



UAC of Nigeria PLC
Unaudited Consolidated Financial Statements for the Period
ended 30 June 2021

UAC of Nigeria PLC
Unaudited consolidated financial statements
for the period ended 30 June 2021

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UAC of Nigeria PLC

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

We the undersigned hereby certify the following with regards to our unaudited financial report for the period ended 30 June 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 it's 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.



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



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

UAC of Nigeria PLC

Statement on Investor Relations

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; or telephone on: +234 906 269 2908 for any investment related enquiry.

UAC of Nigeria PLC
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the period ended 30 June 2021

	Notes	The Group			
		3 months to June 2021 N'000	6 months to June 2021 N'000	3 months to June 2020 N'000	6 months to June 2020 N' 000
Continuing operations					
Revenue	3	24,477,703	46,499,498	17,084,840	36,633,380
Cost of sales	6	(20,165,013)	(38,175,247)	(14,325,561)	(29,640,592)
Gross profit		4,312,690	8,324,251	2,759,279	6,992,788
Dividend income	4	13,163	13,163	9,930	9,930
Other operating income	5	211,363	375,845	212,326	297,723
Other operating losses	5ii	4,381	(50,174)	(16,638)	(114,930)
Selling and distribution expenses	6	(1,611,548)	(3,039,712)	(1,342,936)	(2,957,769)
Administrative expenses	6	(2,367,523)	(3,922,939)	(1,922,245)	(3,399,706)
Operating profit/(loss)		562,526	1,700,433	(300,284)	828,036
Finance income	7	303,699	649,762	170,762	503,501
Finance cost	7	(437,168)	(674,692)	(132,406)	(366,845)
Net finance (cost)/income		(133,469)	(24,930)	38,356	136,656
Share of (loss)/profit of associates	14	(161,588)	(379,847)	(2,183)	68,945
Profit/(loss) before tax		267,470	1,295,657	(264,111)	1,033,637
Income Tax Expense	8	(171,310)	(530,937)	(297,908)	(819,818)
Profit/(loss) after tax for the period from continuing operations		96,160	764,720	(562,019)	213,819
Discontinued operations					
(Loss)/profit after tax for the period from discontinued operations	30	(2,105)	(2,105)	(121,872)	944,258
Profit/(loss) for the period		94,055	762,615	(683,891)	1,158,077
Other comprehensive income:					
<i>Items not to be subsequently recycled to profit or loss</i>					
Net changes in fair value of financial assets	13	31,250	43,125	-	-
Share of other comprehensive income of associates and joint venture using the equity method		2,858	8,575	-	-
Other comprehensive income for the period net of tax		34,108	51,700	-	-
Total comprehensive (loss)/income for the period net of tax		128,163	814,315	(683,891)	1,158,077
(Loss)/profit attributable to:					
Equity holders of the parent		(185,257)	156,023	(1,488,362)	932,679
Non controlling interests		279,312	606,592	804,472	225,398
		94,055	762,615	(683,890)	1,158,077
Total comprehensive (loss)/income attributable to:					
Equity holders of the parent		(151,149)	207,723	(1,488,362)	932,679
Non controlling interests		279,312	606,592	804,472	225,398
		128,163	814,315	(683,890)	1,158,077
Earnings per share attributable to owners of the parent during the period (expressed in Kobo per share):					
Basic earnings per share					
From continuing operations (Kobo)	9	(6)	5	(21)	(7)
From discontinued operations (Kobo)	9	(0)	(0)	(31)	39
From profit for the year (Kobo)		(6)	5	(52)	32
Diluted earnings per share					
From continuing operations (Kobo)	9	(6)	5	(21)	(7)
From discontinued operations (Kobo)	9	(0)	(0)	(31)	39
From profit for the year (Kobo)		(6)	5	(52)	32

UAC of Nigeria PLC
Condensed Consolidated Statement of Financial Position
as at 30 June 2021

		The Group	
		30 June 21	31 Dec 20
	Notes	N' 000	N' 000
Assets			
Non-current assets			
Property, plant and equipment	10	21,297,936	21,011,834
Intangible assets and goodwill	11	1,353,839	1,373,223
Investment property	12	2,634,999	2,634,999
Investments in associates	14	9,075,636	13,018,568
Finance lease receivable	19.1	8,766	8,766
Right of use assets	17	690,652	488,989
Debt instrument at amortised cost	15	2,215,855	2,174,304
Equity instrument at fair value through other comprehensive income	13	231,250	188,125
Prepayment	19	220,097	48,126
Deferred tax asset	22	38,653	38,653
Total non-current assets		37,767,682	40,985,587
Current assets			
Inventories	18	32,342,277	20,123,071
Trade and other receivables	19	9,911,708	6,500,290
Finance lease receivable	19.1	1,606	1,606
Cash and cash equivalents	20	17,270,333	24,272,314
Refund asset	16	11,004	14,330
Total current assets		59,536,928	50,911,611
Non-current assets held for sale/distribution	30	3,825,859	265,496
Assets of disposal group classified as held for distribution	30	3,865	3,865
Total assets		101,134,334	92,166,559
Equity and Liabilities			
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		310,283	258,584
Statutory reserve		91,923	91,923
Retained earnings		29,404,393	32,710,006
Equity attributable to equity holders of the Parent		49,388,364	52,642,277
Non controlling interests		8,374,360	8,729,588
Total equity		57,762,725	61,371,865
Liabilities			
Non-current liabilities			
Borrowings	21	1,542,769	1,735,284
Government grant	24	209,040	209,040
Deferred tax liabilities	22	4,486,338	4,486,338
Lease liability	17	236,921	224,391
Provisions	27	6,357	6,357
Total non-current liabilities		6,481,425	6,661,410
Current liabilities			
Trade and other payables	23	9,915,659	9,829,941
Contract liabilities	25	1,127,954	1,340,627
Current income tax liabilities	8	3,635,123	3,814,160
Bank overdrafts and current portion of borrowings	21	15,771,889	2,503,673
Dividend payable	26	5,928,438	6,084,307
Government grant	24	58,343	58,343
Lease liability	17	305,187	250,926
Provisions	27	92,948	192,018
Refund liabilities	16	12,550	17,195
Total current liabilities		36,848,091	24,091,190
Liabilities of disposal group classified as held for sale/distribution to owners	30	42,094	42,094
Total liabilities		43,371,609	30,794,694
Total equity and liabilities		101,134,334	92,166,559

The financial statements and the notes on pages 7 to 31 were approved and authorised before issue by the board of directors on 28 July 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
Condensed Consolidated Statement of Changes in Equity
for the period ended 30 June 2021

		The Group								
		Attributable to owners of the Company								
	Notes	Share Capital	Share Premium	Contingency Reserve	Fair value Reserve	Revaluation Reserve	Retained Earnings	Total	Non controlling Interest	Total
		N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Total equity at 1 January 2020		1,440,648	18,451,844	69,571	27,770	91,923	29,997,824	50,079,580	10,461,833	60,541,413
Profit for the year		-	-	-	-	-	932,679	932,679	225,398	1,158,077
Right issue cost		-	(368,371)	-	-	-	-	(368,371)	-	(368,371)
Transactions with Equity holders									(11)	(11)
Disposal of shareholdings in subsidiaries		-	-	-	-	-	(3,788)	(3,788)	(7,595)	(11,383)
Dividend declared	26	-	-	-	-	-	-	-	(136,015)	(136,015)
Elimination of NCI after disposal of subsidiaries	30	-	-	-	-	-	-	-	(2,283,839)	(2,283,839)
Right issue subscribed		-	-	-	-	-	-	-	185,893	185,893
Balance at 30 June 2020		1,440,648	18,083,474	69,571	27,770	91,923	30,926,715	50,640,100	8,445,674	59,085,774
Total equity at 1 January 2021		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		-	-	-	-	-	156,023	156,023	606,592	762,615
Other comprehensive income										
Share of net changes in fair value of financial assets of associates		-	-	-	8,575	-	-	8,575	-	8,575
Net changes in fair value of financial assets	13	-	-	-	43,125	-	-	43,125	-	43,125
Transaction with Equity holders										
Acquisition of shareholdings in subsidiary		-	-	-	-	-	(4,080)	(4,080)	(31,093)	(35,173)
Dividend declared	26	-	-	-	-	-	(3,457,556)	(3,457,556)	(930,727)	(4,388,283)
Balance at 30 June 2021		1,440,648	18,071,545	69,571	310,284	91,923	29,404,393	49,388,364	8,374,360	57,762,725

UAC of Nigeria PLC

**Condensed Consolidated Statement of Cash Flows
for the period ended 30 June 2021**

	Notes	The Group	
		30 June 21 N' 000	30 June 20 N'000
Cash flows from operating activities			
Cash generated used in operations	29	(13,257,496)	2,550,507
Corporate tax paid	8	(702,138)	(148,644)
Net cash flows used in/generated from operating activities		(13,959,634)	2,401,863
Cash flows from investing activities			
Purchase of intangible assets	11	(1,955)	-
Purchase of property, plant and equipment	10	(1,343,819)	(2,244,308)
Proceeds from sale of property, plant and equipment		30,114	81,247
Proceed on disposal of non-current asset held for sale		166,842	-
Purchase of investment properties	12	-	(393)
Lease prepayment	17	(57,232)	-
Proceeds from disposal of subsidiaries		-	438,949
Investment in debt instrument	15	(2,069,603)	-
Proceed from mature debt instrument	15	2,086,428	-
Interest received		590,019	503,501
Net cash flows used in investing activities		(599,206)	(1,221,004)
Cash flows from financing activities			
Dividends paid to non-controlling interests	26	(914,554)	(79,862)
Dividends paid to Company shareholders	26	(3,457,556)	-
Proceeds from borrowings	21	21,201,424	1,169,528
Dividend refund	26	(172,042)	-
Right issue subscription cost		-	(368,370)
Repayment of borrowings	21	(9,288,789)	(4,705,136)
Right issue subscription by non controlling interest		-	185,893
Interest paid on loans	21	(624,341)	(207,529)
Repayment of lease liability principal	17	(311,647)	(326,941)
Purchase of shares from NCI		(35,173)	(11,384)
Net cash flows generated from/used in financing activities		6,397,327	(4,343,801)
Cash & cash equivalents at the beginning of the period		24,302,566	23,891,134
Impairment on cash and cash equivalent		-	(2,206)
Net decrease in cash & cash equivalents		(8,161,513)	(3,162,942)
Cash & cash equivalents at the end of the period	20	16,141,053	20,725,986

UAC of Nigeria Plc
Notes to the unaudited consolidated financial statements
for the period ended 30 June 2021

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 Exchange Limited.

2. Summary of Significant Accounting Policies

2.1 Basis of Preparation

This condensed consolidated interim financial report for the half-year reporting period ended 30 June 2021 has been prepared in accordance with IAS 34 Interim Financial Reporting. 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 30 June 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

	Animal Feeds & Other Edibles	Paints	Packaged Food & Beverages	QSR	Logistics	Real Estate	Others	Total
30 June 2021	N' 000	N' 000	N' 000	N' 000	N' 000	N' 000	N' 000	N' 000
Revenue from contracts with customer:	28,260,099	6,788,982	11,903,001	1,013,038	-	-	248,904	48,214,024
Rental income	-	-	-	-	-	-	106,757	106,757
Total Revenue	28,260,099	6,788,982	11,903,001	1,013,038	-	-	434,992	48,400,112
Intergroup revenue	(1,524,505)	(67,277)	(17,181)	-	-	-	(291,651)	(1,900,614)
Revenue to third parties	26,735,594	6,721,705	11,885,820	1,013,038	-	-	143,341	46,499,498
Operating profit/(loss)	1,147,863	648,518	779,806	(46,439)	-	-	(829,314)	1,700,434
Profit/(loss) before tax	520,524	762,765	759,183	(55,956)	-	-	(690,859)	1,295,657
Loss after tax for the period from discontinued operations	-	-	-	-	-	-	(2,105)	(2,105)
Property, plant and equipment	12,229,562	1,550,284	6,234,739	357,772	-	-	925,580	21,297,936
Net assets	17,888,208	4,097,615	7,920,829	301,912	-	-	27,554,161	57,762,725

UAC of Nigeria PLC
Notes to the unaudited consolidated financial statements
for the Period ended 30 June 2021

	Animal Feeds & Other Edibles	Paints	Packaged Food & Beverages	QSR	Logistics	Real Estate	Others	Total
30 June 2020	N' 000	N' 000	N' 000	N' 000	N' 000	N' 000	N' 000	N' 000
Revenue from contract with customers	24,922,346	4,259,140	8,179,926	625,218	-	-	230,031	38,216,661
Rental income	-	-	-	-	-	-	117,286	117,286
Total Revenue	24,922,346	4,259,140	8,179,926	625,218	-	-	347,317	38,333,947
Intergroup revenue	(1,440,385)	(22,780)	-	-	-	-	(237,402)	(1,700,567)
Revenue to third parties	23,481,961	4,236,360	8,179,926	625,218	-	-	109,915	36,633,380
Operating profit/(loss)	279,004	698,058	476,120	(43,994)	-	-	(581,152)	828,036
Profit / (Loss) before tax	(10,353)	826,136	500,686	(60,972)	-	-	(221,860)	1,033,637
Profit / (Loss) after tax for the period from discontinued operations	-	-	-	-	3,146,244	(2,201,986)	-	944,258
Property, plant and equipment	11,612,844	974,773	4,840,545	274,213	-	-	2,125,410	19,827,785
Net assets	16,608,206	4,635,712	6,888,546	278,174	-	14,838,637	15,836,501	59,085,775

UAC of Nigeria PLC
Notes to the unaudited consolidated financial statements
for the Period ended 30 June 2021

Entity wide information

	30 June 21	30 June 20
	N'000	N'000
Analysis of revenue by category:		
Revenue from contracts with customers	46,392,741	36,516,094
Rental income	106,757	117,286
	46,499,498	36,633,380
Analysis of revenue by geographical location:		
	30 June 21	30 June 20
	N'000	N'000
Nigeria	46,499,498	36,633,380
Others	-	-
	46,499,498	36,633,380

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 30 June 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
Revenue from contracts with customers								
Sale of goods	26,735,594	6,721,705	11,885,820	1,013,038	-	-	-	46,356,157
Rendering of service	-	-	-	-	-	-	143,341	143,341
Total	26,735,594	6,721,705	11,885,820	1,013,038	-	-	143,341	46,499,498
	=====	=====	=====	=====	=====	=====	=====	=====
Geographical Markets								
Nigeria	26,735,594	6,721,705	11,885,820	1,013,038	-	-	143,341	46,499,498
Outside Nigeria	-	-	-	-	-	-	-	-
Total	26,735,594	6,721,705	11,885,820	1,013,038	-	-	143,341	46,499,498
	=====	=====	=====	=====	=====	=====	=====	=====
Timing of revenue								
Goods transferred at a point in time	26,735,594	6,721,705	11,885,820	1,013,038	-	-	-	46,356,157
Services transferred over time	-	-	-	-	-	-	143,341	143,341
	26,735,594	6,721,705	11,885,820	1,013,038	-	-	143,341	46,499,498
	=====	=====	=====	=====	=====	=====	=====	=====

UAC of Nigeria PLC

**Notes to the unaudited consolidated financial statements
for the Period ended 30 June 2021**

4 Dividend income	The Group	
	30 June 21	30 June 20
	N' 000	N' 000
Dividend income from third parties	13,163	9,930
Total dividend income	13,163	9,930

5 Other operating income	The Group	
	30 June 21	30 June 20
	N' 000	N' 000
Profit on sales of property, plant and equipment	4,987	4,409
Profit on sale of non current asset held for sale	160,068	-
Provision write back	-	2,500
Rental income*	6,642	7,241
Government grant (Note 24)	-	39,853
Insurance claim received	-	311
Expected credit loss write back on receivables (Note 19)	16,500	-
Exchange gain	2,028	114,665
Other income**	185,620	128,743
Total other operating income	375,846	297,723

*** 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	
	30 June 21	30 June 20
	N'000	N'000
Expected credit loss allowance on trade receivables (Note 19)	50,174	82,724
Expected credit loss on financial assets	-	30,000
Expected credit loss allowance on cash equivalent	-	2,206
Total other operating losses	50,174	114,930

6 (a) Expenses by Nature	The Group	
	30 June 21	30 June 20
	N' 000	N' 000
Changes in inventories of finished goods and work in progress	32,910,917	24,730,635
Write off of inventories to net realisable value	10,558	12,942
Personnel expenses	4,606,042	3,965,218
Depreciation charge on property, plant and equipment	1,036,686	1,003,837
Depreciation charge on right-of-use asset	187,189	262,261
Amortisation of intangibles	21,766	26,135
Royalty fees	199,444	121,504
Rents & rates	106,854	130,052
Electricity & power	1,124,783	1,119,108
Vehicles repairs, maintenance & fueling	245,091	155,173
Other repairs & maintenance	533,558	383,935
Auditors' remuneration	69,352	66,314
Information technology charge	199,502	182,704
Legal and professional expenses	411,597	253,394
Donations & subscriptions	137,844	207,909
Insurance	120,683	105,819
Distribution expenses	1,138,557	1,400,275
Marketing, Advertising & Communication	374,383	290,280
Hire of equipment	46,612	31,817
Catering expenses	113,832	81,669
Cleaning, laundry & sanitation	78,242	54,919
Security	111,824	102,929
Incentives	214,887	65,737
Travelling expenses	163,552	119,340
AGM expenses	42,598	2,600
Bank charges	80,027	153,158
Stationery and printing	52,967	38,094
Sundry office expenses***	798,550	930,310
	45,137,898	35,998,067

6 (b) Expenses by Function

Analysed as:

Cost of sales	38,175,247	29,640,592
Selling and distribution expenses	3,039,712	2,957,769
Administrative expenses	3,922,939	3,399,706
	45,137,898	35,998,067

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

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7. Net finance income

	The Group	
	30 June 21	30 June 20
	N' 000	N' 000
Interest income on short-term bank deposits	456,515	503,501
Interest income on bonds	193,246	-
Finance Income	649,762	503,501
Interest on bank loans - Note 21	(627,874)	(289,681)
Interest expense on lease liability - Note 17	(46,818)	(77,164)
Finance Costs	(674,692)	(366,845)
Net finance income	(24,930)	136,656

8. Taxation

	The Group	
	30 June 21	31 Dec 20
	N'000	N'000
Opening balance	3,814,160	4,510,936
Income tax expense	530,937	1,353,738
Withholding tax credit notes utilised	(7,836)	(360,132)
Payment during the year	(702,138)	(1,690,382)
	3,635,123	3,814,160

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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 period.

	The Group	
	30 June 21	30 June 20
	N' 000	N' 000
Profit attributable to ordinary equity shareholders:		
Profit/(loss) from continuing operations	157,848	(193,798)
Profit/(loss) from discontinued operations	(1,824)	1,126,477
Profit for the period	156,023	932,679

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)	5	(7)
From discontinued operations (Kobo)	(0)	39
From profit for the period (Kobo)	5	32

(b) Diluted

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

10. Property, plant and equipment

The Group

Cost:	Leasehold land and buildings	Plant and Machinery	Computer Equipment	Motor Vehicles	Office Furniture	Capital Work in progress	Total
	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)	-
At 31 December 2020	8,632,655	19,921,193	1,346,983	3,096,251	921,522	2,563,948	36,482,552
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	68,900	737,199	51,168	287,491	27,701	171,359	1,343,819
Disposals	-	(32,346)	(13,415)	(148,562)	(16,363)	(100)	(210,786)
Transfer from assets held for sale	-	-	2,464	-	-	-	2,464
Reclassification*	29,386	101,790	2,179	6,477	41,281	(181,540)	(428)
At 30 June 2021	8,730,941	20,727,837	1,389,379	3,241,657	974,140	2,553,667	37,617,621
Accumulated depreciation and impairment							
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)
At 31 December 2020	2,142,969	10,039,757	1,099,503	1,478,275	698,214	12,000	15,470,718
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	78,447	651,265	52,327	225,651	28,996	-	1,036,686
Disposals**	(3,286)	(29,095)	(12,414)	(128,783)	(15,367)	-	(188,946)
Transfers	-	-	1,227	-	-	-	1,227
At 30 June 2021	2,218,130	10,661,927	1,140,643	1,575,143	711,843	12,000	16,319,685
Net book values:							
At 30 June 2021	6,512,812	10,065,910	248,736	1,666,514	262,297	2,541,667	21,297,936
At 31 December 2020	6,489,686	9,881,437	247,480	1,617,976	223,308	2,551,948	21,011,834

*The sum of N428,000 relates to the reclassification of Auralite ERP (Retail POS system) from capital work in progress to intangible asset.

** The sum of N3,286,000 relates to impairment charge on asset (Land) previously classified as held for sale which was not recognised as part of the carrying value of the asset. The profit on disposal has been computed on the carrying amount of the asset and has been disclosed in Notes 5 & 30.

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11. Intangible assets and goodwill

	Group				
	Goodwill	Brands & Trade	Software	Capital Work in	Total
Cost	N' 000	Marks	N' 000	progress	N' 000
	N' 000	N' 000	N' 000	N' 000	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	-	-	-	-	-
At 31 December 2020	548,747	1,070,185	844,879	4,620	2,468,432
At 1 January 2021	548,747	1,070,185	844,879	4,620	2,468,432
Additions - externally acquired during the year	-	-	1,955	-	1,955
Transfers*	-	-	428	-	428
At 30 June 2021	548,747	1,070,185	847,262	4,620	2,470,815
Accumulated amortisation					
At 1 January 2020	-	288,439	753,661	-	1,042,100
Amortisation for the year	-	-	53,110	-	53,110
At 31 December 2020	-	288,439	806,771	-	1,095,210
At 1 January 2021	-	288,439	806,771	-	1,095,210
Amortisation for the period	-	-	21,766	-	21,766
At 30 June 2021	-	288,439	828,537	-	1,116,976
Net book values					
At 30 June 2021	548,747	781,747	18,725	4,620	1,353,839
At 31 December 2020	548,747	781,747	38,108	4,620	1,373,223

*The sum of N428,000 relates to the reclassification of Auralite ERP (Retail POS system) from capital work in progress to intangible asset.

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12 . Investment property

Fair value	The Group		Total investment properties N' 000
	Freehold building N' 000	Leasehold building 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
At 31 December 2020	417,735	2,217,264	2,634,999
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	-	-	-
At 30 June 2021	417,735	2,217,264	2,634,999

Fair value of investment properties is categorised as follows:

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

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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	
	30 June 21	31 Dec 20
	N' 000	N' 000
Opening balance	188,125	28,771
Fair value gain	43,125	159,354
Closing balance	231,250	188,125

The fair value of the equity instrument is a level 1 input in accordance with IFRS 13. The fair value measurement was derived from quoted prices on National Association of Security Dealers (NASD Plc).

14. Investments in associates and equity accounted joint ventures

Set out below is the associate of the Group as at 30 June 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	
		30 June 21	31 Dec 20
		N'000	N'000
UPDC REIT	Nigeria		24.34%
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	
	30 June 21	31 Dec 20
	N'000	N'000
Opening balance	13,018,568	-
Addition	-	11,973,792
Share of (loss)/profit	(379,847)	973,316
Share of other comprehensive income	8,575	71,460
Reclassified to non-current assets held for sale/distribution	(3,571,660)	-
Closing balance	9,075,636	13,018,568

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 non-current assets held for distribution and measured at its carrying amount of N3.57billion which is lower than its fair value of N3.67billion as at 30 June 2021.

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

30-Jun-21	Non-current asset	Current asset	Non-current liabilities	Current liabilities
	N'000	N'000	N'000	N'000
UPDC PLC	1,982,466	20,059,402	5,918,990	7,064,372
MDS Logistics	6,059,780	3,683,049	3,273,486	1,757,504

30-Jun-21	Revenue	Depreciation	Interest income	Interest expense
	N'000	N'000	N'000	N'000
UPDC PLC	316,056	8,785	17,854	(440,641)
MDS Logistics	4,128,364	653,429	0	(256,476)

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

30-Jun-20	Revenue	Depreciation	Interest income	Interest expense
	N'000	N'000	N'000	N'000
MDS Logistics	3,836,738	358,351	1,564	(242,415)
UPDC PLC	346,544	11,807	2,298	(1,044,691)

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	The Group	
	30 June 21	31 Dec 20
	N' 000	N' 000
15. Debt instrument at amortised cost		
Opening balance	2,205,374	2,015,218
Additions during the period	2,069,603	-
Settlements during the period	(2,086,428)	-
Coupon accrued	193,246	102,582
Coupon received	(133,503)	(152,794)
Exchange (loss)/gain on revaluation	(1,367)	240,368
Gross investment in debt	2,246,925	2,205,374
Expected credit loss	(31,070)	(31,070)
Closing balance	2,215,855	2,174,304

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).

30-Jun-21

Bond type	Stage 1	Stage 2	Stage 3	Total
	N' 000	N' 000	N' 000	N' 000
B-/Fitch ETI 2031	82,300	-	-	82,300
B-/S&P; B-/Fitch Ecobank 2026	449,834	-	-	449,834
B-/S&P; B-/FitchUBA 2022	210,742	-	-	210,742
B-/S&P; B-/Fitch SEPLAT 2023	217,102	-	-	217,102
B-/S&P; B-/Fitch FIDBAN 2022	349,150	-	-	349,150
B2/Moody's; B/S&P; B+/Fitch FGN 2025	853,803	-	-	853,803
B/Fitch; B/S&PAccess 2021	83,995	-	-	83,995
Total	2,246,925	-	-	2,246,925

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
Total	2,205,374	-	-	2,205,374

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
At 31 December 2020	31,070	-	-	31,070
At 1 January 2021	31,070	-	-	31,070
Additions in the year	-	-	-	-
At 30 June 2021	31,070	-	-	31,070

16. Right of return assets and refund liabilities

	The Group	
	30 June 21	31 Dec 20
	N' 000	N' 000
Right of return assets	11,004	14,330
Refund liabilities		
- Arising from retrospective volume rebates	-	-
- Arising from rights of return	12,550	17,195
	12,550	17,195

16. Right of return assets and refund liabilities (continued)

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)
At 31 December 2020	448,102	40,887	488,989
At 1 January 2021	448,102	40,887	488,989
Additions	156,576	248,057	404,633
Depreciation expenses	(132,846)	(54,343)	(187,189)
Lease termination	(15,781)	-	(15,781)
At 30 June 2021	456,051	234,601	690,652

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

17. Lease Liability	The Group	
	30 June 21	31 Dec 20
	N' 000	N' 000
Opening balance	475,317	982,117
Accretion interest	46,818	124,497
Additions during the year	347,401	164,568
Payment of principal	(311,647)	(387,350)
Interest payment	-	(74,259)
Lease terminated	(15,781)	(334,256)
Closing balance	542,108	475,317
Current	305,187	250,926
Non-current	236,921	224,391
	542,108	475,317

18. Inventories

	The Group	
	30 June 21	31 Dec 20
	N' 000	N' 000
Raw materials and consumables	27,480,979	16,496,939
Technical stocks and spares	1,964,610	1,425,162
Finished goods and goods for resale	3,027,415	2,313,890
	32,473,004	20,235,991
Write down to net realisable value	(130,728)	(112,920)
	32,342,276	20,123,071

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19. Trade and other receivables

	The Group	
	30 June 21 N' 000	31 Dec 20 N' 000
Receivables due within one year		
Trade receivables	2,855,307	3,892,028
Less: allowance for impairment of trade receivables	(1,172,968)	(1,191,031)
Net trade receivables	1,682,339	2,700,997
Receivables from associates	86,591	42,366
Loan receivable from associate	2,668,944	1,143,354
Allowance for expected credit losses on associates and related party receivables	(29,071)	(29,071)
Other receivables	2,689,715	263,221
Advance payments	177,336	315,364
WHT receivable	1,102,648	1,133,430
Prepayments - staff grants	57,878	96,986
Prepayments- Other	1,475,329	833,643
	9,911,708	6,500,290

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	
	30 June 21 N' 000	31 Dec 20 N' 000
Prepayments - Current	1,533,207	930,629
Prepayments - Non-current	220,097	48,126
Total prepayments	1,753,304	978,755

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	
	30 June 21 N' 000	31 Dec 20 N' 000
Opening balance	1,191,031	1,230,771
Expected credit loss write back	(16,500)	(522)
Expected credit loss allowance	50,174	78,269
Amount written off	(51,737)	(117,487)
Closing balance	1,172,968	1,191,031

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

	The Group	
	30 June 21 N' 000	31 Dec 20 N' 000
Opening balance	29,071	-
Impairment charge for the year	-	29,071
Closing balance	29,071	29,071

19.1 Finance lease receivable

	The Group	
	30 June 21 N' 000	31 Dec 20 N' 000
Gross investment in lease	91,601	91,601
Unearned finance income	(81,229)	(81,229)
	10,372	10,372
	30 June 21 N' 000	31 Dec 20 N' 000
Current asset	1,606	1,606
Non-current asset	8,766	8,766
Total finance lease receivable	10,372	10,372

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20. Cash and cash equivalents

	The Group	
	30 June 21	31 Dec 20
	N' 000	N' 000
Cash at bank and in hand	1,906,419	1,436,443
Short-term deposits	15,152,461	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	241,706	243,812
Cash and short-term deposits	17,270,333	24,272,314

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, The 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 Plc as at 30 June 2021 (2020: ₦3.38 bn).

The Finance Act 2020, which became effective on 1 January 2021, requires public limited liability companies quoted on the Nigerian Exchange Limited 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 period/year as follows:

	The Group	
	30 June 21	31 Dec 20
	N' 000	N' 000
Cash at bank and in hand	1,906,419	1,436,443
Short-term deposits	15,152,461	22,622,311
Cash at banks and short term deposits attributable to discontinued operations	241,706	243,812
Bank overdraft	(1,159,532)	-
Balances per statement of cash flow	16,141,053	24,302,566

21. Borrowings

	The Group	
	30 June 21	31 Dec 20
	N' 000	N' 000
Current borrowings		
Loans due within one year	15,771,889	2,503,673
	15,771,889	2,503,673
Non-current borrowings		
Loans due after one year (i)	1,542,769	1,735,284
Total borrowings	17,314,657	4,238,957
Opening balance	4,238,957	6,446,520
Repayment of borrowing during the period/year	(9,288,789)	(7,926,033)
Bank overdraft	1,159,533	-
Initial fair value of grant	-	(283,631)
Interest on loans	627,874	376,363
Interest paid	(624,341)	(315,532)
Additions	21,201,424	5,941,270
Closing balance	17,314,657	4,238,957

The above borrowings are denominated in Naira

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21. Borrowings (continued)

The borrowings are repayable as follows:

	The Group	
	30 June 21	31 Dec 20
	N' 000	N' 000
Within one year	15,771,889	2,503,673
Between one to two years	1,542,769	1,735,284
	17,314,657	4,238,957

(i) Loans due within one year

Bank	Effective Interest Rate	The Group		Maturity date	Security
		30 June 21	31 Dec 20		
		N' 000	N' 000		
Eco Bank	8.0%	2,957,292	-	Dec-21	No security
Union Bank	8.0%	991,563	-	Dec-21	No security
First Bank of Nigeria Ltd	8%(5%)	4,609,227	435,203	Sep-21	No security
FSDH	8.0%	2,488,742	-	Dec-21	No security
First Bank of Nigeria Ltd - Commercial loan	10.0%	2,493,367	1,993,367	Aug-21	No security
FSDH	0.0%	1,072,165	75,103	Dec-21	No security
First Bank of Nigeria Ltd & FSDH	10.0%	1,159,532	-	-	No security
		15,771,889	2,503,673		

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
		30 June 21	31 Dec 20	
Facility		N' 000	N' 000	
Grand Cereals Ltd: Sterling Bank Plc & BOI - Agric loan	5.0%	1,520,719	1,735,284	July, 2025
Famous Brands Limited*	12.0%	22,050	-	May 2025
		1,542,769	1,735,284	

*During the period, UAC of Nigeria PLC and Famous Brands disbursed a shareholder loan to UACR to fund the set up of Debonairs restaurant. The loan provided by UAC of Nigeria PLC was eliminated upon consolidation.

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22. Deferred Tax

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

	The Group	
	30 June 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	-	-
Deferred tax assets	38,653	38,653
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	-	-
Deferred tax liabilities	(4,486,338)	(4,486,338)
Net Deferred tax liabilities	(4,447,685)	(4,447,685)

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

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

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

Deferred tax assets	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
At 31 December 2020	(86,140)	124,793	-	-	-	-	-	38,653
At 1 January 2021	(86,140)	124,793	-	-	-	-	-	38,653
Charged to profit or loss	-	-	-	-	-	-	-	-
At 30 June 2021	(86,140)	124,793	-	-	-	-	-	38,653

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

Deferred tax liabilities	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
At 31 December 2020	4,022,481	(163,590)	(54,134)	8,119	72,717	1,015,333	(414,588)	4,486,338
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	-	-	-	-	-	-	-	-
At 30 June 2021	4,022,481	(163,590)	(54,134)	-	72,717	1,015,333	(414,588)	4,486,338

UAC of Nigeria PLC
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23. Trade and other payables

	The Group	
	30 June 21	31 Dec 20
	N' 000	N' 000
Trade payables	3,113,306	4,081,749
Provision for employee leave	19,555	485
Defined contribution benefit owing to UNICO fund	6,684	56,612
Other payables	3,044,695	2,145,394
WHT payable	233,206	122,687
VAT payable	321,780	371,888
PAYE payable	10,501	55,801
Accruals	3,165,932	2,995,325
Total	9,915,658	9,829,941

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

	The Group	
	30 June 21	31 Dec 20
	N' 000	N' 000
Opening balance	267,383	50,107
Amount received during the period/year	-	283,631
Released to the statement of profit or loss	-	(66,355)
Closing balance	267,383	267,383
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

	The Group	
	30 June 21	31 Dec 20
	N' 000	N' 000
Opening balance	1,340,627	869,259
Deferred during the period/year	1,076,324	663,890
Released to the statement of profit or loss	(1,288,997)	(192,522)
Closing balance	1,127,953	1,340,627

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

	The Group	
	30 June 21	31 Dec 20
	N' 000	N' 000
Opening balance	6,084,307	5,517,803
Dividend declared	4,388,283	429,260
Dividend paid during the year to NCI	(914,554)	(130,404)
Dividend paid during the year to equity holders of the parent company	(3,457,556)	(288,130)
Statute barred unclaimed dividend written back	-	(10,677)
Unclaimed dividend refunded	(172,042)	566,456
Closing balance	5,928,438	6,084,307

UAC of Nigeria PLC
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27. Provisions

The Group	Provisions N'000	Legal claim N'000	Decommissioning	Total N' 000
			liability 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)
31 December 2020	6,000	186,018	6,357	198,375
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	-	(99,070)	-	(99,070)
Provision write back	-	-	-	-
30 June 2021	6,000	86,948	6,357	99,305
Current	6,000	86,948	-	92,948
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.

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.

UAC of Nigeria PLC
Notes to the unaudited consolidated financial statements
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28. Share Capital
Group

	30 June 21		31 Dec 20	
	Number 000	Amount N' 000	Number 000	Amount N' 000
Authorised:				
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
Total authorised share capital	3,400,000	1,700,000	3,400,000	1,700,000
Issued and fully paid:				
Ordinary shares of 50k each	2,881,296	1,440,648	2,881,296	1,440,648
Total called up share capital	2,881,296	1,440,648	2,881,296	1,440,648

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 16th 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	The Group	
		30 June 21 N' 000	30 June 20 N' 000
Profit before tax from continuing operations		1,295,657	1,033,637
(Loss)/profit before tax from discontinued operations		(2,105)	989,194
Adjustment for net finance cost/(income)		24,930	(136,656)
Operating profit		1,318,482	1,886,175
<i>Adjustments to reconcile operating profit to net cash flows</i>			
Amortisation of intangible assets	6	21,766	26,135
Depreciation charge on property, plant and equipment	6	1,036,686	1,003,837
Depreciation charge on right of use asset	6	187,189	262,261
Write off of inventories to net realisable value	6	10,558	-
Expected credit loss writeback on trade receivables	5	(16,500)	-
Expected credit loss on financial assets	5ii	-	30,000
Expected credit loss on cash equivalent	5ii	-	2,206
Expected credit loss on trade receivables	5ii	50,174	82,724
Effects of exchange rate changes	15	1,367	(114,665)
Unwinding of government grant		-	(39,853)
Share of loss/(profit) in associate	14	379,847	(68,945)
Profit on sale of disposal of subsidiary	5ii	-	(3,146,244)
Profit on sale of tangible PPE	5	(4,987)	(4,409)
Profit on sale of non current asset held for sale	5	(160,068)	-
Provision derecognised		(99,070)	(2,500)
Operating cash flows before movements in working capital		2,725,442	(83,278)
Movements in working capital:			
Changes in inventories		(12,229,764)	2,966,383
Changes in trade and other receivables and prepayments		(3,624,900)	(623,929)
Changes in contract liabilities		(212,673)	464,606
Changes in trade and other payables		85,718	(2,281,257)
Changes in right of return asset		3,326	(3,822)
Changes in finance lease receivable		-	(10,375)
Changes in refund liability		(4,645)	5,275
Net cash (used in)/generated from operations - continuing operations		(13,257,496)	433,603
Changes in assets and liabilities		-	2,116,904
Net cash from operations - discontinued operations		-	2,116,904
Net cash generated from/(used in) operations		(13,257,496)	2,550,507

UAC of Nigeria PLC
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30. Non-current assets held for sale/distribution

Following the approval by the board of Directors in November 2019, part of a manufacturing facility within the Paints segment was presented as non-current asset held for sale. In June 2021, a part of the facility with cost of N10,060,000 and a carrying value of N6,774,442 was disposed for the sum N166,842,925 and a profit on disposal as disclosed in Note 5. Despite the inability to complete the sale of the asset within 12 months, management is still committed to the disposal of the remaining asset. Hence, the continual classification of the asset as a non current asset held for sale with the current value of N254,199,000 (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 non-current assets held for distribution and measured at its carrying amount of N3.57billion which is lower than its fair value of N3.67billion as at 30 June 2021.

	30-Jun-21
	N'000
Opening balance	265,496
Transfer from investment in associates (UPDC REIT)	3,571,660
Transfer to PPE	(1,237)
Cost of asset disposed	<u>(10,060)</u>
Closing balance	<u><u>3,825,859</u></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.

	31 Dec 20
	N'000
Tranche 1	
Cash consideration	662,591
Transaction charges	(3,524)
Carrying amount of net asset disposed	<u>(744,864)</u>
Loss on disposal	<u><u>(85,797)</u></u>
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><u>(734,535)</u></u>

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Notes to the unaudited consolidated financial statements
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30. Disposal group held for sale and discontinued operations (continued)

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

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

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

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

UAC of Nigeria PLC

Notes to the unaudited consolidated financial statements

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

#REF!

	UNICO 30-Jun-21 N'000	TOTAL 30-Jun-21 N'000	UNICO 31-Dec-20 N'000	TOTAL 31-Dec-20 N'000
Assets				
Non-current assets:				
Property, plant and equipment	2,920	2,920	2,920	2,920
Intangible assets	-	-	-	-
Investment properties	-	-	-	-
Investments in joint ventures	-	-	-	-
Right of use asset	-	-	-	-
Investments in associates	-	-	-	-
Deferred tax asset	945	945	945	945
	3,865	3,865	3,865	3,865
Current assets				
Inventories	-	-	-	-
Trade and other receivables	-	-	-	-
Statutory Reserve Fund Account	-	-	-	-
Income tax asset	-	-	-	-
Assets of disposal group classified as held for sale/ distribution to owners - UHL	-	-	-	-
	-	-	-	-
Total	3,865	3,865	3,865	3,865
Liabilities				
Current liabilities				
Trade and other payables	34,089	34,089	34,089	34,089
Current income tax liabilities	8,004	8,004	8,004	8,004
Interest bearing Loans and Borrowings	-	-	-	-
Dividend Payable	-	-	-	-
Deferred revenue	-	-	-	-
	42,094	42,094	42,094	42,094
Liabilities of disposal group classified as held for sale/distribution to owners - UHL	-	-	-	-
Total	42,094	42,094	42,094	42,094

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

	UNICO 30-Jun-21 N'000	TOTAL 30-Jun-21 N'000	MDS 30-Jun-20 N'000	UPDC 30-Jun-20 N'000	TOTAL 30-Jun-20 N'000
Revenue	-	-	-	324,588	324,588
Cost of sales	-	-	-	(272,511)	(272,511)
Gross profit	-	-	-	52,077	52,077
(Loss)/gain on disposal of investment properties	-	-	-	(43,375)	(43,375)
Other income/(loss)	-	-	-	80,438	80,438
Selling and distribution expenses	-	-	-	(32,980)	(32,980)
Administrative expenses	(2,105)	(2,105)	-	(300,109)	(304,319)
Financial guarantee	-	-	-	(775,920)	(775,920)
Operating profit	(2,105)	(2,105)	-	(1,019,869)	(1,024,079)
Finance income	-	-	-	2,298	2,298
Finance cost	-	-	-	(322,461)	(322,461)
Share of profit of associates	-	-	-	-	-
Loss before impairment	(2,105)	(2,105)	-	(1,340,032)	(1,344,242)
Impairment of Investment in Associates	-	-	-	-	-
(Loss)/Profit before tax	(2,105)	(2,105)	-	(1,340,032)	(1,344,242)
Tax expense:					
Related to pre-tax profit/(loss) from the ordinary activities for the period	-	-	-	(44,936)	(44,936)
Loss after tax	(2,105)	(2,105)	-	(1,384,968)	(1,389,178)
Profit/(loss) from discontinued operations		-	3,146,244	(75,006)	3,071,238
Impairment of assets of disposal group held for sale			-	(742,012)	(742,012)
(Loss)/profit from discontinued operations	(2,105)	(2,105)	3,146,244	(2,201,986)	944,258
Other Comprehensive income					
Total comprehensive (loss)/income for the period net of tax	(2,105)	(2,105)	3,146,244	(2,201,986)	944,258

Cashflows from discontinued operations:

The net cash flows incurred are as follows:

	UNICO 30-Jun-21 N'000	TOTAL 30-Jun-21 N'000	UPDC 30-Jun-20 N'000	TOTAL 30-Jun-20 N'000
Operating	(2,105)	(2,105)	(24,140)	(24,140)
Investing	-	-	311,831	311,831
Financing	-	-	(546,954)	(546,954)
Net cash outflows	(2,105)	(2,105)	(259,263)	(259,263)

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31. Shareholding Structure/Free Float Status

Company Name:	UAC of Nigeria PLC
Board Listed:	Main Board
Year End:	31 December
Reporting Period:	30 June 2021
Share Price at end of reporting period:	N9.75

Description	30-Jun-21	
	Units	Percentage
Issued Share Capital	2,881,296,579	100%
Substantial Shareholdings (5% and above)		
Themis Capital Management	279,398,403	9.70%
Total Substantial Shareholdings	279,398,403	9.70%
Directors' Shareholdings (direct and indirect), excluding directors with substantial interests		
Mr. Daniel Owor Agbor	35,000,000	1.21%
Mr. Folasope Babasola Aiyesimoju	77,631,569	2.69%
Dr. Vitus Ezinwa	878,174	0.03%
Dr. Umaru Alka	8,109	0.00%
Mrs. Suzanne Olufunke Iroche	-	0.00%
Mr. Babatunde Oladele Kasali	10,000	0.00%
Dr. Okechukwu John Mbonu	7,603,344	0.26%
Mr. Karl Olutokun Toriola	-	0.00%
Mr. Bolaji Odunsi	-	0.00%
Total Directors' Shareholdings	121,131,196	4.20%
Other Influential Shareholdings		
Cardinalstone Account CPM	142,999,574	4.96%
Dalio Property Development Limited	105,000,000	3.64%
Metropolitan Life Insurance Nig Ltd - Tr	95,783,885	3.32%
Total Other Influential Shareholdings	343,783,459	11.93%
Free Float in Units and Percentage	2,136,983,521	74.17%
Free Float in Value	₦ 20,835,589,329.75	

Declaration:

UAC of Nigeria PLC, with a free float percentage of 74.17% as at 30 June 2021, is compliant with The Exchange's free float requirements for companies listed on the Main Board.