



**UAC of Nigeria PLC**  
**Unaudited Consolidated Financial Statements for the Period**  
**ended 31 March 2021**

**UAC of Nigeria PLC**  
**Unaudited consolidated financial statements**  
**for the period ended 31 March 2021**

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## UAC of Nigeria PLC

### Certification pursuant to section 60(2) of Investment and Securities Act No. 29 of 2007

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We the undersigned hereby certify the following with regards to our unaudited financial report for the period ended 31 March 2021 that:

- (a) We have reviewed the report;
- (b) To the best of our knowledge, the report does not contain:
  - (i) any untrue statement of a material fact, 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 periods 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 and its consolidated subsidiaries is made known to such officers by others within those 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 a date within 90 days prior to the report; and
  - (iv) have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date.
- (e) We have disclosed to the auditors of the company and audit committee:
  - (i) all significant deficiencies in the design or 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 involve 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 the internal controls or other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective actions with regards to significant deficiencies and material weaknesses.



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Folasope Aiyesimoju  
Group Managing Director  
FRC/2019/IODN/00000019806



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Funke Ijaiya-Oladipo  
Group Chief Financial Officer  
FRC/2021/001/00000022822

## **UAC of Nigeria PLC**

### **Statement on Investor Relations**

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UAC of Nigeria PLC has a dedicated investors' portal on its corporate website which can be accessed via this link: <https://www.uacnplc.com>. The Company's Group Chief Financial Officer can also be reached through electronic mail at: [investorrelations@uacnplc.com](mailto:investorrelations@uacnplc.com); or telephone on: +234 906 269 2908 for any investment related enquiry.

**UAC of Nigeria PLC**  
**Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
**for the period ended 31 March 2021**

		The Group	
	Notes	3 months to March 2021 N'000	3 months to March 2020 N' 000
<b>Continuing operations</b>			
Revenue	3	22,021,794	19,548,540
Cost of sales	6	(18,010,234)	(15,315,030)
<b>Gross profit</b>		<b>4,011,560</b>	<b>4,233,510</b>
Other operating income	4	164,482	85,397
Other operating losses	5ii	(54,555)	(13,362)
Selling and distribution expenses	6	(1,428,165)	(1,614,833)
Administrative expenses	6	(1,555,416)	(1,562,391)
<b>Operating profit</b>		<b>1,137,907</b>	<b>1,128,321</b>
Finance income	7	346,063	704,038
Finance cost	7	(237,524)	(234,439)
Net finance income		108,539	469,599
Share of (loss)/profit of associates and joint venture using the equity method	14	(218,259)	71,128
<b>Profit before tax</b>		<b>1,028,187</b>	<b>1,669,048</b>
Income Tax Expense	8	(359,627)	(521,910)
Profit after tax for the year from continuing operations		668,560	1,147,138
<b>Discontinued operations</b>			
Profit after tax for the year from discontinued operations	30	-	716,800
<b>Profit for the year</b>		<b>668,560</b>	<b>1,863,938</b>
<b>Other comprehensive income:</b>			
<i>Items not to be subsequently recycled to profit or loss</i>			
Net changes in fair value of financial assets	13	11,875	-
Share of other comprehensive income of associates and joint venture using the equity method		5,717	-
<b>Other comprehensive income for the year net of tax</b>		<b>17,592</b>	<b>-</b>
<b>Total comprehensive income for the year net of tax</b>		<b>686,152</b>	<b>1,863,938</b>
<b>Profit attributable to:</b>			
Equity holders of the parent		341,280	2,443,373
Non controlling interests		327,280	(579,436)
		<b>668,560</b>	<b>1,863,938</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the parent		358,872	2,443,373
Non controlling interests		327,280	(579,436)
		<b>686,152</b>	<b>1,863,938</b>
Earnings per share attributable to owners of the parent during the year (expressed in Naira per share):			
<b>Basic earnings per share</b>			
From continuing operations (Kobo)	9	12	27
From discontinued operations (Kobo)	9	-	58
From profit for the year (Kobo)		12	85
<b>Diluted earnings per share</b>			
From continuing operations (Kobo)	9	12	27
From discontinued operations (Kobo)	9	-	58
From profit for the year (Kobo)		12	85

**UAC of Nigeria PLC**  
**Unaudited Consolidated Statement of Financial Position**  
**as at 31 March 2021**

		The Group	
	Notes	31 Mar 21 N' 000	31 Dec 20 N' 000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	10	21,007,797	21,011,834
Intangible assets and goodwill	11	1,363,762	1,373,223
Investment property	12	2,634,999	2,634,999
Investments in associates and joint ventures	14	9,234,365	13,018,568
Finance lease receivable	19.1	8,766	8,766
Right of use assets	17	800,413	488,989
Debt instrument at amortised cost	15	2,114,090	2,174,304
Equity instrument at fair value through other comprehensive income	13	200,000	188,125
Prepayment	19	248,257	48,126
Deferred tax asset	22	38,653	38,653
<b>Total non-current assets</b>		<b>37,651,102</b>	<b>40,985,587</b>
<b>Current assets</b>			
Inventories	18	33,976,518	20,123,071
Trade and other receivables	19	7,527,890	6,500,290
Finance lease receivable	19.1	1,606	1,606
Cash and cash equivalents	20	24,511,355	24,272,314
Refund asset	16	14,330	14,330
<b>Total current assets</b>		<b>66,031,699</b>	<b>50,911,611</b>
Assets held for sale/distribution	30	3,834,692	265,496
Assets of disposal group classified as held for distribution	30	3,865	3,865
<b>Total assets</b>		<b>107,521,358</b>	<b>92,166,559</b>
<b>Equity and Liabilities</b>			
Ordinary share capital	28	1,440,648	1,440,648
Share premium		18,071,545	18,071,545
Contingency reserve		69,571	69,571
Fair value reserve		276,175	258,584
Statutory reserve		91,923	91,923
Retained earnings		33,051,286	32,710,006
<b>Equity attributable to equity holders of the Company</b>		<b>53,001,148</b>	<b>52,642,277</b>
<b>Non controlling interests</b>		<b>9,056,868</b>	<b>8,729,588</b>
<b>Total equity</b>		<b>62,058,016</b>	<b>61,371,865</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings	21	1,626,235	1,735,284
Government grant	24	209,040	209,040
Deferred tax liabilities	22	4,486,338	4,486,338
Lease liability	17	236,981	224,391
Provisions	27	6,357	6,357
<b>Total non-current liabilities</b>		<b>6,564,951</b>	<b>6,661,410</b>
<b>Current liabilities</b>			
Trade and other payables	23	10,985,259	9,829,941
Contract liabilities	25	1,563,766	1,340,627
Current income tax liabilities	8	4,164,449	3,814,160
Bank overdrafts and current portion of borrowings	21	15,393,986	2,503,673
Dividend payable	26	6,084,255	6,084,307
Government grant	24	58,343	58,343
Lease liability	17	483,220	250,926
Provisions	27	110,261	192,018
Refund liabilities	16	12,758	17,195
<b>Total current liabilities</b>		<b>38,856,297</b>	<b>24,091,190</b>
<b>Liabilities of disposal group classified as held for sale/distribution to owners</b>	30	<b>42,094</b>	<b>42,094</b>
<b>Total liabilities</b>		<b>45,463,342</b>	<b>30,794,694</b>
<b>Total equity and liabilities</b>		<b>107,521,358</b>	<b>92,166,559</b>

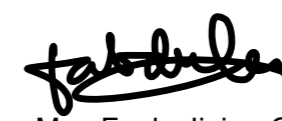
The financial statements and the notes on pages 7 to 27 were approved and authorised before issue by the board of directors on 28 April 2021 and were signed on its behalf by:



Mr. Dan Agbor  
**Chairman**  
 FRC/2013/NBA/00000001748



Mr. Folasope Aiyesimoju  
**Group Managing Director**  
 FRC/2019/IODN/00000019806



Mrs. Funke Ijaiya-Oladipo  
**Group Chief Financial Officer**  
 FRC/2021/001/00000022822

UAC of Nigeria Plc  
 Unaudited Consolidated Statement of Changes in Equity  
 for the period ended 31 March 2021

		The Group								
		Attributable to owners of the Company								
	Notes	Share Capital N'000	Share Premium N'000	Contingency Reserve N'000	Fair value Reserve N'000	Revaluation Reserve N'000	Retained Earnings N'000	Total N'000	Non controlling Interest N'000	Total N'000
<b>Total equity at 1 January 2020</b>		1,440,648	18,451,844	69,571	27,770	91,923	29,997,824	50,079,580	10,461,832	60,541,412
Profit for the year		-	-	-	-	-	2,443,373	2,443,373	(579,436)	1,863,937
<b>Transactions with Equity holders</b>								1	1	2
Disposal of shareholdings in subsidiaries		-	-	-	-	-	-	-	(11,384)	(11,384)
Movement in retained earnings due to loss of control		-	-	-	-	-	(15,109)	(15,109)	-	(15,109)
Elimination of NCI after disposal of subsidiaries (Note 30)		-	-	-	-	-	-	-	(2,283,839)	(2,283,839)
<b>Balance at 31 March 2020</b>		1,440,648	18,451,844	69,571	27,770	91,923	32,426,088	52,507,845	7,587,174	60,095,019
<b>Total equity at 1 January 2021</b>		1,440,648	18,071,545	69,571	258,584	91,923	32,710,006	52,642,277	8,729,588	61,371,865
Profit for the year		-	-	-	-	-	341,280	341,280	327,280	668,560
<b>Other comprehensive income</b>										
Share of net changes in fair value of financial assets of associates		-	-	-	5,717	-	-	5,717	-	5,717
Net changes in fair value of financial assets	13	-	-	-	11,875	-	-	11,875	-	11,875
<b>Balance at 31 March 2021</b>		1,440,648	18,071,545	69,571	276,175	91,923	33,051,286	53,001,148	9,056,868	62,058,016

**UAC of Nigeria PLC**  
**Unaudited Consolidated Statement of Cash Flows**  
**for the period ended 31 March 2021**

		<b>The Group</b>	
	<b>Notes</b>	<b>31 Mar 21 N' 000</b>	<b>31 Mar 20 N'000</b>
<b>Cash flows from operating activities</b>			
Cash generated from/(used in) operations	29	(12,019,833)	(3,569,557)
Corporate tax paid	8	(9,338)	(31,295)
<b>Net cash flows generated from/(used in) operating activities</b>		<b>(12,029,171)</b>	<b>(3,600,852)</b>
<b>Cash flows from investing activities</b>			
Purchase of intangible assets	11	(1,955)	-
Purchase of property, plant and equipment	10	(533,310)	(2,057,607)
Proceeds from sale of property, plant and equipment		38,413	40,371
Purchase of investment properties	12	-	(393)
Proceeds from disposal of subsidiaries	36	-	438,949
Lease prepayment		(44,396)	-
Investment in debt instrument	15	(1,480,592)	-
Proceed from mature debt instrument	15	1,614,253	-
Interest received		249,115	704,038
<b>Net cash flows generated from/(used in) investing activities</b>		<b>(158,474)</b>	<b>(874,642)</b>
<b>Cash flows from financing activities</b>			
Dividends paid to non-controlling interests	26	(52)	-
Proceeds from borrowings	21	14,143,092	538,816
Repayment of borrowings	21	(1,361,827)	-
Interest paid on loans	21	(208,780)	-
Repayment of lease liability principal	17	(145,744)	(389,219)
Interest paid on lease liability	17	-	(104,421)
Proceeds of capital injection by non-controlling interest		-	(11,384)
<b>Net cash flows (used in)/generated from financing activities</b>		<b>12,426,686</b>	<b>33,792</b>
Cash & cash equivalents at the beginning of the year		24,302,566	23,891,134
Net increase/(decrease) in cash & cash equivalents		239,042	(4,441,702)
<b>Cash &amp; cash equivalents at the end of the year</b>	<b>20</b>	<b>24,541,608</b>	<b>19,449,433</b>



**UAC of Nigeria Plc**  
**Notes to the unaudited consolidated financial statements**  
**for the period ended 31 March 2021**

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## **1. General information**

UAC of Nigeria Plc ('the Company') and its subsidiaries (together 'the Group') is a company incorporated in Nigeria. The Group is a diversified business with activities in the following principal sectors: Animal Feeds and Other Edibles, Paints, Packaged Foods and Beverages, Quick Service Restaurants, Logistics and Real Estate. The address of the registered office is 1-5, Odunlami Street, Lagos.

The company is a public limited company, domiciled in Nigeria and listed on The Nigerian Stock Exchange domiciled in Nigeria.

## **2. Summary of Significant Accounting Policies**

### **2.1 Basis of Preparation**

The financial statements have been prepared in accordance with IAS 34. The financial statements have been prepared on a historical cost basis except for investment property measured at fair value and financial instruments measured at fair value through other comprehensive income.

### **2.2 Accounting Policies**

The accounting policies adopted are consistent with those for the year ended 31 December 2020.

### **2.3 Estimates**

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2020.

### **2.4 Financial Risk Management**

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

This interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the company's annual financial statements as at 31 December 2020. There have been no changes in the risk management structure since year end or in any risk management policy.

### **2.5 Securities Trading Policy**

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) UAC of Nigeria PLC maintains effective Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy is regularly reviewed and updated by the Board. The Company has made specific inquiries of all the directors and other insiders and is not aware of any infringement of the policy during the period.

### **2.6. New standards, interpretations and amendments adopted by the Group**

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2020, except for the adoption of new standards effective as of 1 January 2021. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several amendments apply for the first time in 2021, but do not have an impact on the interim condensed consolidated financial statements of the Group.

**UAC of Nigeria PLC**  
**Notes to the unaudited consolidated financial statements**  
**for the Period ended 31 March 2021**

**3. Segment Analysis**

**The Group**

The chief operating decision-maker has been identified as the Executive Committee (Exco), made up of the management of the Company. The Exco reviews the Group's internal reporting in order to assess performance and allocate resources.

Management has determined the operating segments based on these reports.

The Group has identified the following as segments:

**Animal Feeds & Other Edibles** - Made up of business units involved in the manufacturing and sale of livestock feeds and edible oil.

**Paints** - Made up of business units involved in the manufacturing and sale of decorative and protective paints.

**Packaged Food & Beverages** - Made up of a business unit involved in the manufacturing and sale of bottled water, snacks and ice-cream.

**QSR (Quick Service Restaurants)** - Made up of a business unit involved in the making and sale of snacks and meals.

**Logistics** - Made up of a business unit involved in rendering logistics and supply chain services including warehousing, transportation and redistribution services.

**Real Estate** - Made up of a business unit involved in real estate development and hospitality.

**Others** - This is a non-reportable segment made up of the corporate head office.

The following measures are reviewed by Exco; with **Profit Before Tax** taken as the segment profit.

- Revenue to third parties
- Operating profit
- Profit before tax
- Property, plant and equipment
- Net assets

	<b>Animal Feeds &amp; Other Edibles</b>	<b>Paints</b>	<b>Packaged Food &amp; Beverages</b>	<b>QSR</b>	<b>Logistics</b>	<b>Real Estate</b>	<b>Others</b>	<b>Total</b>
<b>31 March 2021</b>	<b>N' 000</b>	<b>N' 000</b>	<b>N' 000</b>	<b>N' 000</b>	<b>N' 000</b>	<b>N' 000</b>	<b>N' 000</b>	<b>N' 000</b>
Revenue from contracts with customers	14,016,207	2,569,494	5,900,520	454,520	-	-	205,545	<b>23,146,286</b>
Rental income	-	-	-	-	-	-	5,564	<b>5,564</b>
<b>Total Revenue</b>	<b>14,016,207</b>	<b>2,569,494</b>	<b>5,900,520</b>	<b>454,520</b>	-	-	<b>211,109</b>	<b>23,151,851</b>
Intergroup revenue	(625,461)	(360,243)	(5,614)	-	-	-	(138,738)	<b>(1,130,056)</b>
Revenue to third parties	13,390,746	2,209,251	5,894,906	454,520	-	-	72,371	<b>22,021,794</b>
Operating profit/(loss)	562,463	259,310	479,233	(20,879)	-	-	(142,220)	<b>1,137,907</b>
Profit/(loss) before tax	349,735	321,030	463,634	(21,971)	-	-	(84,242)	<b>1,028,186</b>
Profit/(Loss) after tax for the year from discontinued operations	-	-	-	-	-	-	-	-
Property, plant and equipment	12,269,263	1,401,550	6,123,109	329,049	-	-	884,826	<b>21,007,797</b>
Net assets	18,491,435	5,232,020	7,755,028	335,897	-	-	30,243,636	<b>62,058,016</b>

**UAC of Nigeria PLC**

**Notes to the unaudited consolidated financial statements  
for the Period ended 31 March 2021**

	<b>Animal Feeds &amp; Other Edibles</b>	<b>Paints</b>	<b>Packaged Food &amp; Beverages</b>	<b>QSR</b>	<b>Logistics</b>	<b>Real Estate</b>	<b>Others</b>	<b>Total</b>
<b>31 March 2020</b>	<b>N' 000</b>	<b>N' 000</b>	<b>N' 000</b>	<b>N' 000</b>	<b>N' 000</b>	<b>N' 000</b>	<b>N' 000</b>	<b>N' 000</b>
Revenue from contract with customers	12,433,663	2,703,142	4,716,312	375,784	-	-	121,006	<b>20,349,906</b>
Rental income	-	-	-	-	-	-	56,775	<b>56,775</b>
<b>Total Revenue</b>	<b>12,433,663</b>	<b>2,703,142</b>	<b>4,716,312</b>	<b>375,784</b>	-	-	<b>177,781</b>	<b>20,406,682</b>
Intergroup revenue	(731,746)	(1,704)	-	-	-	-	(124,692)	<b>(858,142)</b>
Revenue to third parties	11,701,917	2,701,438	4,716,312	375,784	-	-	53,089	<b>19,548,540</b>
Operating profit/(loss)	194,345	557,105	489,715	(7,185)	-	-	(105,659)	<b>1,128,321</b>
Profit / (Loss) before tax	11,444	631,807	499,780	(15,712)	-	-	541,728	<b>1,669,047</b>
Profit / (Loss) after tax for the year from discontinued operations	-	-	-	-	-	(2,648,242)	3,365,042	<b>716,800</b>
Property, plant and equipment	12,740,799	1,468,497	4,991,242	293,334	-	-	719,432	<b>20,213,303</b>
Net assets	17,131,375	4,512,771	6,887,930	323,433	-	(476,409)	31,715,918	<b>60,095,018</b>

**UAC of Nigeria PLC**  
**Notes to the unaudited consolidated financial statements**  
**for the Period ended 31 March 2021**

**Entity wide information**

	<b>31 Mar 21</b>	<b>31 Mar 20</b>
	<b>N'000</b>	<b>N'000</b>
Analysis of revenue by category:		
Revenue from contracts with customers	22,016,230	19,491,765
Rental income	5,564	56,775
	<b>22,021,794</b>	<b>19,548,540</b>

	<b>31 Mar 21</b>	<b>31 Mar 20</b>
	<b>N'000</b>	<b>N'000</b>
Analysis of revenue by geographical location:		
Nigeria	22,021,794	19,548,540
Others	-	-
	<b>22,021,794</b>	<b>19,548,540</b>

**Concentration risk**

The Group is not exposed to any concentration risk, as there is no single customer with a contribution to revenue of more than 10%.

**Disaggregated Revenue**  
**Group**

Segments	For the period ended 31 March 2021							Total
	Animal Feeds	Paints	Packaged Food & beverages	QSR	Logistics	Real Estate	Others	
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
<b>Revenue from contracts with customers</b>								
Sale of goods	13,390,746	2,209,251	5,894,906	454,520	-	-	-	21,949,423
Rendering of service	-	-	-	-	-	-	72,371	72,371
<b>Total</b>	<b>13,390,746</b>	<b>2,209,251</b>	<b>5,894,906</b>	<b>454,520</b>	<b>-</b>	<b>-</b>	<b>72,371</b>	<b>22,021,794</b>
<b>Geographical Markets</b>								
Nigeria	13,390,746	2,209,251	5,894,906	454,520	-	-	72,371	22,021,794
Outside Nigeria	-	-	-	-	-	-	-	-
<b>Total</b>	<b>13,390,746</b>	<b>2,209,251</b>	<b>5,894,906</b>	<b>454,520</b>	<b>-</b>	<b>-</b>	<b>72,371</b>	<b>22,021,794</b>
<b>Timing of revenue</b>								
Goods transferred at a point in time	13,390,746	2,209,251	5,894,906	454,520	-	-	-	21,949,423
Services transferred over time	-	-	-	-	-	-	72,371	72,371
<b>Total</b>	<b>13,390,746</b>	<b>2,209,251</b>	<b>5,894,906</b>	<b>454,520</b>	<b>-</b>	<b>-</b>	<b>72,371</b>	<b>22,021,794</b>

**UAC of Nigeria PLC**  
**Notes to the unaudited consolidated financial statements**  
**for the Period ended 31 March 2021**

4 Other operating income	The Group	
	31 Mar 21 N' 000	31 Mar 20 N' 000
Profit on sales of Property, Plant and Equipment	1,955	-
Provision write back	-	2,500
Rental income*	2,496	-
Government grant (Note 24)	-	16,618
Expected credit loss write back on receivables (Note 19)	37,441	-
Exchange gain	39,052	-
Other income**	83,537	66,279
<b>Total other operating income</b>	<b>164,481</b>	<b>85,397</b>

**\* Rental Income**

Rental income represents income earned on investment properties at UAC Foods Ltd.

**\*\*Other income**

Other income includes service charges and income from professional services, insurance claims, sale of scraps etc.

5ii Other operating losses	The Group	
	31 Mar 21 N'000	31 Mar 20 N'000
Expected credit loss allowance (Note 19)	54,555	10,000
Other losses	-	3,362
<b>Total other operating losses</b>	<b>54,555</b>	<b>13,362</b>

6 (a) Expenses by Nature	The Group	
	31 Mar 21 N' 000	31 Mar 20 N' 000
Changes in inventories of finished goods and work in progress	15,423,906	12,807,031
Write off of inventories to net realisable value	13,145	30,967
Personnel expenses	2,043,773	2,002,267
Depreciation charge on property, plant and equipment	503,353	504,723
Depreciation charge on right-of-use asset	94,855	121,759
Amortisation of intangibles	11,416	16,418
Royalty fees	84,736	46,199
Rents & rates	59,341	100,874
Electricity & power	567,859	677,666
Vehicles repairs, maintenance & fueling	76,573	84,104
Other repairs & maintenance	290,911	225,752
Auditors' remuneration	33,638	33,242
Information technology charge	52,317	81,146
Legal and professional expenses	192,753	46,152
Donations & subscriptions	23,112	27,485
Insurance	57,764	49,366
Distribution expenses	580,449	694,521
Marketing, Advertising & Communication	137,034	191,279
Hire of equipment	21,282	23,420
Catering expenses	58,596	43,842
Security	54,318	44,415
Incentives	65,833	24,563
Travelling expenses	53,258	70,423
AGM expenses	8,539	9,057
Bank charges	52,083	52,345
Stationery and printing	20,701	19,134
Sundry office expenses***	412,271	464,106
	<b>20,993,815</b>	<b>18,492,255</b>

**6 (b) Expenses by Function**

Analysed as:		
Cost of sales	18,010,234	15,315,030
Selling and distribution expenses	1,428,165	1,614,833
Administrative expenses	1,555,416	1,562,391
	<b>20,993,815</b>	<b>18,492,254</b>

\*\*\*Sundry office expenses include exchange loss, consumables, project expenses etc

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**7. Net finance income**

	The Group	
	31 Mar 21	31 Mar 20
	N' 000	N' 000
Interest income on short-term bank deposits	179,573	679,433
Interest income on bonds	141,045	24,605
Interest income on loans	25,445	-
<b>Finance Income</b>	<b>346,063</b>	<b>704,038</b>
Interest on bank loans - Note 21	(208,780)	(218,356)
Interest expense on lease liability - Note 17	(28,744)	(16,083)
<b>Finance Costs</b>	<b>(237,524)</b>	<b>(234,439)</b>
<b>Net finance income</b>	<b>108,539</b>	<b>469,599</b>

**8. Taxation**

	The Group	
	31 Mar 21	31 Dec 20
	N'000	N'000
Opening balance	3,814,160	4,510,936
Income tax expense	359,627	1,353,738
Withholding tax credit notes utilised	-	(360,132)
Payment during the year	(9,338)	(1,690,382)
	<b>4,164,449</b>	<b>3,814,160</b>

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**9. Earnings Per Share**

*(a) Basic*

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year.

	<b>The Group</b>	
	<b>31 Mar 21</b>	<b>31 Mar 20</b>
	<b>N' 000</b>	<b>N' 000</b>
<b>Profit attributable to ordinary equity shareholders:</b>		
Profit/(loss) from continuing operations	341,280	775,645
Profit/(loss) from discontinued operations	-	1,667,727
<b>Profit/(loss) for the period</b>	<b>341,280</b>	<b>2,443,373</b>

Earnings per share attributable to owners of the parent during the year (expressed in Naira per share):

**Basic earnings per share**

From continuing operations (Kobo)	12	27
From discontinued operations (Kobo)	-	58
<b>From profit for the period (Kobo)</b>	<b>12</b>	<b>85</b>

*(b) Diluted*

Diluted earnings per share is the same as basic earnings per share because there are no potential ordinary shares during the period.

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**10. Property, plant and equipment**

**The Group**

<b>Cost:</b>	<b>Leasehold land and buildings</b>	<b>Plant and Machinery</b>	<b>Computer Equipment</b>	<b>Motor Vehicles</b>	<b>Office Furniture</b>	<b>Capital Work in progress</b>	<b>Total</b>
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January 2020	8,791,199	19,276,743	1,228,370	2,422,286	871,501	588,125	33,178,225
Additions	57,820	991,108	135,383	971,890	61,668	2,277,996	4,495,865
Disposals	-	(260,770)	(6,441)	(312,181)	(5,649)	(2,966)	(588,007)
Assets held for sale	(223,225)	(362,267)	(10,329)	-	(7,710)	-	(603,531)
Reclassifications	6,861	276,379	-	14,255	1,712	(299,207)	-
<b>At 31 December 2020</b>	<b>8,632,655</b>	<b>19,921,193</b>	<b>1,346,983</b>	<b>3,096,251</b>	<b>921,522</b>	<b>2,563,948</b>	<b>36,482,552</b>
At 1 January 2021	8,632,655	19,921,193	1,346,983	3,096,251	921,522	2,563,948	36,482,552
Additions	5,191	109,387	10,948	82,014	9,415	316,355	533,310
Disposals	-	(26,331)	(384)	(112,281)	(8,835)	(20,344)	(168,175)
Transfer from assets held for sale	-	-	-	-	2,464	-	2,464
Reclassification	340	621	-	2,812	288	(4,061)	-
<b>At 31 March 2021</b>	<b>8,638,186</b>	<b>20,004,870</b>	<b>1,357,547</b>	<b>3,068,796</b>	<b>924,853</b>	<b>2,855,898</b>	<b>36,850,151</b>
<b>Accumulated depreciation and impairment</b>							
At 1 January 2020	1,887,895	9,345,714	1,002,984	1,349,184	660,859	12,000	14,258,637
Charge for the year	279,271	1,206,886	107,089	377,987	49,876	-	2,021,109
Disposals	-	(211,725)	(4,829)	(248,896)	(5,543)	-	(470,993)
Write off	(24,197)	(301,119)	(5,741)	-	(6,978)	-	(338,035)
<b>At 31 December 2020</b>	<b>2,142,969</b>	<b>10,039,757</b>	<b>1,099,503</b>	<b>1,478,275</b>	<b>698,214</b>	<b>12,000</b>	<b>15,470,718</b>
At 1 January 2021	2,142,969	10,039,757	1,099,503	1,478,275	698,214	12,000	15,470,718
Charge for the year	39,746	315,615	25,746	108,875	13,370	-	503,353
Disposals	-	(25,239)	(360)	(97,426)	(8,692)	-	(131,717)
<b>At 31 March 2021</b>	<b>2,182,715</b>	<b>10,330,133</b>	<b>1,124,890</b>	<b>1,489,725</b>	<b>702,892</b>	<b>12,000</b>	<b>15,842,354</b>
<b>Net book values:</b>							
<b>At 31 March 2021</b>	<b>6,455,472</b>	<b>9,674,737</b>	<b>232,657</b>	<b>1,579,071</b>	<b>221,961</b>	<b>2,843,898</b>	<b>21,007,797</b>
<b>At 31 December 2020</b>	<b>6,489,686</b>	<b>9,881,437</b>	<b>247,480</b>	<b>1,617,976</b>	<b>223,308</b>	<b>2,551,948</b>	<b>21,011,834</b>



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11. Intangible assets and goodwill

Cost	Group					Total N' 000
	Goodwill N' 000	Brands & Trade Marks N' 000	Software N' 000	Capital Work in progress N' 000		
At 1 January 2020	548,747	1,070,185	836,150	4,620		2,459,703
Additions - externally acquired during the year	-	-	8,729	-		8,729
Transfer	-	-	4,620	(4,620)		-
<b>At 31 December 2020</b>	<b>548,747</b>	<b>1,070,185</b>	<b>849,499</b>	<b>-</b>		<b>2,468,432</b>
At 1 January 2021	548,747	1,070,185	849,499	-		2,468,432
Additions - externally acquired during the year	-	-	1,955	-		1,955
<b>At 31 March 2021</b>	<b>548,747</b>	<b>1,070,185</b>	<b>851,455</b>	<b>-</b>		<b>2,470,388</b>
Accumulated amortisation						
At 1 January 2020	-	288,439	753,661	-		1,042,100
Amortisation for the year	-	-	53,110	-		53,110
<b>At 31 December 2020</b>	<b>-</b>	<b>288,439</b>	<b>806,771</b>	<b>-</b>		<b>1,095,210</b>
At 1 January 2021	-	288,439	806,771	-		1,095,210
Amortisation for the period	-	-	11,416	-		11,416
<b>At 31 March 2021</b>	<b>-</b>	<b>288,439</b>	<b>818,187</b>	<b>-</b>		<b>1,106,625</b>
Net book values						
<b>At 31 March 2021</b>	<b>548,747</b>	<b>781,747</b>	<b>33,268</b>	<b>-</b>		<b>1,363,762</b>
<b>At 31 December 2020</b>	<b>548,747</b>	<b>781,747</b>	<b>42,728</b>	<b>-</b>		<b>1,373,223</b>

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**12 . Investment property**

Fair value	The Group		
	Freehold building N' 000	Leasehold building N' 000	Total investment properties N' 000
At 1 January 2020	417,735	1,982,601	2,400,336
Additions during the year	-	393	393
Net gain from fair value adjustments on investment property	-	234,270	234,270
<b>At 31 December 2020</b>	<b>417,735</b>	<b>2,217,264</b>	<b>2,634,999</b>
At 1 January 2021	417,735	2,217,264	2,634,999
Additions during the period	-	-	-
Net gain from fair value adjustments on investment property	-	-	-
<b>At 31 March 2021</b>	<b>417,735</b>	<b>2,217,264</b>	<b>2,634,999</b>

Fair value of investment properties is categorised as follows:

	31-Dec-20	The Group		
		Freehold building N' 000	Leasehold building N' 000	Total investment properties N' 000
Internal valuation		-	-	-
External valuation		417,735	2,217,264	2,634,999
		<b>417,735</b>	<b>2,217,264</b>	<b>2,634,999</b>

Fair value of investment properties is categorised as follows:

	31-Mar-21	The Group		
		Freehold building N' 000	Leasehold building N' 000	Total investment properties N' 000
Internal valuation		-	-	-
External valuation		417,735	2,217,264	2,634,999
		<b>417,735</b>	<b>2,217,264</b>	<b>2,634,999</b>

**13. Equity instrument at fair value through other comprehensive income**

The details and carrying amount of Equity instrument at fair value through other comprehensive income are as follows:

	The Group	
	31 Mar 21	31 Dec 20
	N' 000	N' 000
Opening balance	188,125	28,771
Fair value gain	11,875	159,354
<b>Closing balance</b>	<b>200,000</b>	<b>188,125</b>

**14. Investments in associates and equity accounted joint ventures**

Set out below is the associate of the Group as at 31 March 2021. The associate as listed below have share capital consisting solely of ordinary shares, which are directly held by the Group. The country of incorporation or registration is also their principal place of business.

Nature of investment in associate:

	Country of incorporation	The Group	
		31 Mar 21	31 Dec 20
		N'000	N'000
UPDC REIT	Nigeria	24.34%	24%
UPDC PLC	Nigeria	42.85%	42.85%
MDS Logistics	Nigeria	43%	43%

The movement in the investment in associate during the year is stated below:

	The Group	
	31 Mar 21	31 Dec 20
	N'000	N'000
Opening balance	13,018,568	-
Addition	-	11,973,792
Share of (loss)/profit	(218,259)	973,316
Share of other comprehensive income	5,717	71,460
Reclassified to assets held for sale/distribution	(3,571,660)	-
<b>Closing balance</b>	<b>9,234,365</b>	<b>13,018,568</b>

On 24 February 2021, the Board of Directors of UACN passed a resolution, subject to the approval of shareholders and the appropriate regulatory authorities, to effect the transfer of units held by UACN in UPDC REIT to shareholders in proportion to their respective shareholding. Consequently, the Company's investment was reclassified to Assets held for distribution and measured at its carrying amount of N3.57million which is lower than its fair value of N3.64million as at 31 March 2021.

Set out below are the summarised financial information for the associate and joint ventures accounted for using the equity method.

31-Mar-21	Non-current asset	Current asset	Non-current liabilities	Current liabilities
	N'000	N'000	N'000	N'000
UPDC PLC	2,722,389	11,032,060	74,624	12,678,109
MDS Logistics	6,634,332	3,622,155	3,834,205	1,561,713

31-Mar-21	Revenue	Depreciation	Interest income	Interest expense
	N'000	N'000	N'000	N'000
UPDC PLC	72,438	3,709	2,618	(198,809)
MDS Logistics	2,046,406	182,936	-	(128,384)

31-Dec-20	Non-current asset	Current asset	Non-current liabilities	Current liabilities
	N'000	N'000	N'000	N'000
UPDC REIT	26,634,571	5,392,755	-	1,108,781
UPDC PLC	2,688,812	19,603,860	4,345,562	8,305,323
MDS Logistics	68,181,801	3,553,299	3,871,206	1,551,435

31-Mar-20	Revenue	Depreciation	Interest income	Interest expense
	N'000	N'000	N'000	N'000
MDS Logistics	1,901,187	161,170	-	(82,790)

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15. Debt instrument at amortised cost	The Group	
	31 Mar 21	31 Dec 20
	N' 000	N' 000
Opening balance	2,205,374	2,015,218
Additions during the period	1,480,592	-
Settlements during the period	(1,614,253)	-
Coupon accrued	141,045	102,582
Coupon received	(44,097)	(152,794)
Exchange (loss)/gain on revaluation	(23,501)	240,368
Gross investment in debt	2,145,160	2,205,374
Expected credit loss	(31,070)	(31,070)
<b>Closing balance</b>	<b>2,114,090</b>	<b>2,174,304</b>

The Group invested in Eurobond assets with the business model of solely holding for principal and interest payment and designated as debt instrument at amortised cost.

The Group invests only on quoted debt securities with low credit risk. The Group's debt instruments at amortised cost comprised solely of quoted eurobonds that are rated by reputable Credit Rating Agency. The Group recognised provision for expected credit losses on its debt instruments at amortised cost of N31,070,040 (2020: N31,070,040).

31-Mar-21

Bond type	Stage 1	Stage 2	Stage 3	Total
	N' 000	N' 000	N' 000	N' 000
B2/Moody's: B/S&P; B+/Fitch FGN 2025	865,523	-	-	865,523
B-/S&P; B-/Fitch FIBDAN 2022	355,512	-	-	355,512
B-/S&P; B-/Fitch SEPLAT 2023	297,556	-	-	297,556
B/S&P; B/Fitch UBA 2022	187,182	-	-	187,182
B-/S&P; B-/Fitch Ecobank 2026	439,387	-	-	439,387
<b>Total</b>	<b>2,145,160</b>	<b>-</b>	<b>-</b>	<b>2,145,160</b>

31-Dec-20

Bond type	Stage 1	Stage 2	Stage 3	Total
	N' 000	N' 000	N' 000	N' 000
BB- (Fitch)/BB- (S&P) FGN 2021	1,615,965	-	-	1,615,965
B- (Fitch) FIDBAN 2022	319,847	-	-	319,847
B- (Fitch)/B- (S&P) SEPLAT 2023	269,562	-	-	269,562
<b>Total</b>	<b>2,205,374</b>	<b>-</b>	<b>-</b>	<b>2,205,374</b>

Movement in Expected Credit Loss (ECL)	Stage 1	Stage 2	Stage 3	Total
	N' 000	N' 000	N' 000	N' 000
At 1 January 2020	23,311	-	-	23,311
New asset purchased	7,759	-	-	7,759
<b>At 31 December 2020</b>	<b>31,070</b>	<b>-</b>	<b>-</b>	<b>31,070</b>
At 1 January 2021	31,070	-	-	31,070
Additions in the year	-	-	-	-
<b>At 31 March 2021</b>	<b>31,070</b>	<b>-</b>	<b>-</b>	<b>31,070</b>

16. Right of return assets and refund liabilities

	The Group	
	31 Mar 21	31 Dec 20
	N' 000	N' 000
Right of return assets	14,330	14,330
Refund liabilities		
- Arising from retrospective volume rebates	-	-
- Arising from rights of return	12,758	17,195
	<b>12,758</b>	<b>17,195</b>

Right of return of assets

Right of return asset represents the Group's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

17. Right of use assets

The Group has lease contracts for various items of land and building and machinery and other equipment used in its operations. Leases of land and building generally have lease terms between 1 and 45 years, while machinery and other equipment generally have lease terms between 3 months and 5 years.

Right of use assets	Land and Building	Plant and Machinery	Total
	N' 000	N' 000	N' 000
At 1 January 2020	941,799	174,608	1,116,407
Additions	246,469	-	246,469
Depreciation expenses	(337,470)	(133,721)	(471,191)
Lease termination	(402,696)	-	(402,696)
<b>At 31 December 2020</b>	<b>448,102</b>	<b>40,887</b>	<b>488,989</b>
At 1 January 2021	448,102	40,887	488,989
Additions	158,223	248,057	406,280
Depreciation expenses	(50,306)	(44,549)	(94,855)
<b>At 31 March 2021</b>	<b>556,018</b>	<b>244,395</b>	<b>800,413</b>

Set out below are the carrying amounts of lease liabilities and the movements during the period;

17. Lease Liability	The Group	
	31 Mar 21	31 Dec 20
	N' 000	N' 000
Opening balance	475,317	982,117
Accretion interest	28,744	124,497
Additions during the year	361,884	164,568
Payment of principal	(145,744)	(387,350)
Interest payment	-	(74,259)
Lease terminated	-	(334,256)
<b>Closing balance</b>	<b>720,201</b>	<b>475,317</b>
Current	483,220	250,926
Non-current	236,981	224,391
	<b>720,201</b>	<b>475,317</b>

18. Inventories

	The Group	
	31 Mar 21	31 Dec 20
	N' 000	N' 000
Raw materials and consumables	29,039,784	16,496,939
Technical stocks and spares	2,011,859	1,425,162
Finished goods and goods for resale	3,050,940	2,313,890
	34,102,582	20,235,991
Write down to net realisable value	(126,065)	(112,920)
	<b>33,976,518</b>	<b>20,123,071</b>

19. Trade and other receivables

	The Group	
	31 Mar 21	31 Dec 20
	N' 000	N' 000
Receivables due within one year		
Trade receivables	2,185,015	3,892,028
Less: allowance for impairment of trade receivables	(1,173,540)	(1,191,031)
<b>Net trade receivables</b>	<b>1,011,475</b>	<b>2,700,997</b>
Receivables from associates	79,284	42,366
Loan receivable from associate	1,143,421	1,143,354
Allowance for expected credit losses on associates and related party receivables	(29,071)	(29,071)
Other receivables	2,647,754	263,221
Advance payments	31,393	315,364
WHT receivable	1,081,774	1,133,430
Prepayments - staff grants	73,767	96,986
Prepayments- Other	1,488,093	833,643
	<b>7,527,890</b>	<b>6,500,290</b>

Trade receivables are non-interest bearing and are generally due for settlement within 30 days and therefore are all classified as current. They are amounts due from customers for goods sold or services performed in the ordinary course of business.

Other receivables relate to transactions such as advances to staff and VAT receivables. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained. If collection of the amounts is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets.

Advance payments are mobilisation fees made to contractors for the supply of goods and services.

	The Group	
	31 Mar 21	31 Dec 20
	N' 000	N' 000
Prepayments - Current	1,561,860	930,629
Prepayments - Non-current	248,257	48,126
<b>Total prepayments</b>	<b>1,810,117</b>	<b>978,755</b>

The balance on prepayment represent rent and insurance paid in advance which will be charged against earnings in the periods they relate to.

Movements in the allowance for impairment of trade receivables are as follows:

	The Group	
	31 Mar 21	31 Dec 20
	N' 000	N' 000
Opening balance	1,191,031	1,230,771
Expected credit loss write back	(37,441)	(522)
Expected credit loss allowance	54,555	78,269
Amount written off	(34,605)	(117,487)
<b>Closing balance</b>	<b>1,173,540</b>	<b>1,191,031</b>

Movements in the allowance for impairment of related party receivables are as follows:

	The Group	
	31 Mar 21	31 Dec 20
	N' 000	N' 000
Opening balance	29,071	-
Impairment charge for the year	-	29,071
<b>Closing balance</b>	<b>29,071</b>	<b>29,071</b>

	The Group	
	31 Mar 21	31 Dec 20
	N' 000	N' 000
Gross investment in lease	91,601	91,601
Unearned finance income	(81,229)	(81,229)
	10,372	10,372

	The Group	
	31 Mar 21	31 Dec 20
	N' 000	N' 000
Current asset	1606	1606
Non-current asset	8766	8766
<b>Total finance lease receivable</b>	<b>10,372</b>	<b>10372</b>

20. Cash and cash equivalents

	The Group	
	31 Mar 21 N' 000	31 Dec 20 N' 000
Cash at bank and in hand	2,608,977	1,436,443
Short-term deposits	21,688,819	22,622,311
Expected credit losses on short term deposit	(30,252)	(30,252)
Cash at banks and short term deposits attributable to discontinued operations	243,812	243,812
<b>Cash and short-term deposits</b>	<b>24,511,355</b>	<b>24,272,314</b>

Cash at banks earns interest at floating rates based on daily bank deposit rates.

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

In 2015, Securities and Exchange Commission directed all Registrars to return all unclaimed dividends, which have been in their custody for fifteen months and above, to the paying companies. Included in the cash and short-term deposits is ₦3.34 bn which represents unclaimed dividends received from Africa Prudential Registrars as at 31 March 2021 (2020: N3.34 bn).

The Finance Act 2020, which became effective on 1 January 2021, requires public limited liability companies quoted on the Nigerian Stock Exchange to transfer any unclaimed dividend that has remained unclaimed for a period not less than 6 years to the Unclaimed Funds Trust Fund (the "Trust Fund"). However, the modality for complying with this requirement is yet to be communicated by the Debt Management Office.

(i) Reconciliation to statement of cash flow

The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial year as follows:

	The Group	
	31 Mar 21 N' 000	31 Dec 20 N' 000
Cash at bank and in hand	2,608,977	1,436,443
Short-term deposits	21,688,819	22,622,311
Cash at banks and short term deposits attributable to discontinued operations	243,812	243,812
<b>Balances per statement of cash flow</b>	<b>24,541,607</b>	<b>24,302,566</b>

21. Borrowings

	The Group	
	31 Mar 21 N' 000	31 Dec 20 N' 000
<b>Current borrowings</b>		
Loans due within one year	15,393,986	2,503,673
	<b>15,393,986</b>	<b>2,503,673</b>
<b>Non-current borrowings</b>		
Loans due after one year (i)	1,626,235	1,735,284
<b>Total borrowings</b>	<b>17,020,221</b>	<b>4,238,957</b>
Opening balance	4,238,957	6,446,520
Repayment of borrowing during the year	(1,361,827)	(7,926,033)
Initial fair value of grant	-	(283,631)
Interest on loans	208,780	376,363
Interest paid	(208,780)	(315,532)
Additions	14,143,092	5,941,270
<b>Closing balance</b>	<b>17,020,221</b>	<b>4,238,957</b>

The above borrowings are denominated in Naira

The borrowings are repayable as follows:

	The Group	
	31 Mar 21 N' 000	31 Dec 20 N' 000
Within one year	15,393,986	2,503,673
Between one to two years	1,626,235	1,735,284
	<b>17,020,221</b>	<b>4,238,957</b>

(i) Loans due within one year

Bank	Effective Interest Rate	The Group		Maturity date	Security
		31 Mar 21 N' 000	31 Dec 20 N' 000		
Eco Bank	8.0%	2,145,566	-	Dec-21	No security
Union Bank	8.0%	991,563	-	Dec-21	No security
First Bank of Nigeria Ltd	8%(5%)	6,993,146	435,203	Sep-21	No security
First Bank of Nigeria Ltd - Commercial loan	10.0%	1,993,367	1,993,367	Aug-21	No security
FSDH	8.0%	2,752,075	-	Dec-21	No security
FSDH	0.0%	18,269	75,103	Dec-21	No security
Zenith bank	5.0%	500,000	-	Dec-21	No security
		<b>15,393,986</b>	<b>2,503,673</b>		

The above borrowings are denominated in Naira

(ii) Loans due after one year

Details of the loan maturities due after one year are as follows:	Effective Interest Rate	The Group		Maturity date
		31 Mar 21 N' 000	31 Dec 20 N' 000	
Facility				
Grand Cereals Ltd: Sterling Bank Plc & BOI - Agric loan	5.0%	1,626,235	1,735,284	July, 2025
		<b>1,626,235</b>	<b>1,735,284</b>	

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22. Deferred Tax

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	The Group 31 Mar 21 N'000	31 Dec 20 N'000
Deferred tax assets:		
– Deferred tax asset to be recovered after more than 12 months	38,653	38,653
– Deferred tax asset to be recovered within 12 months	-	-
<b>Deferred tax assets</b>	<b>38,653</b>	<b>38,653</b>
Deferred tax liabilities:		
– Deferred tax liability to be recovered after more than 12 months	(4,486,338)	(4,486,338)
– Deferred tax liability to be recovered within 12 months	-	-
<b>Deferred tax liabilities</b>	<b>(4,486,338)</b>	<b>(4,486,338)</b>
<b>Net Deferred tax liabilities</b>	<b>(4,447,685)</b>	<b>(4,447,685)</b>

The gross movement on the deferred income tax account is as follows:

	The Group 31 Mar 21 N'000	31 Dec 20 N'000
Opening balance	(4,447,685)	(4,138,842)
Credited to profit or loss	-	(308,843)
<b>Closing balance</b>	<b>(4,447,685)</b>	<b>(4,447,685)</b>

The movement in deferred income tax assets and liabilities during the period, without taking into consideration the offsetting of balances within the same tax jurisdiction is as follows:

The Group

	Property, plant and equipment N'000	Allowance for impairment on receivables N'000	Tax losses N'000	Leases N'000	Exchange difference N'000	Investment properties N'000	Capital Gains to be reinvested N'000	Total N'000
At 1 January 2020	(97,652)	109,271	-	-	-	-	-	11,619
Charged to profit or loss	11,512	15,522	-	-	-	-	-	27,034
<b>At 31 December 2020</b>	<b>(86,140)</b>	<b>124,793</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38,653</b>
At 1 January 2021	(86,140)	124,793	-	-	-	-	-	38,653
Charged to profit or loss	-	-	-	-	-	-	-	-
<b>At 31 March 2021</b>	<b>(86,140)</b>	<b>124,793</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38,653</b>

The Group has tax losses of ₦156,869,000 (2020: ₦156,869,000) that are available indefinitely for offsetting against future taxable profits of the Company in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Group, they have arisen in subsidiary that have been loss-making for some time, and there are no other tax planning opportunities or other evidence of recoverability in the near future. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

The Group

	Property, plant and equipment N'000	Allowance for impairment on receivables N'000	Tax losses N'000	Leases N'000	Exchange difference N'000	Investment properties N'000	Capital Gains to be reinvested N'000	Total N'000
At 1 January 2020	4,032,504	(241,678)	-	-	(12,464)	786,687	(414,588)	4,150,461
Charged/(credited) to profit or loss	(10,023)	78,088	(54,134)	8,119	85,181	228,646	-	335,877
<b>At 31 December 2020</b>	<b>4,022,481</b>	<b>(163,590)</b>	<b>(54,134)</b>	<b>8,119</b>	<b>72,717</b>	<b>1,015,333</b>	<b>(414,588)</b>	<b>4,486,338</b>
At 1 January 2021	4,022,481	(163,590)	(54,134)	-	72,717	1,015,333	(414,588)	4,486,338
Charged to profit or loss	-	-	-	-	-	-	-	-
<b>At 31 March 2021</b>	<b>4,022,481</b>	<b>(163,590)</b>	<b>(54,134)</b>	<b>-</b>	<b>72,717</b>	<b>1,015,333</b>	<b>(414,588)</b>	<b>4,486,338</b>

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**23. Trade and other payables**

	<b>The Group</b>	
	<b>31 Mar 21</b>	<b>31 Dec 20</b>
	<b>N' 000</b>	<b>N' 000</b>
Trade payables	4,932,194	4,081,749
Provision for employee leave	7,859	485
Defined contribution benefit owing to UNICO fund	31,503	56,612
Other payables	2,645,969	2,145,394
WHT payable	89,646	122,687
VAT payable	250,899	371,888
PAYE payable	45,415	55,801
Accruals	2,981,774	2,995,325
<b>Total</b>	<b>10,985,259</b>	<b>9,829,941</b>

**Terms and conditions of the above financial liabilities**

Trade payables are non-interest bearing and are normally settled between 30 and 60-day terms. Other payables are non-interest bearing and have an average term of 6 months.

Other payables houses balances for trade creditors and payables to vendors.

Accruals relates to accrued professional fees, accrued consultants fees, accrued audit fees and other accrued expenses.

**24. Government Grant**

	<b>The Group</b>	
	<b>31 Mar 21</b>	<b>31 Dec 20</b>
	<b>N' 000</b>	<b>N' 000</b>
Opening balance	267,383	50,107
Amount received during the year	-	283,631
Released to the statement of profit or loss	-	(66,355)
<b>Closing balance</b>	<b>267,383</b>	<b>267,383</b>
Current	58,343	58,343
Non-current	209,040	209,040
	267,383	267,383

Government grant relates to government facilities received by Livestock Feeds PLC and Grand Cereals Limited, at below-market rates of interest. The facilities are meant to assist in the procurement of certain items of plant and machinery. The grants are recognised as deferred income and amortised to profit or loss on a systematic basis over the useful life of the assets in line with their respective accounting policies.

**25. Contract liabilities**

	<b>The Group</b>	
	<b>31 Mar 21</b>	<b>31 Dec 20</b>
	<b>N' 000</b>	<b>N' 000</b>
Opening balance	1,340,627	869,259
Deferred during the period	598,953	663,890
Released to the statement of profit or loss	(375,814)	(192,522)
<b>Closing balance</b>	<b>1,563,766</b>	<b>1,340,627</b>

This relates to consideration paid by customers before the transfers of goods or services. Contract liabilities are recognised as revenue when the Group performs its obligations under the contract.

**26. Dividend payable**

	<b>The Group</b>	
	<b>31 Mar 21</b>	<b>31 Dec 20</b>
	<b>N' 000</b>	<b>N' 000</b>
Opening balance	6,084,307	5,517,803
Dividend declared	-	429,260
Dividend paid during the year to NCI	(52)	(130,404)
Dividend paid during the year to equity holders of the parent company	-	(288,130)
Statute barred unclaimed dividend written back	-	(10,677)
Unclaimed dividend refunded	-	566,456
<b>Closing balance</b>	<b>6,084,255</b>	<b>6,084,307</b>



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**27. Provisions**

The Group	Provisions	Legal claim	Decommissioning liability	Total
	N'000	N'000	N' 000	N' 000
At 1 January 2020	6,000	89,948	7,387	103,335
Unwinding of discount	-	-	970	970
Charge to profit or loss	-	99,070	-	99,070
Derecognised on payment	-	(2,500)	(2,000)	(4,500)
Provision write back	-	(500)	-	(500)
<b>31 December 2020</b>	<b>6,000</b>	<b>186,018</b>	<b>6,357</b>	<b>198,375</b>
Current	6,000	186,018	-	192,018
Non-current	-	-	6,357	6,357
At 1 January 2021	6,000	186,018	6,357	198,375
Derecognised on payment	-	(81,757)	-	(81,757)
<b>31 March 2021</b>	<b>6,000</b>	<b>104,261</b>	<b>6,357</b>	<b>116,618</b>
Current	6,000	104,261	-	110,261
Non-current	-	-	6,357	6,357

***Decommissioning liability***

UAC Restaurants Limited has a number of leasehold properties converted to Restaurants, which are required by agreements to be restored back to their original condition upon the expiry of the leases. Decommissioning Liability relates to the provisions made for decommissioning costs relating to these properties. Management has applied its best judgement in determining the amount of the liability that will be incurred at the end of each lease term. Variables such as inflation rate and currency exchange rates amongst others, were considered in this estimate. 18% discount rate for the unwinding of the discount on the liability was determined using the "Capital Asset Pricing Model". The obligation is expected to crystallise in 2030.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The discount rates did not reflect risks for which future cash flow estimates have been adjusted.

**Provision**

The recognised provision reflects best estimate of the most likely outcome of Pencom audit against a Group's entity based on the estimated report submitted by the consultant appointed by Pencom.

***Contingent liabilities***

The Group is involved in some legal action in the ordinary course of the business. The Group has been advised by its legal counsel that it is only possible, but not probable, that the action will succeed.

**28. Share Capital Group**

	31 Mar 2021		31 Dec 2020	
	Number 000	Amount N' 000	Number 000	Amount N' 000
<b>Authorised:</b>				
Ordinary Shares of 50k each	3,000,000	1,500,000	3,000,000	1,500,000
Preference Shares of 50k each	400,000	200,000	400,000	200,000
<b>Total authorised share capital</b>	<b>3,400,000</b>	<b>1,700,000</b>	<b>3,400,000</b>	<b>1,700,000</b>
<b>Issued and fully paid:</b>				
Ordinary shares of 50k each	2,881,296	1,440,648	2,881,296	1,440,648
<b>Total called up share capital</b>	<b>2,881,296</b>	<b>1,440,648</b>	<b>2,881,296</b>	<b>1,440,648</b>

**Unissued share capital**

UAC of Nigeria Plc is aware of the provisions of Companies and Allied Matters Act 2020, Companies Regulations 2021 as it relates to unissued share capital, as well as the Corporate Affairs Commission circular dated 16<sup>th</sup> April 2021, and is exploring options for compliance.

**Nature and purpose of Other Reserves and related transactions**

**Share Premium**

Section 145.2 of Companies and Allied Matters Act 2020 requires that where a company issues shares at premium (i.e. above the par value), the value of the premium should be transferred to share premium. The Share premium is to be capitalised and issued as scrips as approved by shareholders from time to time.

**Contingency Reserve**

The contingency reserve covers an appropriation of surplus or retained earnings that may or may not be funded, indicating a reservation against a specific or general contingency. The contingency reserve represents the transfer to statutory reserve of 12.5% of the profit after tax of UNICO CPFA Limited in line with section 69 of the Pension Reform Act 2004 (2014 as amended).

**Fair value reserve**

The fair value reserve relates to the cumulative net change in the fair value of financial instruments at fair value through other comprehensive income until the assets are derecognised.

**29. Reconciliation of profit/(loss) before tax to cash generated from/(used in) operations**

	Note	Group	
		31 Mar 21 N' 000	31 Mar 20 N' 000
<b>Profit/(loss) before tax from continuing operations</b>		1,028,187	1,669,048
Profit before tax from discontinued operations		-	717,687
Adjustment for net finance income		(108,539)	(469,599)
<b>Operating profit/(loss)</b>		<b>919,648</b>	<b>1,917,136</b>
<i>Adjustments to reconcile operating profit/(loss) to net cash flows</i>			
Amortisation of intangible assets	6	11,416	13,068
Depreciation charge on property, plant and equipment	6	503,353	504,721
Depreciation charge on right of use asset	6	94,855	126,205
Write off of inventories to net realisable value	6	13,145	127,162
Interest on finance lease		-	(15,109)
Expected credit loss writeback on trade receivables	4	(37,441)	-
Expected credit loss on trade receivables	5ii	54,555	-
Effects of exchange rate changes	15	23,501	(123,257)
Unwinding of government grant		-	(16,618)
Share of loss/(profit) in associate	14	218,259	(71,128)
Profit on sale of disposal of subsidiary	5ii	-	(3,146,244)
(Profit)/loss on sale of tangible PPE	4	(1,955)	3,362
Provision derecognised		(81,757)	(2,500)
<b>Operating cash flows before movements in working capital</b>		<b>1,717,579</b>	<b>(683,202)</b>
Movements in working capital:			
Changes in inventories		(13,866,592)	(2,996,528)
Changes in trade and other receivables and prepayments		(1,244,840)	(937,608)
Changes in contract liabilities		223,139	166,586
Changes in trade and other payables		1,155,318	(1,168,436)
Changes in right of return asset		-	(5,253)
Changes in finance lease receivable		-	(10,375)
Changes in refund liability		(4,437)	7,985
<b>Net cash (used in)/generated from operations - continuing operations</b>		<b>(12,019,833)</b>	<b>(5,626,831)</b>
Changes in assets and liabilities		-	2,057,274
<b>Net cash from operations - discontinued operations</b>		<b>-</b>	<b>2,057,274</b>
<b>Net cash generated from/(used in) operations</b>		<b>(12,019,833)</b>	<b>(3,569,557)</b>

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**30. Assets held for sale/distribution**

Part of a manufacturing facility within the Paints segment is presented as asset held for sale following the commitment of the board on November 2019 to selling the asset. Despite the inability to complete the sale within 12 months, management is still committed to the disposal of the asset. Hence, the continual classification of the asset as held for sale with the value of N263,020,000 2020( N265,496,000) .

On 24 February 2021, the Board of Directors of UACN passed a resolution, subject to the approval of shareholders and the appropriate regulatory authorities, to effect the transfer of units held by UACN in UPDC REIT to shareholders in proportion to their respective shareholding. Consequently, the Company's investment was reclassified to Assets held for distribution and measured at its carrying amount of N3.57million which is lower than its fair value of N3.64million as at 31 March 2021.

	<b>31 Mar 21</b>	<b>31 Dec 20</b>
	<b>N'000</b>	<b>N'000</b>
Opening balance	265,496	-
Transfer (to)/from PPE	(2,464)	265,496
Transfer from investment in associates (UPDC REIT)	3,571,660	-
Closing balance	<u>3,834,692</u>	<u>265,496</u>

**30. Disposal group held for sale and discontinued operations**

**Disposal group held for sale/distribution to owners**

**UPDC PLC**

In 2020, UACN entered into a binding agreement to sell 51% of its shareholding in UPDC to Custodian Investment Plc. The first and second tranche of the transaction resulting in a disposal of 51% were carried out in 2020. Consequent to the sale, UACN owns 42.85% of UPDC. Hence, UPDC was reclassified as an Investment in associate.

	<b>31 Dec 20</b>
	<b>N'000</b>
Tranche 1	
Cash consideration	662,591
Transaction charges	(3,524)
Carrying amount of net asset disposed	<u>(744,864)</u>
Loss on disposal	<u>(85,797)</u>

	<b>31 Dec 20</b>
	<b>N'000</b>
Tranche 2	
Cash consideration	5,931,601
Share of net asset of subsidiary*	(14,014,745)
Investment in associate	7,316,892
Transaction charges	31,717
Loss on disposal of discontinued operations	<u>(734,535)</u>

	<b>31 Dec 20</b>
	<b>N'000</b>
<b>Cash proceed from sale as shown in cash flow statement</b>	
Cash proceed from disposal	6,590,668
Less cash and cash equivalent balance	<u>(2,472,762)</u>
<b>Net cash proceed from disposal</b>	<u><b>4,117,906</b></u>

\* Total net asset of subsidiary less NCI prior to disposal was ₦15.79bn, the share attributable to NCI amounted to ₦1.71bn.

**UNICO CPFA Limited (UNICO)**

Members of UNICO CPFA at Extra-Ordinary General Meeting approved voluntary winding up of company on February 6, 2019. The Company is thus in liquidation. Hence, this entity was classified as a disposal group held for distribution to owners in the year ended 31 December 2018.

***Exception to one year requirement:***

IFRS 5 requires that except for certain exceptions, the sale of a non-current asset or disposal group is expected to qualify for recognition as a completed sale within one year from the date of classification. However, during the year, there were certain factors considered to be beyond the control of management which have invariably extended the sale period beyond one year. As part of the voluntary winding up process, the assets of UNICO will be sold and liabilities settled. The winding up process is to be concluded in FY 2021.

**MDS Logistics (MDS)**

On July 2019, UACN entered into an agreement to sell 8% of its shareholding in MDS to Imperial Capital Limited (ICL). Consequent to the sale, UACN owns 43% of MDS thereby ceding control. The transaction was concluded in the 2020 financial year, and profit from the disposal of MDS was reported under IFRS 5 as non current asset held for disposal/distribution and discontinued operations.

	<b>31 Dec 20</b>
	<b>N'000</b>
Cash consideration	866,400
*Share of net asset of subsidiary	(2,377,056)
Investment in associate	4,656,900
<b>Profit on disposal of discontinued operations</b>	<u><b>3,146,244</b></u>

	<b>31 Dec 20</b>
	<b>N'000</b>
<b>Cash proceed from sale as shown in cash flow statement</b>	
Cash proceed from disposal	866,400
Less cash and cash equivalent balance	<u>(427,451)</u>
<b>Net cash proceed from disposal</b>	<u><b>438,949</b></u>

\* Total net asset of subsidiary prior to disposal was ₦4.66bn, the share attributable to NCI amounted to ₦2.28bn.

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Analysis of the results of the disposal group held for distribution to owners is as follows:

	UNICO 31-Mar-21 N'000	TOTAL 31-Mar-21 N'000	UNICO 31-Dec-20 N'000	TOTAL 31-Dec-20 N'000
<b>Assets</b>				
<b>Non-current assets:</b>				
Property, plant and equipment	2,920	2,920	2,920	2,920
Deferred tax asset	945	945	945	945
<b>Total</b>	<b>3,865</b>	<b>3,865</b>	<b>3,865</b>	<b>3,865</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Trade and other payables	34,089	34,089	34,089	34,089
Current income tax liabilities	8,004	8,004	8,004	8,004
<b>Total</b>	<b>42,094</b>	<b>42,094</b>	<b>42,094</b>	<b>42,094</b>

Analysis of the results of the discontinued operations is as follows:

	MDS 31-Mar-20 N'000	UPDC 31-Mar-20 N'000	TOTAL 31-Mar-20 N'000
Revenue	-	239,741	239,741
Cost of sales	-	(170,285)	(170,285)
Gross profit	-	69,456	69,456
(Loss)/Gain on disposal of investment properties	-	(15,000)	(15,000)
Other income/(loss)	-	84,887	84,887
Selling and distribution expenses	-	(12,142)	(12,142)
Administrative expenses	-	(166,648)	(166,648)
<b>Operating profit</b>	-	<b>(39,447)</b>	<b>(39,447)</b>
Finance income	-	-	-
Finance cost	-	(522,430)	(522,430)
Share of profit of associates	-	-	-
<b>Loss before impairment</b>	-	<b>(561,877)</b>	<b>(561,877)</b>
Impairment of Investment in Associates	-	-	-
<b>(Loss)/Profit before tax</b>	-	<b>(561,877)</b>	<b>(561,877)</b>
Tax expense:	-	-	-
Related to pre-tax profit/(loss) from the ordinary activities for the period	-	(887)	(887)
<b>Loss after tax</b>	-	<b>(562,764)</b>	<b>(562,764)</b>
Profit/(loss) from discontinued operation	3,146,244	(52,873)	3,093,371
Impairment of assets of disposal group held for sale	-	(1,813,807)	(1,813,807)
<b>(Loss)/profit from discontinued operations</b>	<b>3,146,244</b>	<b>(2,429,444)</b>	<b>716,800</b>
<b>Other Comprehensive income</b>			-
<b>Total comprehensive (loss)/income for the period net of tax</b>	<b>3,146,244</b>	<b>(2,429,444)</b>	<b>716,800</b>

Cashflows from discontinued operations:

The net cash flows incurred are, as follows:

	UPDC 31-Mar-20 N'000	TOTAL 31-Mar-20 N'000
Operating	(72,673)	(72,673)
Investing	198,150	198,150
Financing	(173,712)	(173,712)
<b>Net cash outflows</b>	<b>(48,235)</b>	<b>(48,235)</b>