



**Presco**

**PRESCO PLC.**

**Condensed interim Financial Statements  
For the three months ended  
31 March, 2023**

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**PRESCO PLC**

**FOR THE THREE MONTHS ENDED 31 MARCH 2023**

**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 three months ended 31 March, 2023 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 controls; and
  - (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



# PRESCO PLC

## CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED 31 MARCH 2023

	<b>Group</b>		<b>Company</b>	
	<b>3 months ended 31/03/2023 N'000</b>	<b>3 months ended 31/03/2022 N'000</b>	<b>3 months ended 31/03/2023 N'000</b>	<b>3 months ended 31/03/2022 N'000</b>
Revenue	21,915,703	19,613,437	17,246,977	15,420,343
Cost of sales	(5,697,926)	(5,761,657)	(4,138,305)	(3,202,037)
<b>Gross profit</b>	<b>16,217,777</b>	<b>13,851,779</b>	<b>13,108,672</b>	<b>12,218,306</b>
Administrative expenses	(4,067,512)	(3,067,723)	(2,931,306)	(2,282,198)
Selling and distribution expenses	(304,858)	(194,932)	(282,739)	(170,774)
Other gains and losses	(295)	(63,468)	-	(63,468)
Other operating (losses)/income	232,263	98,664	179,984	76,199
Exchange gains/losses	2,994,457	(546,921)	3,653,395	(553,680)
Gains on biological asset revaluation	-	-	-	-
<b>Operating profit before finance cost and finance income</b>	<b>15,071,832</b>	<b>10,077,400</b>	<b>13,728,007</b>	<b>9,224,386</b>
Finance cost	(2,186,403)	(1,475,160)	(1,364,368)	(689,426)
Finance income	-	-	-	-
<b>Profit before tax</b>	<b>12,885,430</b>	<b>8,602,240</b>	<b>12,363,639</b>	<b>8,534,960</b>
Tax expense	(2,923,148)	(2,712,989)	(2,923,148)	(2,712,989)
<b>Profit for the period</b>	<b>9,962,283</b>	<b>5,889,251</b>	<b>9,440,492</b>	<b>5,821,971</b>
<b>Other Comprehensive Income (OCI)</b>				
<b>Item(s) that will not be reclassified subsequently to profit or loss</b>				
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>Total comprehensive income for the year</b>	<b>9,962,283</b>	<b>5,889,251</b>	<b>9,440,492</b>	<b>5,821,971</b>
<b>Earnings Per Share</b>				
Basic (Kobo)	996	589	944	582
Diluted (Kobo)	996	589	944	582

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



# PRESCO PLC

## CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	Group		Company	
	31-Mar-23	31-Dec-22	31-Mar-23	31-Dec-22
	N'000	N'000	N'000	N'000
<b>Assets:</b>				
<b>Non-current assets</b>				
Intangible assets	349,986	118,907	14,282	14,702
Property, plant and equipment	92,521,111	92,652,564	60,006,400	59,759,754
Right-of-use assets	2,856,217	3,890,117	1,577,675	1,577,676
Investment in subsidiaries	-	-	23,000,000	23,000,000
<b>Total non-current assets</b>	<b>95,727,314</b>	<b>96,661,588</b>	<b>84,598,357</b>	<b>84,352,131</b>
<b>Current assets</b>				
Inventories	10,043,576	4,127,736	6,342,421	3,431,768
Biological assets	14,341,283	14,341,283	11,102,588	11,102,588
Trade and other receivables	14,252,310	7,134,163	15,847,885	12,793,978
Cash and bank balances	15,251,996	10,104,678	15,882,190	8,733,450
<b>Total current assets</b>	<b>53,889,164</b>	<b>35,707,860</b>	<b>49,175,083</b>	<b>36,061,784</b>
<b>Total assets</b>	<b>149,616,478</b>	<b>132,369,447</b>	<b>133,773,440</b>	<b>120,413,915</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	56,311	56,311	(80,952)	(80,952)
Acquisition premium on SNL	- 17,848,831	- 17,848,831		
Retained earnings	60,241,840	58,875,464	60,056,552	50,616,060
<b>Total Equity</b>	<b>44,122,848</b>	<b>42,756,472</b>	<b>61,649,128</b>	<b>52,208,636</b>
<b>Non-current liabilities</b>				
Borrowings	57,498,584	57,853,315	41,039,832	41,886,455
Deferred benefit obligations	1,454,582	1,351,271	1,189,820	1,086,509
Deferred tax liabilities	7,688,357	7,312,881	7,688,357	7,246,792
Deferred income	412,254	412,254	412,254	412,254
Lease liabilities	202,066	2,488,220	202,066	178,778
<b>Total Non-current liabilities</b>	<b>67,255,843</b>	<b>69,417,941</b>	<b>50,532,330</b>	<b>50,810,788</b>
<b>Current liabilities</b>				
Trade and other payables	19,994,211	12,009,025	7,056,510	4,674,382
Current tax liabilities	15,018,987	10,525,095	12,960,039	10,488,220
Bank overdraft	213,838	2,235,755	212,444	29,145
Borrowings	2,603,248	3,589,924	990,372	1,806,840
Deferred income	369,586	369,936	354,655	354,655
Lease liabilities	37,918	61,206	17,963	41,251
<b>Total current liabilities</b>	<b>38,237,788</b>	<b>28,790,941</b>	<b>21,591,983</b>	<b>17,394,493</b>
<b>Total liabilities</b>	<b>105,493,630</b>	<b>98,208,882</b>	<b>72,124,313</b>	<b>68,205,281</b>
<b>Total equity and liabilities</b>	<b>149,616,479</b>	<b>140,965,354</b>	<b>133,773,441</b>	<b>120,413,916</b>

The financial statements were approved and authorised for issue by the Board of Directors on 25th July 2023 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 THREE MONTHS ENDED 31 MARCH 2023

Group	Share Capital N'000	Share Premium N'000	Retained Earnings N'000	Other Reserves N'000	Total N'000
<b>Balance at 1 January, 2022</b>	<b>500,000</b>	<b>1,173,528</b>	<b>45,843,040</b>	<b>(17,735,287)</b>	<b>29,781,281</b>
Profit for the year	-	-	13,032,423	-	13,032,423
Net remeasurement gain on defined benefit plan	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>13,032,423</b>	<b>-</b>	<b>13,032,423</b>
Other reserves from consolidation	-	-	-	-	-
Status bar dividend	-	-	-	-	-
Dividend paid	-	-	-	-	-
<b>Balance at 31 March, 2023</b>	<b>500,000</b>	<b>1,173,528</b>	<b>58,875,464</b>	<b>(17,735,287)</b>	<b>42,813,705</b>
-	-	-	-	-	-
<b>Balance at 1 January 2023</b>	<b>500,000</b>	<b>1,173,528</b>	<b>50,279,557</b>	<b>(17,792,520)</b>	<b>34,160,565</b>
Profit for the year	-	-	9,962,283	-	9,962,283
Net remeasurement loss on defined benefit plan	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>9,962,283</b>	<b>-</b>	<b>9,962,282</b>
Dividend paid	-	-	-	-	-
<b>Balance at 31 March, 2023</b>	<b>500,000</b>	<b>1,173,528</b>	<b>60,241,840</b>	<b>(17,792,520)</b>	<b>44,122,847</b>
-	-	-	-	-	-
Company	Share Capital N'000	Share Premium N'000	Retained Earnings N'000	Other Reserves N'000	Total N'000
<b>Balance at 1 January, 2022</b>	<b>500,000</b>	<b>1,173,528</b>	<b>46,344,585</b>	<b>5,375</b>	<b>48,023,488</b>
Profit for the year	-	-	5,821,971	-	5,821,971
Net remeasurement gain on defined benefit plan	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>5,821,971</b>	<b>-</b>	<b>5,821,971</b>
Status bar dividend	-	-	-	-	-
Dividend paid	-	-	-	-	-
<b>Balance at 31 March 2022</b>	<b>500,000</b>	<b>1,173,528</b>	<b>52,166,556</b>	<b>5,375</b>	<b>53,845,459</b>
-	-	-	-	-	-
<b>Balance at 1 January 2023</b>	<b>500,000</b>	<b>1,173,528</b>	<b>50,616,060</b>	<b>(80,952)</b>	<b>52,208,636</b>
Profit for the year	-	-	9,440,492	-	9,440,492
Net remeasurement loss on defined benefit plan	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>9,440,492</b>	<b>-</b>	<b>9,440,491</b>
Dividend paid	-	-	-	-	-
<b>Balance at 31 March, 2023</b>	<b>500,000</b>	<b>1,173,528</b>	<b>60,056,552</b>	<b>(80,952)</b>	<b>61,649,127</b>

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



# PRESCO PLC

## CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS FOR THE THREE MONTHS ENDED 31 MARCH 2023

	Group		Company	
	31-Mar-23 N'000	31-Mar-22 N'000	31-Mar-23 N'000	31-Mar-22 N'000
<b>Cash flows from operating activities</b>				
Profit for the year	9,962,283	5,889,253	9,440,492	5,821,971
<b>Adjustments for:</b>				
- Loss on sale of property plant and equipment				-
- Gain on disposal of palm seedlings				-
- Loss on sales of palm seedlings	-	63,468	-	63,468
- Tax expense	2,923,148	2,712,989	2,923,148	2,712,989
- (Gain)/Loss on biological asset valuation				-
- Depreciation of property plant and equipment	960,175	922,684	704,585	678,142
- Depreciation of Right-of-use assets				-
- Amortization of intangible assets	7,752	7,694	420	432
- Recognition of government grant on additional loan				-
- Finance cost	2,186,403	1,475,160	1,364,368	689,426
- Finance income		-		-
- Service cost				-
- Actuarial loss on long service award				-
- Expected Credit Loss Allowance				-
	<b>16,039,759</b>	<b>11,071,248</b>	<b>14,433,012</b>	<b>9,966,428</b>
<b>Movement in working capital:</b>				
- (Increase) in trade and other receivable	(7,118,147)	(7,168,059)	(3,053,907)	(1,851,670)
- (Increase)/decrease in inventories	(5,915,840)	(1,577,886)	(2,910,653)	(1,136,034)
- Increase in trade and other payable	8,690,832	(508,659)	1,428,908	(7,824,405)
- Increase in deferred income from advances from customers				-
- Strategic spares transferred into inventory				-
<b>Cash generated from operating activities</b>	<b>11,696,604</b>	<b>1,816,644</b>	<b>9,897,361</b>	<b>(845,682)</b>
-Benefits paid	103,311		103,311	(10,783)
-Tax paid			-	(180,009)
<b>Net cash generated from operating activities</b>	<b>11,799,915</b>	<b>1,816,644</b>	<b>10,000,672</b>	<b>(1,036,474)</b>
<b>Cash flows from investing activities</b>				
Acquisition of Property, plant and equipment	(1,213,216)	(1,724,562)	(1,213,216)	(1,525,400)
Acquisition of Intangibles				-
Decrease in right of use assets	-	1,033,899		-
Proceeds from sale of property, plant and equipment				-
Proceeds from sale of palm seedling				-
Interest received				-
<b>Net cash used in investing activities</b>	<b>(1,213,216)</b>	<b>(690,663)</b>	<b>(1,213,216)</b>	<b>(1,525,400)</b>
<b>Cash flows from financing activities</b>				
Interest paid	(2,186,403)	(1,475,160)	(1,364,368)	(689,426)
Loan received during the year			-	-
Repayment during the year	(1,231,061)	(4,358,668)	-	(3,729,586)
Dividends paid				-
Unclaimed dividend received from Registrars				-
Repayment of lease liabilities				-
<b>Net cash used in financing activities</b>	<b>(3,417,464)</b>	<b>(5,833,828)</b>	<b>(1,364,368)</b>	<b>(4,419,013)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT</b>	<b>7,169,235</b>	<b>(4,707,848)</b>	<b>7,423,088</b>	<b>(6,790,096)</b>
<b>CASH AND CASH EQUIVALENT AT BEGINNING OF YEAR</b>	<b>7,868,923</b>	<b>16,709,338</b>	<b>8,704,305</b>	<b>20,308,716</b>
Effect of movements in exchange rates on cash held		172,528	(457,647)	182,132
<b>CASH AND CASH EQUIVALENT AT END OF YEAR</b>	<b>15,038,158</b>	<b>12,174,018</b>	<b>15,669,746</b>	<b>13,700,752</b>



**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE 1ST QUARTER 2023**

**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 2023 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 2023 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 2022 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 2023. 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	
	Three months ended 31 March		Three months ended 31 March	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
<b>Revenue from contract with customers</b>				
-Sales of crude and refined products	21,915,006	19,612,740	17,246,280	15,420,343
-Mill by-products	0	697	-	-
	<b>21,915,006</b>	<b>19,613,436</b>	<b>17,246,280</b>	<b>15,420,343</b>
<b>Geographical market</b>				
-Nigeria (place of domicile)	<b>21,915,006</b>	<b>19,613,436</b>	<b>17,246,280</b>	<b>15,420,343</b>
<b>Timing of revenue recognition</b>				
-At a point in time	21,915,006	19,613,436	17,246,280	15,420,343
-Over time				
	<b>21,915,006</b>	<b>19,613,436</b>	<b>17,246,280</b>	<b>15,420,343</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 March 2023 (March 2022: Nil)

### 6 Income tax

	Group		Company	
	Three months ended 31 March		Three months ended 31 March	
	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Current Income tax	<b>2,009,170</b>	<b>2,414,319</b>	<b>2,009,170</b>	2,414,319
Education tax	513,978	<b>233,670</b>	513,978	233,670.13
	<b>2,523,148</b>	<b>2,647,989</b>	<b>2,523,148</b>	<b>2,647,989</b>
Deferred tax	400,000	65,000	400,000	65,000
	<b>2,923,148</b>	<b>2,712,989</b>	<b>2,923,148</b>	<b>2,712,989</b>

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

#### Effective tax rate

The effective tax rate is as follows:  
Effective tax rate

Company	
Three months ended 31 March	
2023	2022
N'000	N'000
32%	32%



**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	
	Three months ended 31 March 2023	2022	Three months ended 31 March 2023	2022
	N'000	N'000	N'000	N'000
Net profit attributable to equity holders of the Company	9,962,283	5,889,251	9,440,492	5,821,971
Effect of dilutive potential ordinary shares:			-	-
	<b>9,962,283</b>	<b>5,889,251</b>	<b>9,440,492</b>	<b>5,821,971</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 (Kobo)	996	589	944	582

**8 PROPERTIES PLANT AND EQUIPMENTS**

- (a) During the three months ended 31 March 2023, the Group acquired items of plant, equipments and plantations with a cost of NGN 1,213,215,604 (December 2022: NGN 9,441,979,000)

- (a) Impairment of Assets  
Within the period under review, none was impaired.

**9 INVESTMENT IN SUBSIDIARY**

Hereunder, is the entity controlled by Presco Plc.

Name of Company	Place of incorporation	% interest	Carrying amount	
			March 2023	December 2022
			N'000	N'000
Siat Nigeria Limited	Nigeria	100	23,000,000	23,000,000

**10 INVENTORIES**

	Group		Company	
	March 2023	December 2022	March 2023	December 2022
	N'000	N'000	N'000	N'000
Supplies (Spares)	5,748,991	3,592,096	3,852,459	3,023,868
Finished Goods	3,185,241	414,639	1,758,391	319,470
Goods in transit	1,109,343	418,124	731,570	385,554
Allowance for obsolete spares		(297,123)		(297,123)
	<b>10,043,576</b>	<b>4,127,736</b>	<b>6,342,421</b>	<b>3,431,769</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) is as follows:

	Group		Company	
	March 2023	December 2022	March 2023	December 2022
	N'000	N'000	N'000	N'000
Trade receivables	2,643,560	2,136,987	2,544,198	2,124,887
	<b>2,643,560</b>	<b>2,136,987</b>	<b>2,544,198</b>	<b>2,124,887</b>
Other receivables				
Intercompany receivable	10,006,874	3,308,515	12,040,685	9,421,476
Other debtors	1,601,876	1,688,661	1,263,002	1,247,616
Financial assets measured at amortised cost	<b>14,252,310</b>	<b>7,134,163</b>	<b>15,847,885</b>	<b>12,793,979</b>

The average credit period granted to customers is 30 days.



## 12 CASH AND CASH EQUIVALENTS

	Group		Company	
	March 2023 N'000	December 2022 N'000	March 2023 N'000	December 2022 N'000
Cash and cash equivalents in the Statement of Financial Position	15,251,996	10,104,678	15,882,190	8,733,450
<b>Bank overdrafts</b>	(213,838)	(2,235,755)	(212,444)	(29,145)
Cash and cash equivalent in the statement of cash flow:	<b>15,038,158</b>	<b>7,868,923</b>	<b>15,669,746</b>	<b>8,704,305</b>

## 13 BIOLOGICAL ASSETS: AGRIC PRODUCE

At fair value	Group		Company	
	March 2023 N'000	December 2022 N'000	March 2023 N'000	December 2022 N'000
Fresh fruit bunches - 1st January	14,341,283	14,341,283	11,102,588	11,102,588
	<b>14,341,283</b>	<b>14,341,283</b>	<b>11,102,588</b>	<b>11,102,588</b>
<b>Analysed into</b>				
Non Current	-	-	-	-
Current	14,341,283	14,341,283	11,102,588	11,102,588
	<b>14,341,283</b>	<b>14,341,283</b>	<b>11,102,588</b>	<b>11,102,588</b>

## 14 CAPITAL, RESERVES AND DIVIDENDS

### (a) Share Capital

	Group		Company	
	March 2023 N'000	December 2022 N'000	March 2023 N'000	December 2022 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

	2023 N'000	2022 N'000	2023 N'000	2022 N'000
Dividend payable to equity shareholders attributable to previous period	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



**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	
	March 2023 N'000	December 2022 N'000	March 2023 N'000	December 2022 N'000
Short term borrowings	2,603,248	3,589,924	990,372	1,806,840
Long term borrowings	57,498,584	57,853,315	41,039,832	41,886,455
	<b>60,101,831</b>	<b>61,443,239</b>	<b>42,030,204</b>	<b>43,693,295</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	
	March 2023 N'000	December 2022 N'000	March 2023 N'000	December 2022 N'000
Trade payables	2,206,885	2,025,686	1,717,321	1,754,961
	<b>2,206,885</b>	<b>2,025,686</b>	<b>1,717,321</b>	<b>1,754,961</b>
<b>Other payables</b>				
Intercompany payable	<b>12,753,773</b>	<b>5,632,454</b>	2,616,289	1,221,725
Other creditors	5,033,552	4,350,885	2,722,899	1,697,695
<b>Financial assets measured at amortised cost</b>	<b>19,994,211</b>	<b>12,009,025</b>	<b>7,056,510</b>	<b>4,674,382</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 2023 N'000	December 2022 N'000	March 2023 N'000	December 2022 N'000
<b>Financial Assets</b>				
Cash and bank balances	15,251,996	10,104,678	15,882,190	8,733,450
Trade and other receivables	14,252,310	7,134,163	15,847,885	12,793,978
	<u>29,504,306</u>	<u>17,238,841</u>	<u>31,730,075</u>	<u>21,527,428</u>
<b>Financial Liabilities</b>				
Borrowings	60,315,669	63,678,994	42,242,648	43,722,440
Overdraft				
Trade and other payables	19,994,211	12,009,025	7,056,510	4,674,382
Lease liabilities	239,985	2,549,426	220,030	220,029
	<u>80,549,864</u>	<u>78,237,445</u>	<u>49,519,188</u>	<u>48,616,851</u>

## 18 FREE FLOAT COMPUTATION

Board Listed: Main Board  
Year End: December  
Reporting Period: Period ended March 2023  
Share price at end of reporting period: N133.00 (March 2022: N88.00)

### SHAREHOLDING STRUCTURE/FREE FLOAT STATUS

Description	31-Mar-23		Units	31-Mar-22	
	Unit	Units	Percentages	Units	Percentages
Issued Share Capital	-	1,000,000,000	100%	1,000,000,000	100%
Substantial Shareholdings (5% and above)					
Names of Shareholders					
SIAT SA	-	600,000,000	60%	600,000,000	60%
20450 ZPC/SIPML RSA Fund II-M	-	72,544,666	7.25%	72,544,666	7.25%
Total substantial shareholdings		672,544,666	67.25%	672,544,666	67.25%

Details of Directors Shareholdings (direct and indirect), excluding directors' holding substantial interests

Name(s) of Directors	Indirect	Direct		Indirect	Direct	
Mr. Dirk Arthur G. Lambrecht	-	-	-	-	-	-
Chief (Engr.) James B. Erhuero, Ji	-	624,000	0.06240%	-	624,000	0.06240%
Chief (Dr.) Bassey E. O. Edem, FC	-	50,000	0.00500%	-	50,000	0.00500%
Mr. Osa Osunde FCS, FCTI, F.IoD	-	1,000	0.00010%	-	1,000	0.00010%
Mr. Felix O. Nwabuko FCA	47,052	250	0.00003%	47,052	250	0.00003%
HRH Prince Aiguoobasimwin O. /	-	-	-	-	-	-
Amb. Nonye Udo	-	-	-	-	-	-
Mrs. Ingrid Vandewiele (Belgian)	-	-	-	-	-	-
Total Directors' Shareholdings	47,052	675,250	0.06753%	47,052	675,250	0.06753%
Details of other influential shareholdings						
Total Other influential sharehold	-	-	-	-	-	-
Free Float in Unit and Percentage		326,718,142	32.68%		326,780,084	32.68%
Free Float in Value (NN)						

#### Declaration:

- A) Presco Plc with a free float value of value of N43,453,512,886 as at March 31, 2023 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 N28,751,698,096 as at March 31, 2022 is compliant with The Exchange's free float requirements for companies listed on the Main Board.



**19 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.

**19 APPROVAL OF FINANCIAL STATEMENTS**

This consolidated unaudited financial statements were approved for issue in accordance with a resolution of the Board of Directors on 25th July 2023.



# PRESCO PLC

## CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS FOR THE THREE MONTHS ENDED 31 MARCH 2023

	Group		Company	
	31-Mar-23 N'000	31-Mar-22 N'000	31-Mar-23 N'000	31-Mar-22 N'000
<b>Cash flows from operating activities</b>				
Profit for the year	9,962,283	5,889,253	9,440,492	5,821,971
<b>Adjustments for:</b>				
- Loss on sale of property plant and equipment				-
- Gain on disposal of palm seedlings				-
- Loss on sales of palm seedlings	-	63,468	-	63,468
- Tax expense	2,923,148	2,712,989	2,923,148	2,712,989
- (Gain)/Loss on biological asset valuation				-
- Depreciation of property plant and equipment	960,175	922,684	704,585	678,142
- Depreciation of Right-of-use assets				-
- Amortization of intangible assets	7,752	7,694	420	432
- Recognition of government grant on additional loan				-
- Finance cost	2,186,403	1,475,160	1,364,368	689,426
- Finance income		-		-
- Service cost				-
- Actuarial loss on long service award				-
- Expected Credit Loss Allowance				-
	<b>16,039,759</b>	<b>11,071,248</b>	<b>14,433,012</b>	<b>9,966,428</b>
<b>Movement in working capital:</b>				
- (Increase) in trade and other receivable	(7,118,147)	(7,168,059)	(3,053,907)	(1,851,670)
- (Increase)/decrease in inventories	(5,915,840)	(1,577,886)	(2,910,653)	(1,136,034)
- Increase in trade and other payable	8,690,832	(508,659)	1,428,908	(7,824,405)
- Increase in deferred income from advances from customers				-
- Strategic spares transferred into inventory				-
<b>Cash generated from operating activities</b>	<b>11,696,604</b>	<b>1,816,644</b>	<b>9,897,361</b>	<b>(845,682)</b>
-Benefits paid	103,311		103,311	(10,783)
-Tax paid			-	(180,009)
<b>Net cash generated from operating activities</b>	<b>11,799,915</b>	<b>1,816,644</b>	<b>10,000,672</b>	<b>(1,036,474)</b>
<b>Cash flows from investing activities</b>				
Acquisition of Property, plant and equipment	(1,213,216)	(1,724,562)	(1,213,216)	(1,525,400)
Acquisition of Intangibles				-
Decrease in right of use assets	-	1,033,899		-
Proceeds from sale of property, plant and equipment				-
Proceeds from sale of palm seedling				-
Interest received				-
<b>Net cash used in investing activities</b>	<b>(1,213,216)</b>	<b>(690,663)</b>	<b>(1,213,216)</b>	<b>(1,525,400)</b>
<b>Cash flows from financing activities</b>				
Interest paid	(2,186,403)	(1,475,160)	(1,364,368)	(689,426)
Loan received during the year			-	-
Repayment during the year	(1,231,061)	(4,358,668)	-	(3,729,586)
Dividends paid				-
Unclaimed dividend received from Registrars				-
Repayment of lease liabilities				-
<b>Net cash used in financing activities</b>	<b>(3,417,464)</b>	<b>(5,833,828)</b>	<b>(1,364,368)</b>	<b>(4,419,013)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>7,169,235</b>	<b>(4,707,848)</b>	<b>7,423,088</b>	<b>(6,790,096)</b>
<b>CASH AND CASH EQUIVALENT AT BEGINNING OF PERIOD</b>	<b>7,868,923</b>	<b>16,709,338</b>	<b>8,704,305</b>	<b>20,308,716</b>
Effect of movements in exchange rates on cash held		172,528	(457,647)	182,132
<b>CASH AND CASH EQUIVALENT AT END OF YEAR</b>	<b>15,038,158</b>	<b>12,174,018</b>	<b>15,669,746</b>	<b>13,700,752</b>