Depreciation methods and useful lives of assets held under finance lease agreements correspond to those Applied to comparable assets which are owned by Pharma Deko PLC. The corresponding finance leasing liability is reduced by lease payments less finance charges, which are expensed as part of finance costs.

Notes to the Financial Statement (continued)

The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to income statement over the period of the lease.

3.5. Inventories

Inventories are stated at the lower of cost and net realizable value after making adequate provision for obsolete, slow moving and damaged items. In case of good manufactured by the company, cost includes production overheads. Stock is valued at weighted average and goods in transit at the invoice price. Work in progress is stated at cost. Cost in this case consists of direct labour and materials plus appropriate proportion of factory overheads.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3.6. Financial Instruments**a. Non Derivative Financial Assets****i. Trade Receivables**

Trade receivables are financial assets measured at amortized cost less any impairment losses. Credit sales are rarely done and the effect of discounting is immaterial hence they are stated at their invoice price.

Trade receivables are assessed annually to determine if there is an objective evidence of impairment. The impairment loss is determined by splitting the receivables into groups of trade receivables that share similar credit risk characteristics. The credit risk groups are to be assessed for impairment using historical loss experience for each group. Such historical loss experience would be adjusted to reflect the effects of current conditions.

Staff Receivables, which are interest free and for a tenor of less than twelve months, is also measured at amortised cost. In this case it is the face value of the loan.

ii. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

b. Non-Derivative Financial Liabilities

The company has the following non-derivative financial liabilities: loans and borrowings, bank overdrafts, and trade and other payables.

Trade payables are measured at amortized cost. They are shown at face value because they do not carry any interest and usually have a tenor of two to three months.

Loans and Borrowings are recognized initially at fair value less any directly attributable transaction costs. Subsequently, they are measured at amortized cost using the effective interest method.

Notes to the Financial Statement (continued)**3.7. Taxation**

Income tax and education tax payable are provided on taxable and assessable profits respectively at the current statutory rates.

Deferred Taxation

Deferred Taxation, which arises from timing differences in the recognition of items for accounting and tax purposes, is calculated using the liability method. Based on the IFRS provisions, IAS 12, liability method recognizes all timing differences as temporary differences. Temporary differences are differences between the tax base of an asset or liability and its carrying amount in the statement of financial position. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes. The measurement of deferred tax liabilities and deferred tax assets shall reflect the tax consequences that would follow from the manner in which Pharma Deko Plc expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred income tax assets and liabilities are measured at the rates that are expected to apply to the year when the asset is realized or the liability settled, based on tax rates (and tax laws) that have been enacted at the Statement of Financial Position date. Deferred tax assets are recognized when it is considered probable (more likely than not) that those assets will be recovered.

3.8. Foreign Currency Transaction

Transactions denominated in foreign currencies are translated into Naira at the ruling rates of exchange at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are reported at the prevailing exchange rate at the balance sheet date. Any gain or loss arising from a change in exchange rates is charged to the Statement of Profit or Loss and Other Comprehensive Income.

3.9. Employee Benefits

The company provides a contributory pension fund scheme which is funded by contributions from employees at 8% and employer at 10% based on basic salary, housing and transport in line with the Pension Reform Act of 2014. The employers' contribution is charged to the statement of profit or loss and comprehensive income. Contributions are expensed in the period they are payable and any unpaid contribution at the end of the period are recognised as a liability.

The company also operates an unfunded retirement benefit scheme. The benefits are based on the employers' year of service and terminal salary. They are yet to be measured in accordance with *IAS 19 Employee Benefits*.

3.10. Provisions

Provisions are recognized when the company has a present obligation, whether legal or constructive, as a result of past events for which 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 in accordance with *IAS 37 Provisions, contingent liabilities and contingent assets*.

3.11. Operating Segments

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses. All operating segment operating results are reviewed from time to time by the management of the company to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Notes to the Financial Statement (continued)

Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise all assets, liabilities and income tax assets and liabilities.

3.12. Revenue

Sales of Goods

The sales of good comprise of pharmaceutical goods and consumer goods. Revenue from the sale of these Goods in the course of ordinary activities are measured at the fair value of the consideration received or receivable, net of returns, trade discounts, sales tax and volume rebates. Revenue is recognized when the Risks and rewards of ownership are transferred to the buyer. This occurs when the buyer has taken delivery of the goods. Revenue is recognized when the amount of revenue can be measured reliably, the collection is probable and the costs incurred or to be incurred can be measured reliably.

Rendering of Services

The rendering of services involves the canning of consumer beverages. Revenue is recognized when the amount of revenue can be measured reliably, the collection is probable, costs incurred and cost to complete can be measured reliably and stage of completion can be ascertained at the end of the reporting period. The stage of completion is determined by using the surveys of work completed.

3.13. Discontinued Operations

A discontinued operation represents a component of the company's principal business that is a separate major line of business or geographical area of operations that has been disposed of or is held for sale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

Profit or loss from discontinued operations is presented in a single amount in the income statement. This amount is the post-tax profit or loss of discontinued operations.

3.14. Earnings per Share

The company presents basic earnings per share (EPS) data for its ordinary shares. The Basic EPS is determined by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

3.15. Investment Properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Though the company collects rent from a portion of its warehouse, it is not considered an investment property because the portion used for production or supply of goods and services is significant compared to the portion used for rent.

IFRS Financial Statements for January to June Ended 30th, 2022

Notes to the Financial Statement (continued)

3.16. Significant Management Judgment in applying Accounting Policies and Estimation Uncertainty

When preparing the financial statements, management undertakes a number of judgments, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Below is the significant management judgment in applying the accounting policies of Pharma Deko PLC that has the most significant effect on the financial statements.

Taxation on Discontinued Operations

IFRS 5 requires that the post-tax profit/(loss) of discontinued operations be shown as a single line item the Statement of Profit or Loss and Other Comprehensive Income.

However, in these financial statements, the result of the discontinued operations is shown as the pre-tax loss.

This is because of the complexity of separating assets and liabilities of the discontinued operations from the entire continuing operations of the company. This has prompted management to exercise significant judgment to disclose the result of discontinued operations on a pre-tax basis.

4. Revenue by business segment

| Business | 6 months | 6 months | 12 months |
|--------------|-----------------------|-----------------------|-----------------------|
| | 2022 | 2021 | 2021 |
| | N'000 | N'000 | N'000 |
| Pharma | 73,220 | 81,586 | 168,031 |
| Consumer | 179,590 | 230,147 | 335,517 |
| TOTAL | <u>252,810</u> | <u>311,733</u> | <u>503,548</u> |

5a. Operating Segment

Pharma Deko Plc is engaged in the manufacturing and marketing of high quality pharmaceutical and marketing products. The company has three reportable segments which serve as the company's strategic business units. These operating segments are assessed and strategic decisions are made on the basis of operating segment results. The following summary describes the operations in each of the reportable segments:

Pharma: This refers to the pharmaceutical products of the company;

Consumer: This refers to non alcoholic drink products of the company (Sans cream soda).

Contract: This refers to the bottling & canning of beverages for other companies.

Due to the nature of the company's operations and the relationship among the above segments (sharing of production lines), the assets and the liabilities of the company cannot be determined on a segmental basis and does not form part of the information provided to management for segmental review. Hence, such information is not disclosed as part of operating segments.

IFRS Financial Statements for January to June Ended 30th, 2022

Notes to the Financial Statement (continued)

5.1 Summary of operating segments

Also, Cost of Sales, Selling and Distribution Costs, Administrative Expenses and Interest Expenses are Distributed evenly to all segments due to the reason mentioned above.

| Summary of Operating Segment-Jan- June '22 | Pharma | Consumer | Total |
|--|------------------|------------------|------------------|
| | N'000 | N'000 | N'000 |
| Segment Revenue | 73,220 | 179,590 | 252,810 |
| Cost of Good Sold | (50,020) | (128,160) | (178,180) |
| Depreciation | (8,700) | (20,300) | (29,000) |
| Total Cost of sales | (58,720) | (148,460) | (207,180) |
| Selling and Distr. | (14,260) | (7,910) | (22,170) |
| Admin. Exp. | (28,050) | (65,460) | (93,510) |
| Interest Exp. | (4,380) | (530) | (4,910) |
| | (105,410) | (222,360) | (327,770) |
| Segment Profit after Extra-Ordinary | (32,190) | (42,770) | (74,960) |
| | | | |
| Summary of Operating Segment-Jan-June.'21 | Pharma | Consumer | Total |
| | N'000 | N'000 | N'000 |
| Segment Revenue | 81,586 | 230,147 | 311,733 |
| Cost of Good Sold | (58,719) | (125,344) | (184,062) |
| Depreciation | (9,832) | (22,942) | (32,775) |
| Total Cost of sales | (68,551) | (148,286) | (216,837) |
| Selling and Distr. | (9,600) | (12,309) | (21,909) |
| Admin. Exp. | (25,962) | (60,579) | (86,541) |
| Interest Exp. | (975) | 0.0 | (975) |
| | (105,088) | (221,174) | (326,262) |
| Segment Profit after Extra-Ordinary | (23,502) | 8,973 | (14,529) |

| 5.2 Reconciliation of operating segment profit before other income | | |
|---|------------------------|-----------------------|
| Description | Jan- June'22 | Jan-June'21 |
| | N'000 | N'000 |
| Total Profit for Segments | (74,960) | (14,529) |
| Discontinued Operations | <u>-</u> | <u>-</u> |
| | (74,960) | (14,529) |
| <u>Add: Unallocated Amount</u> | | |
| Other operating Income | 25,970 | 6,260 |
| <u>Company Profit before Income Tax</u> | <u>(48,990)</u> | <u>(8,269)</u> |
| <u>Details of Other Income</u> | <u>N'000</u> | <u>N'000</u> |
| Foreign Exchange Gain | - | 109 |
| Write-back of provision | | |
| Miscellaneous Income | | 643 |
| Interest Income & Similar | | |
| Sales os scrap | 25,970 | 5,508 |
| Net Arbitration Award | | <u>-</u> |
| | <u>25,970</u> | <u>6,260</u> |

Other Income represents exchange gain on FX , Insurance claim and sales from used kegs, drums, caps and nylons.

| Note of Account. | | | | | | | | | |
|--------------------------------------|-------------|---------------|-----------------|------------------|----------------------|-----------------|------------------|--------------------|---------------|
| AS AT JUNE 2022 ENDING. | | | | | | | | | |
| PROPERTY, PLANT AND EQUIPMENT | | | | | | | | | |
| | Note | Land | Building | Plant and | Furniture and | Motor | Computer | Fixed Asset | |
| | 6 | Land | Building | Machinery | Fittings | Vehicles | Equipment | in Progress | Total |
| | | N''000 | N''000 | N''000 | N''000 | N''000 | N''000 | N''000 | N''000 |
| <u>COST/VALUATION</u> | | | | | | | | | |
| At 1 January 2022 | | 794,135 | 748,845 | 623,465 | 11,917 | 116,683 | 32,584 | 115,389 | 2,443,018 |
| Assets Movement | | - | - | 42,286 | - | - | - | (42,286) | - |
| Additions | | - | - | - | - | - | 207 | - | 207 |
| At 30th June' 2022 | | 794,135 | 748,845 | 665,751 | 11,917 | 116,683 | 32,791 | 73,103 | 2,443,225 |
| Accumulated Depreciation | | | | | | | | | |
| At 1st January 2022 | | - | 39,472 | 227,686 | 8,539 | 98,663 | 12,187 | - | 386,546 |
| Charge for the period | | - | 7,094 | 21,904 | 254 | 1,802 | 3,400 | - | 34,454 |
| At 30th June' 2022 | | - | 46,566 | 249,590 | 8,793 | 100,465 | 15,587 | - | 421,000 |
| Impairment | | | | | | | | | |
| At 1st January 2022 | | - | - | - | - | - | - | - | - |
| Impairment on revalued | | - | - | - | - | - | - | - | - |
| Assets written back | | - | - | - | - | - | - | - | - |
| Charge for the period | | - | - | - | - | - | - | - | - |
| At 30th June' 2022 | | - | - | - | - | - | - | - | - |
| Net book value | | | | | | | | | |
| At 30th June' 2022 | | 794,135 | 702,279 | 416,161 | 3,124 | 16,218 | 17,204 | 73,103 | 2,022,225 |
| At 31st Dec 2021 | | 794,135 | 709,373 | 395,779 | 3,378 | 18,020 | 20,397 | 115,389 | 2,056,472 |
| | Note | Land | Building | Plant and | Furniture and | Motor | Computer | Fixed Asset | |
| | 6.1 | Land | Building | Machinery | Fittings | Vehicles | Equipment | in Progress | Total |
| | | N''000 | N''000 | N''000 | N''000 | N''000 | N''000 | N''000 | N''000 |
| <u>COST/VALUATION</u> | | | | | | | | | |
| At 1st July 2021 | | 606,160 | 655,364 | 614,639 | 10,310 | 98,761 | 13,006 | 76,870 | 2,075,110 |
| Assets Movement (Disposal) | | - | - | (204) | - | - | - | - | (204) |
| Additions | | - | - | 12,992 | - | - | - | - | 12,992 |
| Revaluation Surplus (Deficit) | | 187,975 | 93,481 | (3,962) | 1,607 | 17,922 | 19,578 | 38,519 | 355,120 |
| At 31st Dec 2021 | | 794,135 | 748,845 | 623,465 | 11,917 | 116,683 | 32,584 | 115,389 | 2,443,018 |
| Accumulated Depreciation | | | | | | | | | |
| At 1st July 2021 | | - | 32,919 | 201,014 | 7,940 | 98,394 | 11,987 | - | 352,254 |
| Charge for the period | | - | 6,553 | 26,672 | 599 | 269 | 200 | - | 34,293 |
| At 31st Dec 2021 | | - | 39,472 | 227,686 | 8,539 | 98,663 | 12,187 | - | 386,546 |
| Impairment | | | | | | | | | |
| At 1st July 2021 | | - | - | - | - | - | - | - | - |
| Impairment on revalued | | - | - | - | - | - | - | - | - |
| Assets written back | | - | - | - | - | - | - | - | - |
| Charge for the period | | - | - | - | - | - | - | - | - |
| At 31st Dec 2021 | | - | - | - | - | - | - | - | - |
| Net book value | | | | | | | | | |
| At 31st Dec 2021 | | 794,135 | 709,373 | 395,779 | 3,378 | 18,020 | 20,397 | 115,389 | 2,056,472 |
| At 30th June' 2021 | | 606,160 | 655,364 | 614,639 | 10,310 | 98,761 | 13,006 | 76,870 | 2,075,110 |

| | Note | As At June'2022 | AS AT Dec '2021 |
|--|------------|-----------------|-----------------|
| INVENTORY | 7 | N''000 | N''000 |
| Raw material | | 31,957 | 69,760 |
| Work in Progress | | 4,133 | 4,896 |
| Finished goods | | 50,037 | 23,272 |
| Packaging Material | | 44,319 | 59,763 |
| Engineering Consumable Item./Diesel | | 21,971 | 24,692 |
| | | 152,417 | 182,383 |
| Impaired inventories | 7.1 | - | - |
| | | <u>152,417</u> | <u>182,383</u> |
| | | | |
| | Note | As At June'2022 | AS AT Dec.'2021 |
| TRADE RECEIVABLES | 8 | N''000 | N''000 |
| Trade Receivables | | 46,747 | 11,690 |
| Impairment of trade receivables | | - | - |
| | | <u>46,747</u> | <u>11,690</u> |
| <i>Trade Receivables are non-interest bearing and are generally on a 30 day term</i> | | | |
| | | | |
| | Note | As At June'2022 | AS AT Dec.'2021 |
| OTHER RECEIVABLES AND PREPAYMENTS | 9 | N''000 | N''000 |
| Staff debtors | | - | - |
| Cash Advance | | 810 | <u>97</u> |
| Total Finance Assets | | 810 | 97 |
| | | | |
| Sundry Receivables(Reclassification) | | - | 19,403 |
| Prepayments | | 447 | - |
| Deposit for import-PPE & MAT. | | 27,760 | 26,522 |
| Prepaid Housing Allowance | | <u>-</u> | <u>-</u> |
| Total Non Finance Assets | | <u>28,207</u> | <u>45,925</u> |
| | | <u>29,017</u> | <u>46,022</u> |

| | Note | As At June'2022 | AS AT Dec.'2021 |
|---|-------------|-----------------------|-----------------------|
| CASH AND CASH EQUIVALENTS | 10 | N''000 | N''000 |
| Cash at Bank | | 11,657 | 38,656 |
| Cash in hand | | | 98 |
| Cash and cash Equivalents | | 11,657 | 38,754 |
| Bank overdrafts used for cash management p | 10.1 | - | |
| Bank overdrafts | | | - |
| Cash and cash Equivalents in Statement of CFs. | | <u>11,657</u> | <u>38,754</u> |
| Loans and Borrowings-Current Financial Liabilities | | | |
| | Note | As At June'2022 | AS AT Dec.'2021 |
| | 10.2 | N''000 | N''000 |
| Loan & Bank overdrafts | | 10,000 | - |
| Promissory note | | 25,000 | 13,000 |
| | | <u>35,000</u> | <u>13,000</u> |
| Employment Benefits-Gratuity | | | |
| | Note | As At June'2022 | AS AT Dec.'2021 |
| | 11 | N''000 | N''000 |
| At 1. January | | 197,827 | 200,261 |
| Charge for the year | | - | - |
| Payment during the year | | <u>(250)</u> | <u>(2,434)</u> |
| | | <u>197,577</u> | <u>197,827</u> |
| Trade Payables-Current Financial Liabilities | | | |
| | Note | As At June'2022 | AS AT Dec.'2021 |
| | 12 | N''000 | N''000 |
| Trade Payable | | <u>13,509</u> | <u>14,584</u> |
| | | <u>13,509</u> | <u>14,584</u> |

| Other Payables | Note | As At June'2022 | AS AT Dec.'2021 |
|--|-------------|------------------------|------------------------|
| Financial Liability | 13.1 | N''000 | N''000 |
| Sundry creditors (Note 13.3) | | 209,255 | 249,459 |
| Accruals | | 167,424 | 164,572 |
| Vat-payable | | 30,119 | 43,002 |
| Employee Benefits-Unpaid Contr. (Note 13.4) | | 164,032 | 158,740 |
| | | 570,830 | 615,773 |
| Non Financial Liability | 13.2 | | |
| Deferred Rent Income | | - | - |
| Customer's deposit | | - | - |
| | | - | - |
| Total | | <u>570,830</u> | <u>615,773</u> |
| | | | |
| Sundry creditors | Note | As At June'2022 | AS AT Dec.'2021 |
| | 13.3 | N''000 | N''000 |
| Other creditors | | 368 | 43,935 |
| Industrial training fund | | 20,876 | 20,160 |
| Union Dues | | 4,383 | 4,117 |
| Withholding Tax on Dividend | | 370 | 231 |
| Withholding Tax on Services | | 49,442 | 48,090 |
| Pay As You Earn (PAYE) | | 9,761 | 7,901 |
| Salaries and Wages Payable | | 99,754 | 96,540 |
| 1% NSITF | | 19,445 | 18,729 |
| Dividend Payable (Note 14.1) | | 4,856 | 4,856 |
| Working Capital Loan | | - | 4,900 |
| | | 209,255 | 249,459 |
| | | | |
| Employee Benefits-Unremitted Contribution | Note | As At June'2022 | AS AT Dec.'2021 |
| | 13.4 | N''000 | N''000 |
| At January | | 158,740 | 153,303 |
| Charge for the year | | 5,292 | 9,869 |
| Remittances during the year | | - | (4,432) |
| At 30 June' 2022 | | <u>164,032</u> | <u>158,740</u> |

| Dividend Paid | Note | As At June'2022 | AS AT Dec.'2021 |
|---|-------------|------------------------|------------------------|
| | 14 | N''000 | N''000 |
| Dividends | | - | |
| | | | |
| Dividend Payable | Note | As At June'2022 | AS AT Dec.'2021 |
| | 14.1 | N''000 | N''000 |
| At January 1 | | 4,856 | 4,856 |
| Returned dividend | | - | - |
| Unclaimed dividend transferred to retained income | | - | - |
| | | 4,856 | 4,856 |

| Tax Charge for the Year | Note | | | | |
|-----------------------------------|-------------|------------------------|------------------------|-------------------------|----------------|
| | 15 | | | | |
| | | Company tax | Education Tax | Capital gain tax | Total |
| At January 1 | | 24,776 | 44 | 99,916 | 124,736 |
| Charge for the year (minimum tax) | | - | - | - | - |
| Payments | | - | - | - | - |
| At 30 June.' 2022 | | 24,776 | 44 | 99,916 | 124,736 |
| | | | | | |
| Deferred tax liability | Note | As At June'2022 | AS AT Dec.'2021 | | |
| | 16 | N''000 | N''000 | | |
| At beginning of year | | 61,556 | 61,556 | | |
| Charge for the year | | - | - | | |
| Capital gains tax | | - | | | |
| | | 61,556 | 61,556 | | |

| | Note | As At June'2022 | AS AT Dec.'2021 |
|--|-------------|-------------------------|-------------------------|
| Share Capital Authorised | 17 | N''000 | N''000 |
| 300,000,000 ordinary shares of 50k each | | <u>150,000</u> | <u>150,000</u> |
| Ordinary Shares Issued and Fully Paid | | | |
| At 1 January | | 108,466 | 108,466 |
| Movement during the year | | <u>-</u> | <u>-</u> |
| | | <u>108,466</u> | <u>108,466</u> |
| | | | |
| Number of Ordinary Shares | | No in thousand | No in thousand |
| At 1 January | | 216,932 | 216,932 |
| Movement during the year | | <u>-</u> | <u>-</u> |
| | | <u>216,932</u> | <u>216,932</u> |
| | | | |
| | Note | As At June 2022 | AS AT Dec.'2021 |
| Share Premium | 18 | N''000 | N''000 |
| At 1 January | | 380,009 | 380,009 |
| Movement during the year | | <u>-</u> | <u>-</u> |
| | | <u>380,009</u> | <u>380,009</u> |
| | | | |
| | Note | As At June 2022 | AS AT Dec.'2021 |
| Revaluation Reserve | 19 | N''000 | N''000 |
| At 1 January | | 1,756,588 | 1,756,588 |
| Movement during the year | | <u>-</u> | <u>-</u> |
| | | <u>1,756,588</u> | <u>1,756,588</u> |
| | | | |

| | Note | As At June 2022 | AS AT Dec.'2021 |
|---|-----------|-----------------------------|--------------------------------|
| Retained Earning | 20 | N''000 | N''000 |
| Revenue reserves | | (937,218) | (867,431) |
| Dividend Paid | | 0 | 0 |
| Unclaimed dividend written back | | 0 | 0 |
| (Loss)/Profit for the period | | (48,990) | (69,787) |
| | | (986,208) | (937,218) |
| Basic Earnings Per Share | | As At June 2022 | AS AT Dec.'2021 |
| Earnings/(loss) per share from continued Operation (kobo) | | (22.6) | (32.2) |
| | | (22.6) | (32.2) |
| Basic Earnings per Share | | | |
| The calculation of basic earnings per share was based on the Profit for the period and average number of ordinary shares outstanding of 216,932 thousand. | | | |
| | | Continued Operations | discontinued Operations |
| | | N'000 | N'000 |
| (Loss)/Profit as at 30 June 2022 | | (48,990) | - |
| (Loss)/Profit as at 30 June 2021 | | (8,269) | - |
| Weighted Average Number of Shares | | | |

Reconciliation of Profit before Taxation to Net Cash provided by Operating Activit

| | Note | As At June 2022 | AS AT Dec.'2021 |
|--|-----------|-----------------|-----------------|
| | 21 | N''000 | N''000 |
| Loss before taxation | | (48,990) | (68,489) |
| Adjustments to reconcile net loss to net cash provided by operating activities: | | | |
| Depreciation & amortisation | | 34,454 | 67,880 |
| Profit on Disposal of Asset | | - | 21 |
| Gains on foreign exchange | | - | - |
| Finance cost | | 4,910 | 2,833 |
| Movements in retirement benefit assets and liabilities | | (250) | (2,434) |
| Changes in working capital: | | | |
| Inventories | | 29,966 | (8,281) |
| Trade receivables | | (35,057) | 8,741 |
| Other Receivable | | 17,005 | - |
| Trade payable | | (1,075) | (47,269) |
| Other payables | | (44,943) | 7,518 |
| | | 5,010 | 29,009 |
| Cash provided by operating activities. | | (43,980) | (39,480) |

Shareholding Structure/Free Float Status

| Description | 31-Dec-21 | |
|---|-------------------------|---------------|
| | Unit | Percentage |
| Issued Share Capital | 216,819,694 | 100% |
| Substantial Shareholdings (5% and above) | | |
| UNITED INVESTMENT LIMITED | 57,393,000 | 26.47% |
| CHIKELUBA C.C. | 23,136,950 | 10.67% |
| ANYIGBO JOSAPHAT OLISAMEZIE | 25,000,000 | 11.53% |
| OSAI STEPHEN U. | 17,520,000 | 8.08% |
| SHORELINE POWER COMPANY LIMITED | 10,042,520 | 4.63% |
| WILLIAMS FOLARIN ROTIMI ABIOLA | 15,194,440 | 7.01% |
| Total Substantial Shareholdings | 148,286,910 | 68.39% |
| Directors' Shareholdings (direct and indirect), excluding directors with substantial interests | | |
| ISOLA OLUKAYODE | 10,000 | 0.00% |
| K . A LAWSON | 3,379,141 | 1.56% |
| G . A ALEGIEUNO | 500,000 | 0.87% |
| Mr. E.A. ANABA | 7,000,100 | 12.20% |
| PROF. H . A . B . COKER | 150,000 | 0.60% |
| Total Directors' Shareholdings | 11,039,241 | 5.09% |
| Other Influential Shareholdings | | |
| | | 0.00% |
| | | 0.00% |
| Total Other Influential Shareholdings | 0 | 0.00% |
| Free Float in Units and Percentage | 57,493,543 | 26.52% |
| Free Float in Value | ₦ 126,485,794.60 | |

Declaration:

Pharma-Deko Plc's Board is aware of the free float percentage of 26.52% (N126,485,794.60) as at 31 December 2021 and compliance plans to be shared with The Exchange has been initiated.