

**Presco**

**PRESCO PLC.**

**Condensed Interim Financial Statements  
For the six months ended  
30 June, 2022**

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Securities Act No. 29 of 2011**  
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**PRESCO PLC**

**FOR THE SIX MONTHS ENDED 30 JUNE 2022**

**Certification Pursuant to Section 60 (2) of Investment and Securities Act No. 29 of 2011**

We the undersigned hereby certify the following with regards to our financial reports for the six months ended 30 June, 2022 that;

- a) We have reviewed the report;
- b) To the best of our knowledge, the report does not contain:
  - (i) Any untrue statement of materials effect, or
  - (ii) Omit to state a material fact, which would make the statements misleading in the light of the circumstances under which such statements were made;
- c) To the best of our knowledge, the financial statements and other financial information included in the report fairly present in all material respects the financial condition and results of operations of the Company as of, and for the period presented in the report.
- d) We:
  - (i) Are responsible for establishing and maintaining internal controls;
  - (ii) Have designed such internal controls to ensure that material information relating to the Company is made known to such officers by others within entities particularly during the period in which the periodic reports are being prepared;
  - (iii) Have evaluated the effectiveness of the Company's internal controls as of date within 90 days prior to the report;
  - (iv) Have presented in our report our conclusions about the effectiveness of the company's internal controls based on our evaluation as of that date;
- e) We are not aware of and have disclosed as such to the Auditors and the Audit Committee:
  - (i) Significant deficiencies in the design and operation of internal controls which would adversely affect the Company's ability to record, process, summarize and report financial data and have identified for the company's auditors any material weakness in internal
  - (ii) Any fraud, whether or not material, that involves management or other employees who have significant role in the company's internal controls;
- f) We have identified in the report whether or not there were significant changes in internal controls or other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective actions with regard to significant deficiencies and material weakness.



**Felix O. Nwabuko**  
Managing Director

FRC/2016/ICAN/00000014276



**William Kenneth Crockett**  
Chief Financial Officer  
FRC/2019/ICAN/00000019300

# PRESKO PLC

## CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2022

	Group				Company			
Note:	30-Jun-22	30-Jun-21	01/04/2022 30/06/2022	01/04/2021 30/06/2021	30-Jun-22	30-Jun-21	01/04/2022 30/06/2022	01/04/2021 30/06/2021
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Revenue	41,709,796	-	22,096,359	-	34,204,394	21,464,923	18,784,051	13,537,856
Cost of sales	(11,472,108)	-	(5,710,451)	-	(8,052,516)	(4,935,675)	(4,850,479)	(3,423,768)
<b>Gross profit</b>	<b>30,237,689</b>	<b>-</b>	<b>16,385,909</b>	<b>-</b>	<b>26,151,878</b>	<b>16,529,248</b>	<b>13,933,572</b>	<b>10,114,088</b>
Administrative expenses	(8,310,461)	-	(4,695,817)	-	(6,696,995)	(2,898,089)	(3,861,117)	(1,460,443)
Selling and distribution expenses	(550,390)	-	(355,458)	-	(513,157)	(306,041)	(342,383)	(200,917)
Other gains and losses	(76,116)	-	(12,648)	-	(76,116)	(390,600)	(12,648)	(166,940)
Other operating (losses)/income	388,461	-	289,797	-	247,736	-	171,537	-
Gains on biological asset revaluation	-	-	-	-	-	450,500	-	300,000
<b>Operating profit before finance cost and finance income</b>	<b>21,689,183</b>	<b>-</b>	<b>11,611,783</b>	<b>-</b>	<b>19,113,346</b>	<b>13,385,018</b>	<b>9,888,961</b>	<b>8,585,788</b>
Finance cost	(3,870,136)	-	(2,394,976)	-	(2,200,572)	(440,149)	(1,511,146)	(145,209)
Finance income	350	-	350	-	350	-	350	-
<b>Profit before tax</b>	<b>17,819,398</b>	<b>-</b>	<b>9,217,157</b>	<b>-</b>	<b>16,913,125</b>	<b>12,944,869</b>	<b>8,378,166</b>	<b>8,440,579</b>
Tax expense	(4,344,578)	-	(1,631,589)	-	(4,344,578)	(2,818,002)	(1,631,589)	(1,709,845)
<b>Profit for the period</b>	<b>13,474,819</b>	<b>-</b>	<b>7,585,568</b>	<b>-</b>	<b>12,568,546</b>	<b>10,126,867</b>	<b>6,746,576</b>	<b>6,730,734</b>
<b>Other Comprehensive Income (OCI)</b>								
Item(s) that will not be reclassified subsequently to profit or loss								
Remeasurement of defined benefit obligation	-	-	-	-	-	-	-	-
Actuarial loss/(gain) on long service award	-	-	-	-	-	-	-	-
Income tax relating to components of OCI (-)	-	-	-	-	-	-	-	-
<b>Other comprehensive income, net of tax</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>	<b>13,474,819</b>	<b>-</b>	<b>7,585,568</b>	<b>-</b>	<b>12,568,546</b>	<b>10,126,867</b>	<b>6,746,576</b>	<b>6,730,734</b>
<b>Earnings Per Share</b>								
Basic (Kobo)	1,347	0	759	0	1,257	1,013	675	673
Diluted (Kobo)	1,347	0	759	0	1,257	1,013	675	673

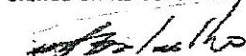
The accompanying notes form an integral part of these financial statements.

# PRESKO PLC


## CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Group		Company	
	30-Jun-22	31-Dec-21	30-Jun-22	31-Dec-21
Note	N'000	N'000	N'000	N'000
<b>Assets:</b>				
<b>Non-current assets</b>				
Intangible assets	134,367	149,755	15,546	16,409
Property, plant and equipment	88,531,802	84,568,445	55,960,229	53,704,380
Right-of-use assets	2,975,960	4,009,859	1,601,065	1,601,066
Investment in subsidiaries	-	-	23,000,000	23,000,000
<b>Total non-current assets</b>	<b>91,642,129</b>	<b>88,728,059</b>	<b>80,576,839</b>	<b>78,321,855</b>
<b>Current assets</b>				
Inventories	7,587,162	4,195,922	6,043,467	3,919,619
Biological assets	15,236,318	15,236,322	12,784,291	12,784,291
Trade and other receivables	17,350,794	10,081,412	15,727,497	9,509,148
Cash and bank balances	17,769,527	22,364,597	17,905,092	22,253,957
<b>Total current assets</b>	<b>57,943,801</b>	<b>51,878,253</b>	<b>52,460,347</b>	<b>48,467,015</b>
<b>Total assets</b>	<b>149,585,930</b>	<b>140,606,312</b>	<b>133,037,186</b>	<b>126,788,870</b>
<b>Equity and Liabilities</b>				
<b>Equity</b>				
Share capital	500,000	500,000	500,000	500,000
Share premium	1,173,528	1,173,528	1,173,528	1,173,528
Other reserves	113,544	113,544	5,375	5,375
Acquisition premium on SNL	- 17,848,831	- 17,848,831	-	-
Retained earnings	59,317,862	45,843,042	58,913,132	46,344,585
<b>Total Equity</b>	<b>43,256,103</b>	<b>29,781,283</b>	<b>60,592,035</b>	<b>48,023,488</b>
<b>Non-current liabilities</b>				
Borrowings	59,401,413	22,373,286	39,637,537	5,458,339
Deferred benefit obligations	1,183,491	1,077,797	931,978	826,284
Deferred tax liabilities	11,034,084	10,946,164	11,034,084	10,894,084
Deferred income	455,916	455,916	455,916	455,916
Lease liabilities	501,691	2,511,775	186,527	186,527
<b>Total Non-current liabilities</b>	<b>72,576,594</b>	<b>37,364,938</b>	<b>52,246,041</b>	<b>17,821,150</b>
<b>Current liabilities</b>				
Trade and other payables	18,712,128	32,840,900	9,478,920	26,747,965
Current tax liabilities	8,142,600	5,397,904	8,142,600	5,397,904
Bank overdraft	395,974	5,655,259	419,543	1,945,241
Borrowings	5,607,691	28,685,891	1,297,865	25,992,941
Deferred income	841,379	826,675	826,675	826,675
Lease liabilities	53,461	53,461	33,506	33,506
<b>Total current liabilities</b>	<b>33,753,233</b>	<b>73,460,090</b>	<b>20,199,109</b>	<b>60,944,232</b>
<b>Total liabilities</b>	<b>106,329,827</b>	<b>110,825,028</b>	<b>72,445,150</b>	<b>78,765,382</b>
<b>Total equity and liabilities</b>	<b>149,585,930</b>	<b>140,606,311</b>	<b>133,037,185</b>	<b>126,788,870</b>

The financial statements were approved and authorised for issue by the Board of Directors on 27 July 2022 and were signed on its behalf by:



**Felix Nwabuko**  
Managing Director  
FRC/2016/ICAN/00000014276



**William Kenneth Crockett**  
Chief Financial Officer  
FRC/2019/ICAN/00000019300

The accompanying notes form an integral part of these financial statements.



# PRESKO PLC

## CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2022

Group	Share Capital N'000	Share Premium N'000	Retained Earnings N'000	Other Reserves N'000	Total N'000
Balance at 1 January, 2021	-	-	-	-	-
Profit for the year	-	-	-	-	-
Net remeasurement gain on defined benefit plan	-	-	-	-	-
<b>Total Comprehensive Income</b>	-	-	-	-	-
Other reserves from consolidation	-	-	-	-	-
Status bar dividend	-	-	-	-	-
Dividend paid	-	-	-	-	-
<b>Balance at 30 June 2021</b>	-	-	-	-	-
Balance at 1 January 2022	500,000	1,173,528	45,843,042	(17,735,287)	29,781,283
Profit for the year	-	-	13,474,819	-	13,474,819
Net remeasurement loss on defined benefit plan	-	-	-	-	-
<b>Total Comprehensive Income</b>	-	-	13,474,819	-	13,474,819
Dividend paid	-	-	-	-	-
<b>Balance at 30 June, 2022</b>	<b>500,000</b>	<b>1,173,528</b>	<b>59,317,862</b>	<b>#####</b>	<b>43,256,102</b>

Company	Share Capital N'000	Share Premium N'000	Retained Earnings N'000	Other Reserves N'000	Total N'000
Balance at 1 January, 2021	500,000	1,173,528	29,518,014	(140,088)	31,051,454
Profit for the year	-	-	10,126,867	-	10,126,867
Net remeasurement gain on defined benefit plan	-	-	-	-	-
<b>Total Comprehensive Income</b>	-	-	10,126,867	-	10,126,867
Status bar dividend	-	-	-	-	-
Dividend paid	-	-	-	-	-
<b>Balance at 30 June 2021</b>	<b>500,000</b>	<b>1,173,528</b>	<b>39,644,881</b>	<b>(140,088)</b>	<b>41,178,321</b>
Balance at 1 January 2022	500,000	1,173,528	46,344,585	5,375	48,023,488
Profit for the year	-	-	12,568,546	-	12,568,546
Net remeasurement loss on defined benefit plan	-	-	-	-	-
<b>Total Comprehensive Income</b>	-	-	12,568,546	-	12,568,546
Dividend paid	-	-	-	-	-
<b>Balance at 30 June, 2022</b>	<b>500,000</b>	<b>1,173,528</b>	<b>58,913,132</b>	<b>5,375</b>	<b>60,592,034</b>

The accompanying notes form an integral part of these financial statements.

# PRESCO PLC

## CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 JUNE 2022

Notes	Group		Company	
	30-Jun-22 N'000	30-Jun-21 N'000	30-Jun-22 N'000	30-Jun-21 N'000
<b>Cash flows from operating activities</b>				
Profit for the year	13,474,819	-	12,568,546	10,126,867
<b>Adjustments for:</b>				
- Loss on sale of property plant and equipment				-
- Gain on disposal of palm seedlings				-
- Loss on sales of palm seedlings	76,116	-	76,116	-
- Tax expense	4,344,578	-	4,344,578	2,818,002
- (Gain)/Loss on biological asset valuation				(450,500)
- Depreciation of property plant and equipment	1,854,263		1,365,719	1,210,573
- Depreciation of Right-of-use assets				-
- Amortization of intangible assets	15,388	-	864	-
- Recognition of government grant on additional loan				-
- Finance cost	3,870,136	-	2,200,572	440,149
- Finance income	-350		(350)	-
- Service cost				-
- Actuarial loss on long service award				-
- Expected Credit Loss Allowance				-
	<b>23,634,950</b>		<b>20,556,045</b>	<b>14,145,091</b>
<b>Movement in working capital:</b>				
- (Increase) in trade and other receivable	(7,269,382)	-	(6,218,348)	(1,075,191)
- (Increase)/decrease in inventories	(3,391,240)	-	(2,123,848)	(1,767,944)
- Increase in trade and other payable	(14,128,772)	-	(17,269,045)	(641,631)
- Increase in deferred income from advances from customers				-
- Strategic spares transferred into inventory				-
<b>Cash generated from operating activities</b>	<b>(1,154,444)</b>		<b>(5,055,196)</b>	<b>10,660,324</b>
-Benefits paid	105,694		105,694	-
-Tax paid	(1,459,884)		(1,459,884)	(478,779)
<b>Net cash generated from operating activities</b>	<b>(2,508,634)</b>		<b>(6,409,386)</b>	<b>10,181,545</b>
<b>Cash flows from investing activities</b>				
Acquisition of Property, plant and equipment	(4,886,786)	-	(3,724,362)	(1,842,458)
Acquisition of Intangibles				-
Decrease in right of use assets	1,934,466			-
Proceeds from sale of property, plant and equipment				-
Proceeds from sale of palm seedling				-
<b>Net cash used in investing activities</b>	<b>(2,952,320)</b>		<b>(3,724,362)</b>	<b>(1,842,458)</b>
<b>Cash flows from financing activities</b>				
Interest paid	(3,870,136)	-	(2,200,572)	(441,135)
Loan received during the year	37,169,083		35,381,971	1,000,000
Repayment during the year	(27,173,779)		(25,870,817)	(3,099,177)
Dividends paid				-
Unclaimed dividend received from Registrars				-
Repayment of lease liabilities				-
Effect of movements in exchange rates on cash held				(241,509)
<b>Net cash used in financing activities</b>	<b>6,125,169</b>	<b>-</b>	<b>7,310,581</b>	<b>(2,781,822)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT</b>	<b>664,215</b>		<b>(2,823,167)</b>	<b>5,557,266</b>
<b>CASH AND CASH EQUIVALENT AT BEGINNING OF YEAR</b>	<b>16,709,338</b>		<b>20,308,716</b>	<b>(4,786,406)</b>
<b>CASH AND CASH EQUIVALENT AT END OF YEAR</b>	<b>17,373,553</b>	<b>-</b>	<b>17,485,548</b>	<b>770,860</b>

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE 2ND QUARTER 2022**

**1. General Corporate Information**

Presko Plc was incorporated in Nigeria on 24<sup>th</sup> September, 1991 as Presko Industries Limited, a private limited liability company under the Companies and Allied Matters Act, and became a public limited liability Company in February, 2002. Presko Plc's shares are actively traded on The Nigerian Stock Exchange with the Siat Group holding 60% while the Nigeria Public holds 40%.

Presko is a fully integrated agro-industrial establishment with oil palm plantations, palm oil mill, palm kernel crushing plant and vegetable oil refining plant. Presently, the only one of such in Nigeria.

Presko specializes in the cultivation of oil palm and in the extraction, refining and fractionation of crude palm oil into finished products.

Presko supplies specialty fats and oils of outstanding quality to customers' specification and assures a reliability of supply of its products all year round. This is made possible by the integrated nature of the company's production process.

The company operates from four estates: Obaretin Estate, Ologbo Estate and Sakpomba Estate in Edo State and Cowan Estate in Delta State.

The address of the Company's registered office is Obaretin Estate, Km 22 Benin/Sapele Road, Benin City.

**2. Significant accounting policies**

The Group financial statements for the period ended 31 March 2022 have been prepared in accordance with International Financial Reporting Standards ("IFRS") and interpretations issued by the IFRS Interpretation Committee (IFRIC) applicable to companies reporting under IFRS and the requirements of the Companies and Allied Matters Act CAP C.20 Laws of the Federation of Nigeria, 2004 and the Financial Reporting Council of Nigeria Act, 2011.

Presko Plc Group has consistently applied the same accounting policies and methods of computation in its interim condensed consolidated and separate financial statements as in its annual financial statements. There were no new standards, interpretations and amendments, effective for the first time from 1st January 2022 which had a material effect on these financial statements.

**2.1 Basis of preparation**

**i) Compliance with IFRS**

The interim condensed consolidated and separate financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and under the historical cost convention, except for the revaluation of biological assets. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2021 annual report. The financial statements were prepared on a going concern basis.

**ii). Basis of consolidation**

The Group condensed financial statements incorporate the financial statements of the Company and its subsidiary made up to 31 March 2022. Control is achieved where the investor; (i) has power over the investee entity (ii) is exposed, or has rights, to variable returns from the investee entity as a result of its involvement, and (iii) can exercise some power over the investee to affect its returns.

**ii). Basis of measurement**

The financial statements have been prepared in accordance with the going concern assumptions under the historical cost concepts except for the revaluation of biological assets.

The historical financial information is presented in Naira and all values are rounded to the nearest thousand (N'000), except where otherwise indicated. The accounting policies are applicable to both the Company and Group.



### 3 Revenue

#### Disaggregation of revenue

	Group		Company	
	Six months ended 30 June		Six months ended 30 June	
	2022	2021	2022	2021
	N'000	N'000	N'000	N'000
<b>Revenue from contract with customers</b>				
-Sales of crude and refined products	41,707,288		34,201,886	21,464,923
-Mill by-products	2,508		2,508	-
	<b>41,709,796</b>	<b>-</b>	<b>34,204,394</b>	<b>21,464,923</b>
<b>Geographical market</b>				
-Nigeria (place of domicile)	<b>41,709,796</b>		<b>34,204,394</b>	<b>21,464,923</b>
<b>Timing of revenue recognition</b>				
-At a point in time	41,709,796		34,204,394	21,464,923
-Over time				
	<b>41,709,796</b>	<b>-</b>	<b>34,204,394</b>	<b>21,464,923</b>

### 4 Seasonality of operations

The Company has increased its production to build up its inventory to meet the demand of customers for the next months in the year, in case of any observance of lean season.

### 5 Unusual items

There were no unusual items as at the end of June 2022 (June 2021: Nil)

### 6 Income tax

	Group		Company	
	Six months ended 30 June		Six months ended 30 June	
	2022	2021	2022	2021
	N'000	N'000	N'000	N'000
Current Income tax	<b>3,451,730</b>		<b>3,451,730</b>	2,818,002
Education tax	752,849		752,849	0
	<b>4,204,578</b>		<b>4,204,578</b>	<b>2,818,002</b>
Deferred tax	140,000		140,000	0
	<b>4,344,578</b>	<b>-</b>	<b>4,344,578</b>	<b>2,818,002</b>

Tax expense is recognised based upon pre-tax income of the interim reporting period.

#### Effective tax rate

	Group		Company	
	Six months ended 30 June		Six months ended 30 June	
	2022	2021	2022	2021
			N'000	N'000
The effective tax rate is as follows:				
Effective tax rate			26%	22%

## 7 EARNING PER SHARE

Basic earnings per share is derived by dividing profit or loss attributable to the ordinary equity holders by weighted average number of ordinary shares outstanding during the period.

	Group		Company	
	Six months ended 30 June 2022	2021	Six months ended 30 June 2022	2021
	N'000	N'000	N'000	N'000
Net profit attributable to equity holders of the Company	13,474,819		12,568,546	10,126,867
Effect of dilutive potential ordinary shares:				
	<b>13,474,819</b>	<b>-</b>	<b>12,568,546</b>	<b>10,126,867</b>
Weighted average number of shares (000)	1,000,000	1,000,000	1,000,000	1,000,000
Basic and diluted earnings per share (Naira)	13.47	0.00	12.57	10.13

## 8 PROPERTIES PLANT AND EQUIPMENTS

- (a) During the six months ended 30 June 2022, the Group acquired items of plant, equipments and plantations with a cost of NGN 4,886,786,000

### (a) Impairment of Assets

Within the period under review, none was impaired and there were no reversals of previous impairment charges in the current period.

## 9 INVESTMENT IN SUBSIDIARY

Hereunder, is the entity controlled by Presco Plc, the Group.

Name of Company	Place of incorporation	% interest	Carryin amount	
			June 2022	December 2021
			N'000	N'000
Siat Nigeria Limited	Nigeria	100	23,000,000	23,000,000

## 10 INVENTORIES

	Group		Company	
	June 2022	December 2021	June 2022	December 2021
	N'000	N'000	N'000	N'000
Supplies (Spares)	3,559,427	2,536,357	3,486,160	2,458,859
Finished Goods	3,546,483	698,496	2,083,389	576,673
Goods in transit	481,252	961,069	473,918	884,087
	<b>7,587,162</b>	<b>4,195,922</b>	<b>6,043,467</b>	<b>3,919,619</b>

## 11 TRADE AND OTHER RECEIVABLES

As of the end of reporting period, the analysis of the trade debtors and bills receivables (which are included in trade and other receivables) based on invoice date is as follows:

	Group		Company	
	June 2022	December 2021	June 2022	December 2021
	N'000	N'000	N'000	N'000
Trade receivables	7,119,016	573,264	6,041,451	572,621
	<b>7,119,016</b>	<b>573,264</b>	<b>6,041,451</b>	<b>572,621</b>
Other receivables				
Intercompany receivable	8,840,279	6,878,540	8,586,451	7,628,618
Other debtors	1,391,498	2,629,608	1,099,595	1,307,909
Financial assets measured at amortised cost	<b>17,350,794</b>	<b>10,081,412</b>	<b>15,727,497</b>	<b>9,509,148</b>

The average credit period granted to customers is 30 days.

## 12 CASH AND CASH EQUIVALENTS

	Group		Company	
	June 2022 N'000	December 2021 N'000	June 2022 N'000	December 2021 N'000
Cash and cash equivalents in the Statement of Financial Position	17,769,527	22,364,597	17,905,092	22,253,957
<b>Bank overdrafts</b>	(395,974)	(5,655,259)	(419,543)	(1,945,241)
Cash and cash equivalent in the statement of cash flows	<b>17,373,553</b>	<b>16,709,338</b>	<b>17,485,549</b>	<b>20,308,716</b>

## 13 BIOLOGICAL ASSETS: AGRIC PRODUCE

At fair value

	Group		Company	
	June 2022 N'000	December 2021 N'000	June 2021 N'000	December 2021 N'000
Fresh fruit bunches - 1st January	15,236,322	-	12,784,291	6,937,844
<b>Changes in fair value less cost to sell</b>	-	15,236,322	-	5,846,447
	<b>15,236,322</b>	<b>15,236,322</b>	<b>12,784,291</b>	<b>12,784,291</b>
<b>Analysed into</b>				
Non Current	-	-	-	-
Current	15,236,322	15,236,322	12,784,291	12,784,291
	<b>15,236,322</b>	<b>15,236,322</b>	<b>12,784,291</b>	<b>12,784,291</b>

## 14 CAPITAL, RESERVES AND DIVIDENDS

### (a) Share Capital

	Group		Company	
	June 2022 N'000	December 2021 N'000	June 2022 N'000	December 2021 N'000
Authorised share capital	550,000	550,000	550,000	550,000
<b>Issued and fully paid up capital</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>
<b>Share Premium</b>				
Share Premium	1,173,528	1,173,528	1,173,528	1,173,528

### (b) Dividends

	2022 N'000	2021 N'000	2022 N'000	2021 N'000
Dividend payable to equity shareholders attributable to previous paid during the interim period	-	-	-	-

## 15 EMPLOYEE BENEFITS

The employees of the Company are members of the state-managed retirement benefit plan operated by the government of Nigeria. The Company is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefit.

The Company also recognises provision for post-employment benefits for all its permanent employees in accordance with the Statute. The provision is based on an actuarial valuation by an independent actuary using 'Projected Unit Credit Method'.

Issued and fully paid up capital

## 16 LOANS AND BORROWINGS

	Group		Company	
	June 2022 N'000	December 2021 N'000	June 2022 N'000	December 2021 N'000
Short term borrowings	5,607,691	28,685,891	1,297,865	25,992,941
Long term borrowings	59,401,413	22,373,286	39,637,537	5,458,339
	<b>65,009,104</b>	<b>51,059,177</b>	<b>40,935,402</b>	<b>31,451,280</b>

## 17 TRADE PAYABLES

### (a) TRADE AND OTHER PAYABLES

As of the end of reporting period, the aging analysis of the trade creditors and bills payables (which are included in trade and other payables) based on invoice date is as follows:

	Group		Company	
	June 2022 N'000	December 2021 N'000	June 2022 N'000	December 2021 N'000
Trade payables	1,490,595	1,113,032	1,115,174	772,019
	<b>1,490,595</b>	<b>1,113,032</b>	<b>1,115,174</b>	<b>772,019</b>
<b>Other payables</b>				
Intercompany payable	13,277,339	27,669,439	6,019,025	24,183,021
Other creditors	3,944,194	4,058,429	2,344,720	1,792,924
<b>Financial assets measured at amortised cost</b>	<b>18,712,128</b>	<b>32,840,900</b>	<b>9,478,920</b>	<b>26,747,964</b>

The average credit period on purchases is 30 days.



## 18 FINANCIAL INSTRUMENT - FAIR VALUE AND RISK REPORT

### (a) Accounting classifications and fair value

The Directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair value

#### Category of financial instrument

	Group		Company	
	March 2022 N'000	December 2021 N'000	March 2022 N'000	December 2021 N'000
<b>Financial Assets</b>				
Cash and bank balances	17,769,527	22,364,597	17,905,092	22,253,957
Trade and other receivables	17,350,794	10,081,412	15,727,497	9,509,148
	<u>35,120,321</u>	<u>32,446,009</u>	<u>33,632,589</u>	<u>31,763,105</u>
<b>Financial Liabilities</b>				
Borrowings	65,009,104	51,059,177	40,935,402	31,451,280
Overdraft	395,974	5,655,259	419,543	1,945,241
Trade and other payables	18,712,128	32,840,900	9,478,920	26,747,965
Lease liabilities	555,152	2,565,236	220,033	220,033
	<u>84,672,358</u>	<u>92,120,572</u>	<u>51,053,898</u>	<u>60,364,519</u>

### 18.1 FREE FLOAT COMPUTATION

Board Listed: Main Board  
 Year End: December  
 Reporting Period: Period ended June 2022  
 Share price at end of reporting period: N158.40 (June 2021: N86.94)

### 18.2 Shareholding Structure/Free Float Status

Description	30-Jun-22		30-Jun-21	
	Unit	Percentage	Unit	Percentage
Issued Share Capital	1,000,000,000	100%	1,000,000,000	100%
<b>Substantial Shareholdings (5% and above)</b>				
Names of Shareholders				
SIAT SA	600,000,000	60%	600,000,000	60.00%
20450 ZPC/SIPML RSA Fund II-Main A/C	72,544,666	7.25%	72,544,666	7.25%
Total substantial shareholdings	<b>672,544,666</b>	<b>67.25%</b>	<b>672,544,666</b>	<b>67.25%</b>
<b>Directors' Shareholdings (direct and indirect), excluding directors' holding substantial interests</b>				
Name(s) of Directors	Unit	Percentage	Unit	Percentage
Mr. Dirk Arthur G. Lambrecht	-	-	-	-
Chief (Engr.) James B. Erhuero, JP, mni, OON	624,000	0.06240%	624,000	0.06240%
Mr. William Kenneth Crockett (Irish)	61,942	0.00619%	61,942	0.00619%
Chief (Dr.) Bassey E. O. Edem, FCA, MFR	50,000	0.00500%	50,000	0.00500%
Mr. Osa Osunde FCS, FCTI, F.IoD	83,435	0.00834%	83,435	0.00834%
Mr. Felix O. Nwabuko FCA	47,302	0.00473%	47,302	0.00473%
HRH Prince Algaobasimwin O. Akenzua	-	-	-	-
Amb. Nonye Udo	-	-	-	-
Mr. Gerald Ray (South African)	-	-	-	-
Mrs. Ingrid Vandewiele (Belgian)	-	-	-	-
Total Directors' Shareholdings	866,679	0.08667% #	866,679	0.08667%
<b>Other influential shareholdings</b>				
Total Other influential shareholdings	-	-	-	-
<b>Free Float in Units and Percentage</b>	<b>326,588,655</b>	<b>32.66%</b>	<b>326,588,655</b>	<b>32.66%</b>
<b>Free Float in Value (NGN)</b>	<b>N 51,731,642,952</b>		<b>N 28,393,617,666</b>	

Declaration:

- A) Presco Plc with a free float percentage of 32.66% as at June 30, 2022 is compliant with The Exchange's free float requirements for companies listed on the Main Board.
- B) Presco Plc with a free float value of value of N 28,393,617,666 as at June 30, 2021 is compliant with The Exchange's free float requirements for companies listed on the Main Board.

#### Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) Presco Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealings in the Company's shares. The Policy undergoes periodic reviews by the Board and is updated accordingly. The Company has made specific inquiries of all its Directors and other insiders and is not aware of any infringement of the policy during the period under review.

## **19 SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD**

There were no significant events that occurred after the first quarter that would necessitate a disclosure or, an adjustments.

## **20 APPROVAL OF FINANCIAL STATEMENTS**

This consolidated unaudited financial statements were approved for issue in accordance with a resolution of the Board of Directors on 27th July 2022.