MEYER PLC

UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH JUNE, 2021

NO 32, BILLINGS WAY
OREGUN INDUSTRIAL ESTATE
ALUASA IKEJA, LAGOS
LAGOS.
http://www.meyerpaints.com

MEYER PLC

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR 2ND QUARTER ENDED 30TH JUNE, 2021.

NO 32, BILLINGS WAY
OREGUN INDUSTRIAL ESTATE
ALUASA IKEJA, LAGOS
http://www.meyerpaints.com

MEYER PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 30TH JUNE, 2021

		GROUP		COMPANY	
		30/06/2021	30/06/2020	30/06/2021	30/06/2020
	Note	N'000	N'000	N'000	N'000
Continuing operations					
Revenue	5	485,461	393,965	485,461	393,965
Cost of sales	5.1	(331,462)	(252,860)	(331,462)	(252,860)
Gross profit		**153,999**	**141,105**	**153,999**	**141,105**
Other operating income	**7**	15,129	11,980	15,129	11,980
Selling & Distribution expenses	**8**	(11,598)	(10,824)	(11,598)	(10,824)
Administrative expenses	**9**	(208,966)	(226,433)	(208,966)	(226,433)
Profit/ (loss) from operating activities		**(51,436)**	**(84,172)**	**(51,436)**	**(84,172)**
Finance Income	**10(i)**	45,159	25,653	45,159	25,653
Finance costs	**10(ii)**	(1,230)	(735)	(1,230)	(735)
Profit/(Loss) before tax		**(7,506)**	**(59,254)**	**(7,506)**	**(59,254)**
Taxation (Provision)	**12**	(1,820)	(1,477)	(1,820)	(1,477)
Profit /(Loss) for the period		**(9,326)**	**(60,731)**	**(9,326)**	**(60,731)**
Other comprehensive income, net of income tax					
Items that will not be reclassified subsequently to profit or loss:					
Remeasurement of Defined benefit obligation		-	-	-	-
Deferred tax credit		-	-	-	-
Total comprehensive loss for the period		**(9,326)**	**(60,731)**	**(9,326)**	**(60,731)**
Profit/Loss for the period attributable to:					
Owners of the Company		(9,322)	(60,731)	(9,326)	(60,731)
Non-controlling interests		(4)	(4)	-	-
		(9,326)	**(60,735)**	**(9,326)**	**(60,731)**
Total comprehensive (loss)/income for the period attributable to:					
Owners of the Company		(9,322)	(60,731)	(9,326)	(60,731)
Non-controlling interests		(4)	(4)	-	-
		(9,326)	**(60,735)**	**(9,326)**	**(60,731)**
Earnings per share					
Basic and diluted earnings per share	**13**	**(2)**	**(12)**	**(2)**	**(12)**

MEYER PLC

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX (6) MONTHS ENDED 30TH JUNE, 2021

	GROUP				COMPANY			
	Three (3) Months Ended 30/06/2021	Six (6) Months Ended 30/06/2021	Three (3) Months Ended 30/06/2020	Six (6) Months Ended 30/06/2020	Three (3) Months Ended 30/06/2021	Six (6) Months Ended 30/06/2021	Three (3) Months Ended 30/06/2020	Six (6) Months Ended 30/06/2020
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Continuing operations								
Revenue	261,988	485,461	**129,559**	**393,964**	261,988	485,461	**129,559**	**393,964**
Cost of sales	(186,307)	(331,462)	(86,237)	(252,860)	(186,307)	(331,462)	(86,237)	(252,860)
Gross profit	**75,681**	**153,999**	**43,322**	**141,104**	**75,681**	**153,999**	**43,322**	**141,104**
Other operating income	1,225	15,129	6,760	11,980	1,225	15,129	6,760	11,980
Selling & Distribution expenses	(3,963)	(11,598)	(2,284)	(10,824)	(3,963)	(11,598)	(2,284)	(10,824)
Administrative expenses	(109,122)	(208,966)	(106,383)	(226,433)	(109,122)	(208,966)	(106,383)	(226,433)
Profit/ (loss) from operating activities	**(36,179)**	**(51,436)**	**(58,585)**	**(84,173)**	**(36,179)**	**(51,436)**	**(58,585)**	**(84,173)**
Finance Income	21,180	45,159	23,505	25,653	21,180	45,159	23,505	25,653
Finance costs	(618)	(1,230)	(175)	(735)	(618)	(1,230)	(175)	(735)
Profit/(Loss) before tax	**(15,616)**	**(7,506)**	**(35,255)**	**(59,255)**	**(15,616)**	**(7,506)**	**(35,255)**	**(59,255)**
Taxation (Provision)	(1,820)	(1,820)	(486)	(1,477)	(1,820)	(1,820)	(486)	(1,477)
Profit /(Loss) for the period	**(17,436)**	**(9,326)**	**(35,741)**	**(60,732)**	**(17,436)**	**(9,326)**	**(35,741)**	**(60,732)**
Other comprehensive income, net of income tax								
Items that will not be reclassified subsequently to profit or loss:								
Remeasurement of Defined benefit obligation								
Deferred tax credit	-	-	-	-	-	-	-	-
Total comprehensive loss for the period	**(17,436)**	**(9,326)**	**(35,741)**	**(60,732)**	**(17,436)**	**(9,326)**	**(35,741)**	**(60,732)**
Profit/ (Loss) for the period attributable to:								
Owners of the Company	(17,436)	(9,326)	(35,741)	(60,732)	(17,436)	(9,326)	(35,741)	(60,732)
Non-controlling interests	-	-	-	-	-	-	-	-
	(17,436)	**(9,326)**	**(35,741)**	**(60,732)**	**(17,436)**	**(9,326)**	**(35,741)**	**(60,732)**
Total comprehensive Income/(Loss) for the period attributable to:								
Owners of the Company	(17,436)	(9,326)	(35,741)	(60,732)	(17,436)	(9,326)	(35,741)	(60,732)
Non-controlling interests	-	-	-	-	-	-	-	-
	(17,436)	**(9,326)**	**(35,741)**	**(60,732)**	**(17,436)**	**(9,326)**	**(35,741)**	**(60,732)**
Earnings per share								
Basic and diluted earnings per share	**(4)**	**(2)**	**(7)**	**(12)**	**(4)**	**(2)**	**(7)**	**(12)**

MEYER PLC

STATEMENT OF FINANCIAL POSITION

FOR THE PERIOD ENDED 30TH JUNE, 2021

		GROUP		COMPANY	
		30/06/2021	31/12/2020	30/06/2021	31/12/2020
	Note	N'000	N'000	N'000	N'000
Non-current assets					
Property, plant and eq	14	258,944	264,661	258,944	264,661
Right of use	14	103,089	121,895	103,089	121,895
Intangible assets	15	-	-	-	-
Called up shares not pa	0			-	-
Deffered tax assets	12	5,503	5,503	5,503	5,503
Total non-current assets		367,536	392,059	367,536	392,059
Current assets					
Inventories	17	92,803	95,150	92,803	95,150
Trade and other receiv	18	195,404	175,705	158,778	139,283
Other assets	15	2,105	-	2,105	-
Cash and cash equivale	19	2,202,859	2,388,772	2,202,675	2,388,588
Total current assets		2,493,171	2,659,627	2,456,361	2,623,021
Total assets		2,860,707	3,051,686	2,823,897	3,015,080
Current liabilities					
Trade and other payab	22a	551,649	584,880	566,700	600,134
Deposit for Assets Helc	23b	-	-	-	-
Short term borrowings	20b	39,159	21,128	39,159	21,128
Current tax liabilities	12	482,770	651,338	482,485	651,053
Total current liabilities		1,073,578	1,257,346	1,088,343	1,272,315
Net Current Assets		1,419,593	1,402,281	1,368,018	1,350,706
Total assets less current liabilities		1,787,129	1,794,340	1,735,554	1,742,765
Non-Current Liabilities					
Decommissioning cost	22a	9,600	9,600	9,600	9,600
Borrowings	20c	-	-	-	
Employment benefits	21	19,205	17,089	19,204	17,089
		28,805	26,689	28,804	26,689
Net Assets		1,758,325	1,767,651	1,706,750	1,716,076
Equity					
Share capital	23	248,864	248,864	248,864	248,864
Share premium accour	24	53,173	53,173	53,173	53,173
Revenue reserve	25	1,453,840	1,463,166	1,404,713	1,414,039
Total equity attributable to owners of the company		1,755,877	1,765,203	1,706,750	1,716,076
Non-controlling intere:	26i	2,448	2,448	-	-
Total Equity		1,758,325	1,767,651	1,706,750	1,716,076

The financial statements and notes to the financial statements were approved by the Board of directors on July 28, 2021 and signed on its behalf by:

ROTIMI ALASHE……… Managing Director

FRC/2013/ICAN/00000002335

OLUTOYIN OKEOWO….Director

FRC/2013/IODN/0000000263

MEYER PLC
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30TH JUNE, 2021
The Group

	Share capital	Share premium	Retained Earnings	Non controlling interest	Total Equity
	N'000	N'000	N'000	N'000	N'000
Balance at 1st January 2021	248,864	53,173	1,463,166	2,448	1,767,651
Comprehensive Income for the year					
Profit/(Loss) for the period	-	-	(9,326)	-	(9,326)
Adjustment for Non-controlling interest	-	-	-	-	-
Other comprehensive loss for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	(9,326)	-	(9,326)
contributions by and distributions to owners:					
Issued Share Capital	-	-	-	-	-
Share premium	-	-	-	-	-
Balance as at 30th June 2021	248,864	53,173	1,453,840	2,448	1,758,325
Balance as at 1st January 2020	248,864	53,173	345,156	2,452	649,645
Comprehensive income for the year					
Profit/(Loss) for the period	-	-	1,118,010	-	1,118,010
Adjustment for Non-controlling interest	-	-	-	(4)	(4)
Other comprehensive loss for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	1,118,010	(4)	1,118,006
contributions by and distributions to owners:					
Issued Share Capital	-	-	-	-	-
Share premium	-	-	-	-	-
Balance at 31st December 2020	248,864	53,173	1,463,166	2,448	1,767,651

MEYER PLC
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30TH JUNE, 2021
The Company

	Share capital N'000	Share premium N'000	Retained Earnings N'000	Non controllin g interest N'000	Total Equity N'000
Balance at 1st January 2021	248,864	53,173	1,414,039	-	1,716,076
					-
Loss for the period	-	-	(9,326)	-	(9,326)
Other comprehensive loss for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	(9,326)	-	(9,326)
Contribution by and Distribution to owners:					
Issued Share Capital	-	-	-	-	-
Share premium	-	-	-	-	-
Balance as at 30th June 2021	248,864	53,173	1,404,713	-	1,706,750
Balance as at 1st January 2020	248,864	53,173	305,533		607,570
Profit/(Loss) for the period	-	-	1,108,506	-	1,108,506
Total comprehensive income for the period	-	-	1,108,506	-	1,108,506
Contribution by and Distribution to owners:					
Issued Share Capital	-	-	-	-	-
Share premium	-	-	-	-	-
Balance at 31st December 2020	248,864	53,173	1,414,039	-	1,716,076

MEYER PLC
CASHFLOW STATEMENT
FOR THE PERIOD ENDED 30TH JUNE, 2021

	GROUP		COMPANY	
	30/06/2021	31/12/2020	30/06/2021	31/12/2020
Cash flow from operating activites	N'000	N'000	N'000	N'000
Profit/(Loss) for the period	(9,326)	1,118,107	(9,326)	1,108,506
Adjusted for:				
Depreciation of property, plant and equipment	27,254	34,456	27,254	34,456
Finance cost	1,230	9,268	1,230	9,268
Finance income	(45,159)	(71,125)	(45,159)	(71,125)
income tax expenses	1,820	520,374	1,820	520,374
Profit on disposal of property, plant and equipment	(1,578)	(3,317)	(1,578)	(3,317)
Profit from disposal of old Meyer factory	-	(1,781,828.00)	-	(1,781,828)
Decommissiong cost	-	9,600	-	9,600
Impairment of Investment in Subsidiary	-	-	-	9,600
Operating cash flows before movements in working capital	(25,759)	(164,465)	(25,759)	(164,466)
(Increase)/decrease in inventories	2,347	12,449	2,347	12,449
Decrease/(increase) in trade and other receivables	(19,698)	179,179	(19,493)	179,179
(Increase)/decrease in other assets	(2,105)	-	(2,105)	-
Increase/(decrease) in trade and other payables	(33,208)	(2,516,598)	(15,404)	(2,516,598)
Increase/(decrease) in finance lease	(823)	-	(800)	-
Increase/(decrease) in employee benefit	2,116	(10,305)	2,115	(10,305)
	(77,131)	**(2,499,740)**	**(59,100)**	**(2,499,741)**
Income taxes paid	(170,388)	(6,422)	(170,388)	(6,422)
Net cash generated by operating activities	**(247,519)**	**(2,506,162)**	**(229,488)**	**(2,506,163)**
Cashflow from investing activities				
Purchase of property, plant and equipment	(13,029)	(4,648)	(13,029)	(4,648)
Proceeds from sale of Property, plant and equipment	12,675	3,318,494	12,675	3,318,494
Finance income	45,159	71,124	45,159	71,125
Net cash generated by investing activities	**44,805**	**3,384,970**	**44,805**	**3,384,971**
Cashflow from financing activities				
Repayment of short term borrowings	18,031	(11,810)	-	(11,810)
Borrowing	-	51,128	-	51,128
Finance charges	(1,230)	(9,268)	(1,231)	(9,268)
Net cash generated by financing activities	**16,801**	**30,050**	**(1,231)**	**30,050**
Net cash and cash equivalents for the period	**(185,913)**	**908,858**	**(185,913)**	**908,858**
Cash and cash equivalents at beginning of the year	2,388,772	1,479,914	2,388,588	1,479,730
Cash and cash equivalents at end of the period	**2,202,859**	**2,388,772**	**2,202,675**	**2,388,588**

MEYER PLC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH JUNE, 2021

1. The Group

The group comprises Meyer Plc (the Company) and its subsidiary - DNM Construction Limited.

Meyer Plc (peviously called DN Meyer Plc) is a manufacturing Company incorporated in Nigeria on the 20th of May 1960. The name was changed by a special resolution and the authority of the Corporate Affairs Commission on the 1st of July 2016. The Company manufactures and markets paints. The shares of the Company are held as to 31.43% by Greenwich Capital Limited, 30.93% by Bosworth Investments & Services Limited, 5.42% by Mr. Osa Osunde,5.06 by Mr. Kayode Falowo and 27.16% by Nigerian citizens.

Its registered office is at No 32, Billings way, Oregun Industrial Estate, Alausa Ikeja, Lagos.

2 Basis of preparation

a **Statement of compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting and Assurance Standards Board (IAASB) and the requirements of the Companies and Allied Matters Act, CAP C20 LFN, 2004.

The financial statements were authorised for issue by the Board of Directors on 28th July 2021

b. **Basis of measurement**

The group financial statements have been prepared on the historical cost basis except for certain financial instruments measured at fair value

c. **Functional and presentation currency**

The Company and group functional and presentation currency is the Nigerian naira. The financial statements are presented in Nigerian Naira and have been rounded to the nearest thousand except otherwise stated.

d. **Use of estimates and judgement**

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and judgments. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

2(e) **New standards, interpretations and amendments effective from 1 January 2020**

New standards that were adopted in the financial statements for the period ended 30 June 2021, but had no significant effect or impact on the group are:

- IAS 1 Presentation of Financial Statements and
- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment – Disclosure Initiative - Definition of Material); and
- Revisions to the Conceptual Framework for Financial Reporting.
- Definition of a Business (Amendments to IFRS 3);
- Interest Rate Benchmark Reform – IBOR 'phase 2' (Amendments to IFRS 9, IAS 39 and IFRS 7); and
- COVID-19-Related Rent Concessions (Amendments to IFRS 16).

(f) **New standards, interpretations and amendments issued not yet effective**

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early.

3 Critical accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience as other factors, including expectations of future events that are believed to be reasonable under the circumstatnces. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

i) Meyer Plc annually incurs significant amounts of income taxes payable, and also recognises significant changes to deferred tax assets and deferred tax liabilities, all of which are based on management's interpretations of applicable laws and regulations. The quality of these estimates is highly dependent upon management's ability to properly apply at times a very complex sets of rules, to recognise changes in applicable rules and, in the case of deferred tax assets, management's ability to project future earnings from activities that may apply loss carry forward positions against future income taxes.

ii) Impairment of property, plant and equipment

The Group assesses assets or groups of assets for impairment annually or whenever events or changes in circumstances indicate that carrying amounts of those assets may not be recoverable. In assessing whether a write-down of the carrying amount of a potentially impaired asset is required, the asset's carrying amount is compared to the recoverable amount. Frequently, the recoverable amount of an asset proves to be the Group's estimated value in use.

The estimated future cash flows applied are based on reasonable and supportable assumptions and represent management's best estimates of the range of economic conditions that will exist over the remaining useful life of the cash flow generating assets.

iii) Legal proceedings

The Group reviews outstanding legal cases following developments in the legal proceedings at each reporting date, in order to assess the need for provisions and disclosures in its financial statements. Among the factors considered in making decisions on provisions are the nature of litigation, claim or assessment, the legal process and potential level of damages in the jurisdiction in which the litigation, claim or assessment has been brought, the progress of the case (including the progress after the date of the financial statements but before those statements are issued),the opinions or views of legal advisers, experience on similar cases and any decision of the Group's management as to how it will respond to the litigation, claim or assessment.

4 Consolidation

(i) **Subsidiary**

The financial statements of the subsidiary are consolidated from the date the Company acquires control, up to the date that such effective control ceases. For the purpose of these financial statements, subsidiaries are entities over which the company has control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns.Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

De-facto control exists in situations where the company has the practical ability to direct the activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the company considers all relevant facts and circumstances, including:

The size of The Company's voting rights relative to both the size and dispersion of other parties who hold voting rights; Substantive potential voting rights held by The Company and by other parties and other contractual arrangements

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Company. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity instruments issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

Inter-company transactions, balances and unrealised gains on transactions between companies within the Group are eliminated on consolidation. Unrealised losses are also eliminated in the same manner as unrealised gains, but only to the extent that there is no evidence of impairment. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Investment in subsidiaries in the separate financial statements of the parent entity is measured at cost.

(ii) **Changes in ownership interests in subsidiary without change of control**
The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired

(iii) Acquisition-related costs are expensed as incurred.
If the business combination is achieved in stages, fair value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date through profit or loss.

(iv) **Disposal of subsidiaries**

On loss of control, the Group derecognises the assets and liabilities of the subsidiary, any controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, that retained interest is accounted for as an equity-accounted investee or as financial asset at fair value through other comperhensive income (FVOCI) depending on the level of influence retained.

MEYER PLC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH JUNE, 2021

4 Summary of significant accounting policies

The accounting policies set out below have been applied consistently to all years presented in these financial statements.

a Going concern

The directors assess the Company and its subsidiary's future performance and financial position on a going concern basis and have no reason to believe that the Company will not be a going concern in the year ahead. For this reason, these financial statements have been prepared on the basis of accounting policies applicable to a going concern.

b Foreign currency

Foreign currency transactions

In preparing the financial statements of the Group, transactions in currencies other than the entity's presentation currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or

Non -monetary items that are measured in terms of cost in a foreign currency are translated using the exchange rate at the end of the period.

c Revenue recognition

Revenue represents the fair value of the consideration received or receivable for sales of goods and services, in the ordinary course of the Group’s activities and is stated net of value-added tax (VAT), rebates and discounts.

(i) Sale of goods and rendering of services

is recognized when the entity satisfies a performance obligation by transferring a promised goods or service to a customer. The goods or services are transferred when the customer acquires control over the asset, which may happen either over time or at a particular point in time. Under the five-step process an entity must complete the following steps before revenue can be recognized: Identify contracts with customers, identify performance obligations, determine the transaction price, allocate the transaction price to each of the separate performance obligations, and finally recognize the revenue as each performance

(ii) Other income

This comprises profit from sale of financial assets, property, plant and equipment, foreign exchange gains, fair value gains of non financial assets measured at fair value through profit or loss and impairment loss no longer required written back.

Income arising from disposal of items of financial assets, plant and equipment and scraps is recognised at the time when proceeds from the disposal has been received by the Group. The profit on disposal is calculated as the difference between the net proceeds and the carrying amount of the assets. The Group recognised impairment no longer required as other income when the Group received cash on an impaired receivable or when the value of an impaired investment increased and the investment is realisable.

d Expenditure

Expenditures are recognised as they accrue during the course of the year. Analysis of expenses recognised in the statement of comprehensive income is presented in classification based on the function of the expenses as this provides information that is reliable and more relevant than their nature.

The Group classifies its expenses as follows:
- Cost of sales;
- Administration expenses;
- Selling and distribution expenses; and
- Other allowances and amortizations

Finance income and finance costs
Finance income comprises interest income on short-term deposits with banks, dividend income, changes in the fair value of financial assets at fair value through profit or loss and foreign exchange gains.

Dividend income from investments is recognised in profit or loss when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the entity and the amount of income can be measured reliably).
Interest income on short-term deposits is recognised by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and deferred consideration, losses on disposal of available for sale financial assets, impairment losses on

e Borrowing costs

Borrowing costs directly attributable to the construction of qualifying assets, which are assets that necessarily take a substantial period of time to prepare for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other

f Income tax expenses

Income tax expense comprises current income tax, education tax and deferred tax.

g Earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

h Property, plant and equipment

Items of property, plant and equipment are measured at cost and less accumulated depreciation and impairment losses. The cost of property plant and equipment includes expenditures that are directly attributable to the acquisition of the asset. Property, plant and equipment under construction are disclosed as capital work-in-progress.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as a separate item of property, plant and equipment and are depreciated accordingly. Subsequent costs and additions are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

All other repairs and maintenance costs are charged to the profit and loss component of the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

Depreciation is recognised so as to write off the cost of the assets less their residual values over their useful lives, using the straight-line method on the following bases:

Major overhaul expenditure, including replacement spares and labour costs, is capitalised and amortised over the average expected life between major overhaul.

Building	36-76 years
Funiture and Fixtures	4 years
Motor Vehicles	4 years
Plant and Machinery	8 years
Office Equipment	4 years

The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefit is expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit and loss component of the statement of comprehensive income within 'Other income' in the year that the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate.

i Intangible Assets

Computer software

Computer software purchased from third parties. They are measured at cost less accumulated amortisation and accumulated impairment losses. Purchased computer software is capitalised on the basis of costs incurred to acquire and bring into use the specific software. These costs are amortised on a straight line basis over the useful life of the asset.

Expenditure that enhances and extends the benefits of computer software beyond their original specifications and lives, is recognised as a capital improvement cost and is added to the original cost of the software. All other expenditure is expensed as incurred.

Amortisation is recognised in the income statement on a straight-line basis over the estimated useful life of the software, from the date that it is available for use. The residual values and useful lives are reviewed at the end of each reporting period and adjusted if appropriate. An Intangible asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The estimated useful lives for the current and comparative period are as follows:

Computer software	5 years

Derecognition of intangible assets

An intangible assets is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible assets, measured are as the difference between the net disposal proceeds and the carrying amount of the assets, are recognised in profit or loss when the asset is derecognised.

j Impairment of non-financial assets

Non-financial assets other than inventories are reviewed at each reporting date for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which they have separately identifiable cash flows (cash-generating units).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the income statements, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment is treated as a revaluation increase.

k **Leases**

The standard covers the recognition of leases and related disclosure information in the financial

The new standard defines a lease as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In the financial statement of lessees, IFRS 16 requires recognition in the balance sheet for each contract that meets its definition of a lease as right-of-use (RoU) asset and a lease liability, while lease payments are reflected as interest expense and a reduction of lease liabilities. The RoU assets are depreciated over the shorter of each contract's term and the assets useful life.

Upon implementation of IFRS 16, the following main implementation and application policy choices were made by the group:

- Short term leases (12 months or less) and leases of low value assets are not reflected in the statement of profit or loss and other comprehensive income but are expensed or (if appropriate) capitalised as incurred, depending on the activity in which the leased asset is used

- Non-lease components within lease contracts will be accounted for separately for all underlying classes of assets and reflected in the relevant expense category or (if appropriate) capitalised as incurred, depending on the activity involved.

At the commencement of the lease period, the following shall be recognised:

- A lease liability equal to the net present value of the non-variable lease payments over the lease term, including any lease incentives and residual value guarantees expected to be paid under the contract

- A RoU asset equal to the lease liability, with the addition of any lease pre-payments, initial direct costs and costs of dismantling or restoration.

l **Financial instruments**

Financial Assets

Financial assets are initially recognised at fair value plus directly attributable transaction costs. Subsequent remeasurement of financial assets is determined by their designation that is revisited at each reporting date.

i) **Financial assets at fair value through other comprehensive income**

Financial assets at fair value through other comprehensive income (FVOCI) consist of:

- Non-trading equity investments designated by management at initial recognition. Once designated, they cannot be reclassified into any other category

- Financial assets held with the objective of both collecting contractual cash flows and selling the financial assets and the assets cash flows are solely payment of principal and interest.

ii) Financial assets at amortised cost

The Company classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

The group financial assets are trade receivables, other receivables and cash and cash equivalents.

iii) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognized initially at the amount of consideration that is uncondition unless they contain significant financing components, when they are recognized at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the Company's impairment policies and the calculation of the loss allowance are provided in note 7(b).

iv) Other receivables

These amounts generally arise from transactions outside the usual operating activities of the group. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained. The non-current other receivables are due and payment within three years from the end of the reporting period.

v Cash and cash equivalent

Cash and cash equivalents consist of cash at bank and in hand and short-term deposits with an original maturity of three months or less.

Bank overdrafts are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

vi Derecognition of financial asset

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires, or when it transfers substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the income statement.

vii Impairment of financial instruments

The Company has trade receivables for the sales of inventory that is subject to the expected credit loss model.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables has been grouped based on shared credit risk characteristics and the days past due. The Company has therefore concluded that the expected loss rates for trade receivable are reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 360 days before 31 March 2021 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

m a) Financial liabilities

Financial liabilities are initially recognised at fair value when the Company becomes a party to the contractual provisions of the liability. Subsequent measurement of financial liabilities is based on amortized cost using the effective interest method. The Company financial liabilities include trade and other payables.

Financial liabilities are presented as if the liability is due to be settled within 12 months after the reporting date, or if they are held for the purpose of being traded. Other financial liabilities which contractually will be settled more than 12 months after the reporting date are classified as non-current.

i) Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

ii) Borrowings

Borrowings are recognized initially at their issue proceeds and subsequently stated at cost less any repayments. Transaction costs where immaterial, are recognized immediately in the statement of comprehensive income. Where transaction costs are material, they are capitalized and amortised over the life of the loan. Interest paid on borrowing is recognized in the statement of comprehensive income for the period.

iii) De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of profit or loss and other comprehensive income.

(b) Inventories

Inventories are stated at the lower of cost and net realisable value, with appropriate provisions for old and slow moving items. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Cost is determined as follows:-

Raw materials

Raw materials which includes purchase cost and other costs incurred to bring the materials to their location and condition are valued at actual cost.

Work in progress

Cost of work in progress includes cost of raw materials, labour, production and attributable overheads based on normal operating capacity.

Finished goods

Cost is determined using standard costing method and includes cost of material, labour, production and attributable overheads based on normal operating capacity.

Spare parts and consumables

Spare parts which are expected to be fully utilized in production within the next operating cycle and other consumables are valued at weighted average cost after making allowance for obsolete and damaged inventory.

(n) Provisions

A provision is recognized only if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. The Group's provisions are measured at the present value of the expenditures expected to be required to settle the obligation.

(c) Employee benefits

The Group operates the following contribution and benefit schemes for its employees:

(i) Defined contribution pension scheme

In line with the provisions of the Nigerian Pension Reform Act, 2014, Meyer Plc has instituted a defined contributory pension scheme for its employees. The scheme is funded by fixed contributions from employees and the Group at the rate of 8% by employees and 10% by the Group of basic salary, transport and housing allowances invested outside the Group through Pension Fund Administrators (PFAs) of the employees choice.

The Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employees' service in the current and prior periods.

The matching contributions made by Meyer Plc to the relevant PFAs are recognised as expenses when the costs become payable in the reporting periods during which employees have rendered services in exchange for those contributions. Liabilities in respect of the defined contribution scheme are charged against the profit of the period in which they become payable.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available

(ii) Short-term benefits

Short term employee benefit obligations which include wages, salaries, bonuses and other allowances for current employees are measured on an undiscounted basis and recognised and expensed by Meyer Plc in the income statement as the employees render such services.

A liability is recognised for the amount expected to be paid under short - term benefits if the Group has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(e) Income Taxes - Company income tax and deferred tax liabilities

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity or in other comprehensive income. Current income tax is the estimated income tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

The tax currently payable is based on taxable results for the year. Taxable results differs from results as reported in the income statement because it includes not only items of income or expense that are taxable or deductible in other years but it further excludes items that are never taxable or deductible. The Group's liabilities for current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability differs from its tax base. Deferred taxes are recognized using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes (tax bases of the assets or liability). The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted by the reporting date.

Deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

(f) Share capital and Share premium

Shares are classified as equity when there is no obligation to transfer cash or other assets. Any amounts received over and above the par value of the shares issued is classified as 'share premium' in equity. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

(g) Dividend on ordinary shares

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Group's shareholders. Interim dividends are deducted from equity when they are declared and no longer at the discretion of the shareholders. Dividends for the year that are approved after the statement of financial position date are disclosed as an event after the statement of financial position date.

(h) Retained earnings

General reserve represents amount set aside out of profits of the Group which shall at the discretion of the directors be applied to meeting contingencies, repairs or maintenance of any works connected with the business of the Group, for equalising dividends, for special dividend or bonus, or such other purposes for which the profits of the Group may lawfully be applied.

(i) Contingent liability

A contingent liability is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote. Where the Group is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability. The entity recognises a provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable, except in the extremely rare circumstances where no reliable estimate can be made. Contingent liabilities are assessed continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the financial statements of the period being audited except in the extremely rare circumstances where no reliable estimate can be made.

(j) Related party transactions or insider dealings

Related parties include the related companies, the directors, their close family members and any employee who is able to exert significant influence on the operating policies of the Group. Key management personnel are also considered related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity directly, including any director (whether executive or otherwise) of that entity. The Group considers two parties to be related if, directly or indirectly one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions.

Where there is a related party transactions within the Group, the transactions are disclosed separately as to the type of relationship that exists within the Group and the outstanding balances necessary to understand their effects on the financial position and the mode of settlement.

(K) Effective Interest Method

The effective interest method is a method of calculating the amortised cost of an interest bearing financial instrument and of allocating interest income and expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cashflows (including all fees and points paid or received that form an integral part of the effective interest rate, translation costs and other premiums or discounts) through the expected life of the debt instruments, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

(l) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it can earn revenues and incur expenses, including revenues and expenses that relates to transactions with any of the Group's other components, whose operating results are reviewed regularly by the Finance Director (being the Chief Operating Decision Maker) to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available.

7 Determination of fair value

(a) A number of the Group's accounting policies and disclosures require the determination of fair value for the both financial and non-financial assets and liabilities. Fair values have been determined for measurement and /or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determing fair values is disclosed in the notes specific to that assets or liabilities.

i Property, plant and equipment

The fair value of items of plant and machinery, fixtures and fittings, motor vehicles and Land and buildings is based on depreciated replacement cost and comparison approaches. "Depreciated replacement cost" reflects the current cost of reconstructing the existing structure together with the improvements in today's market adequately depreciated to reflect its physical wear and tear, age, functional and economic obsolescence plus the site value in its exisiting use as at the date of inspection while "Comparison Approach" that is the analysis of recent sale transactions or similar properties in the neighbourhood. The figure thus arrived at represents the best price that the subsisting interest in the property will reasonably be expected to be sold if made available for sale by private treaty between a willing seller and buyer under competitive market conditions.

ii Valuation of financial assets at fair value through other comprehensive income (FVOCI)

The fair value of investments in equity are determined with reference to their quoted closing bid price at the measurement date, or if unquoted, determined using a valuation technique. Valuation techniques employed is the net asset per share basis.

iii Fair value hierarchy

Fair values are determined according to the following hierarchy based on the requirements in IFRS 7 Financial Instrument Disclosure'.

Level 1 : quoted market prices: financial assets and liabilities with quoted prices for identical instruments in active markets.

Level 2: valuation techniques using observable inputs: quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial assets and liabilities values using models where all significant inputs are observable.

Level 3: valuation techniques using significant unobservable inputs:financial assets and liabilities valued using valuation techniques where one or more significant inputs are unobservable. The best evidence of fair value is a quoted price in an active market. In the event that the market for a financial asset or liability is not active, a valuation technique is used.

b **Financial risk management**

i General

Pursuant to a financial policy maintained by the Board of Directors, the Group uses several financial instruments in the ordinary course of business. The Group's financial instruments are cash and cash equivalents, trade and other receivables, interest-bearing loans and bank overdrafts and trade and other payables.

The Group has exposure to the following risks from its use of financial instruments:
- Credit risk
- Liquidity risk
- Market risk, consisting of: currency risk, interest rate risk and price risk

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from Group's receivables from customers. It is the Group's policy to assess the credit risk of new customers before entering into contracts.

The Management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, when available, and in some cases bank references. Purchase limits are established for each customer, which represents the maximum open amount without requiring approval from the Management.

The Management determines concentrations of credit risk by quarterly monitoring the creditworthiness rating of existing customers and through a monthly review of the trade receivables' ageing analysis. In monitoring the customers' credit risk, customers are grouped according to their credit characteristics. customers that are grouped as "high risk" are placed on a restricted customer list, and future credit services are made only with approval of the

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. Banks with good reputation are accepted by the Group for business transactions.
The maximum credit risk as per statement of financial position,without taking into account the aforementioned financial risk coverage instruments and policy, consists of the book values of the financial assets as stated below:

	GROUP	
	2021	2020
	N'000	N'000
Trade receivables (Note 18)	110,165	99,840
Cash and cash equivalents (Note 19)	2,202,859	2,388,772
	2,313,024	**2,488,612**

As at the reporting date there was no concentration of credit risk with certain customers.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. Banks with good reputation are accepted by the Group for business transactions.

Cash is held with the following banks and other financial institutions:-

	2021	**2020**
	N'000	N'000
Access Bank Plc	6,401	437,521
Diamond Bank Plc	1	101
Eco Bank Plc	4	13
First City Monument Bank Limited	55	76
Guaranty Trust Bank Plc	584	1,887
Stanbic IBTC Bank Limited	627	18
First Bank of Nigeria Limited	234	2
Zenith Bank Plc	145	473
Sterling Bank Plc	13	8
Union Bank of Nigeria Plc	99	99
Skye Bank (Polaris Bank Limited)	217	279
Heritage Bank Limited	14	4
United Bank for Africa Plc	66	340
Wema Bank Plc	98	8
Providus Bank Limited	1,396,986	262,636
Greenwich Asset Management Limited	796,768	787,578
	2,202,309	1,491,043

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. Liquidity projections including available credit facilities are incorporated in the regular management information reviewed by Management. The focus of the liquidity review is on the net financing capacity, being free cash plus available credit facilities in relation to the financial liabilities. The following are the contractual maturities of financial liabilities:

As at 30th June 2021	**=N=000**	**=N=000**	**=N=000**	**=N=000**
	Book value	**Contractual cashflow**	**One year or less**	**1-5 years**
Borrowings	1,813	-	-	1,813
Trade and other payables	551,649	-	551,649	-
	553,462	-	551,649	1,813

	Book value	Contractual cashflow	One year or less	1-5 years
Borrowings	1,813	-	1,813	-
Trade and other payables	551,649	-	551,649	-
	553,462	**-**	**553,462**	**-**

Market risk

Market risk concerns the risk that Group income or the value of investments in financial instruments is adversely affected by changes in market prices, such as exchange rates and interest rates. The objective of managing market risks is to keep the market risk position within acceptable boundaries while achieving the best possible return.

Foreign exchange risk

The functional currency of the Group is the Nigerian naira.

Interest rate risk

The Group has fixed interest rate liabilities. In respect of controlling interest risks, the policy is that, in principle, interest rates for loans payable are primarily fixed for the entire maturity period. This is achieved by contracting loans that carry a fixed interest rate. The effective interest rates and the maturity term profiles of interest-bearing loans, deposits and cash and cash equivalents are stated below:

As at 30th June 2021	Effective interest rate	one year or less	1-5 years	Total
		N'000	N'000	N'000
Cash and cash equivalents	-	2,202,309	-	2,202,309
Borrowings	-	1,813	-	1,813
	-	**2,204,122**	**-**	**2,204,122**

Fair Value

Financial instruments accounted for under assets and liabilities are cash and cash equivalents, receivables, and current and non-current liabilities. The fair value of most of the financial instruments does not differ materialy from the book value.

5 Revenue

	GROUP		COMPANY	
	30/06/2021	**30/06/2020**	**30/06/2021**	**30/06/2020**
	N'000	**N'000**	**N'000**	**N'000**
Paints	484,368	383,429	484,368	383,429
Application of paints	1,093	10,536	1,093	10,536
	485,461	**393,965**	**485,461**	**393,965**

5.1 Cost of sales

An analysis of the group company's cost of sales is as follows:

	30/06/2021	**30/06/2020**	**30/06/2021**	**30/06/2020**
	N'000	**N'000**	**N'000**	**N'000**
Paints	330,700	247,284	330,700	247,284
Application of paints	762	5,576	762	5,576
	331,462	**252,860**	**331,462**	**252,860**

MEYER PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH JUNE, 2021

6 Segment Reporting

Products and services from which reportable segments derive their revenues

The determination of the company operating segments is based on the organisation units for which information is reported to the management. The company has two areas of revenue generation: Paints and Services (Application). Revenue are primarily generated from the sale of Paints and Services rendered through application of paints.

Certain headquarter activities are reported as 'Corporate'. These consist of corporate headquarters including the Corporate Executive Committee.

Information reported to the entity's Chief Executive for the purposes of resource allocation and assessment of segment performance is

focused on the category of products for each type of activity. The principal categories are sale of paints, adhesives/tiles and application

of paints and investment property . The entity's reportable segments under IFRS 8 are therefore as follows:

Paints	This segment is involved in the production of diverse paints products of premium class in their different industries.
Painting Services	This segment is involved in appication of paints on completed buildings in accordance with the architectural design.

Certain headquarter activities are reported as 'Corporate'. These consist of corporate headquarters including the Corporate Executive Committee.

Information reported to the entity's Chief Executive for the purposes of resource allocation and assessment of segment performance is focused on the category of products for each type of activity. The principal categories are sale of paints, adhesives/tiles, application of

Segment Revenue and results	**GROUP**		**COMPANY**	
	30/06/2021	**30/06/2020**	**30/06/2021**	**30/06/2020**
	N'000	**N'000**	**N'000**	**N'000**
Paints	484,368	383,429	484,368	383,429
Application of paints	1,093	10,536	1,093	10,535
	485,461	**393,965**	**485,461**	**393,964**

Segment Results				
	30/06/2021	**30/06/2020**	**30/06/2021**	**30/06/2020**
Other Income	15,129	11,980	15,129	11,980
Finance costs	(1,230)	(735)	(1,230)	(735)
Profit/(Loss) before tax	(7,506)	(59,255)	(7,506)	(59,255)
Tax (Provision)	(1,820)	(1,477)	(1,820)	(1,477)
Profit /(Loss) for the period	(9,326)	(60,731)	(9,326)	(60,731)

Segment Accounting Policies

The accounting policies of the reportable segments are the same as the company's accounting policies described in note. Segment profit represents the gross profit earned by each segment without allocation of general operating expenses, other gains and losses recognised on investment income, other gains and losses as well as finance costs.

This is the measure reported to the Chief Operating Decision Maker for the purpose of resource allocation and assessment of segment performance.

Business and geographical segments

The company operates in all geographical areas in the country.

Segment assets and liabilities

All assets and liabilities are jointly used by the reportable segments.

7 Other Operating Income

	GROUP		COMPANY	
	30/06/2021	30/06/2020	30/06/2021	30/06/2020
	N'000	N'000	N'000	N'000
Profit on disposal of property, plant and equipment	1,578	349	1,578	349
Rental income	805	1,805	805	1,805
Sundry income	11,586	8,625	11,586	8,625
Sale of empty drums	1,161	1,201	1,161	1,201
	15,129	**11,980**	**15,129**	**11,980**

8 Selling and distribution expenses

	30/06/2021	30/06/2020	30/06/2021	30/06/2020
	N'000	N'000	N'000	N'000
Carriage outward	8,114	9,760	8,114	9,760
Sales Promotion/Commission	1,424	35	1,424	35
Dev, & Product Testing	1,360	1,030	1,360	1,030
Delivery Van Expenses	699		699	
	11,598	**10,824**	**11,598**	**10,824**

	GROUP		COMPANY	
	30/06/2021	30/06/2020	30/06/2021	30/06/2020
	N'000	N'000	N'000	N'000
9 Administrative expenses				
Basic	39,574	60,504	39,574	60,504
Overtime	294	50	294	50
Fringe costs	19,803	27,789	19,803	27,789
Christmas bonus	2,638	4,280	2,638	4,280
NSITF	355	615	355	615
Pension scheme	3,753	6,071	3,753	6,071
Casual labour	4,122	2,707	4,122	2,707
Staff Canteen Expenses	7,603	5,920	7,603	5,920
Medical expenses	2,024	4,127	2,024	4,127
Training Local	409	-	409	-
Uniform & Laundry	281	-	281	-
Long Service Award	363	379	363	379
Maintenance Mechanical	1,922	1,500	1,922	1,500
Maintenance Electrical	189	200	189	200
Security Expenses	2,048	3,035	2,048	3,035
Computer Rental Expenses	1,043	1,738	1,043	1,738
Building Rents and rates	1,534	1,096	1,534	1,096
Light & Water Offices	1,347	1,220	1,347	1,220
Site & Office Cleaning	872	680	872	680
Factory Relocation Expense	1,532	1,220	1,532	1,220
Repair & Maintenance General	1,563	1,350	1,563	1,350
Depreciation Land & Building	25	25	25	25
Depreciation Right of Use	18,806	3,031	18,806	3,031
Depreciation Vehicles	5,812	3,740	5,812	3,740
Depreciation Office Equipment	1,176	1,285	1,176	1,285
Depreciation F & F	40	29	40	29
General Quality Assurance Expense	1,870	1,020	1,870	1,020
Advert & Publicity Expenses	1,194	1,077	1,194	1,077
Free Goods & Sample	303	-	303	-
Fuel Lubricant	3,956	2,349	3,956	2,349
Vehicle Expense	4,923	5,760	4,923	5,760
Travelling Expenses	3,563	3,028	3,563	3,028
Fork lift truck expense	353	-	353	-
Directors and Board Expenses	8,690	8,010	8,690	8,010
Insurance Expenses	1,960	3,096	1,960	3,096
Legal & Prefessional Expenses	7,642	7,272	7,642	7,272
Stationary	368	250	368	250
Printing and Publication	1,091	1,520	1,091	1,520
Telephone Expenses	1,629	1,770	1,629	1,770
AGM Expenses	1,500	1,452	1,500	1,452
Courier & Postage	-	30	-	30
Audit Fees	2,419	2,306	2,419	2,306
Performance Cost	16,387	26,612	16,387	26,612
Subscription	1,203	1,180	1,203	1,180
Licence Renewal	2,338	2,250	2,338	2,250
General Stores & Consumables	1,431	857	1,431	857
Entertainment	1,001	1,040	1,001	1,040
Stock taking expenses	172	823	172	823
Redundancy Payment	906	-	906	-
Management Fees	24,921	20,023	24,921	20,023
Staff Recruitment	19	-	19	-
Other expenses	-	2,118	-	2,118
	208,966	**226,433**	**208,966**	**226,433**

MEYER PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30TH JUNE, 2021

10 Finance income and Cost

		GROUP		COMPANY	
		30/06/2021 N'000	30/06/2020 N'000	30/06/2021 N'000	30/06/2020 N'000
(i)	**Finance income:**				
	Interest received on bank deposit	**45,159**	**25,653**	**45,159**	**25,653**
(ii)	**Finance Cost**				
	Interest on bank overdraft and loans	348	459	348	459
	Interest on finance lease	882	276	882	276
	Total interest expenses	**1,230**	**735**	**1,230**	**735**

11 Profit /(Loss)for the period has been arrived at after charging/(crediting) the followings:

	30/06/2021 N'000	30/06/2020 N'000	30/06/2021 N'000	30/06/2020 N'000
Depreciation and amortisation expense:				
Depreciation of property, plant and equipment	27,254	8,109	27,254	8,109
Amortisation of intangible assets (included in cost c	-	-	-	-
	27,254	**8,109**	**27,254**	**8,109**
Employee benefits expense:				
Defined contribution plans	3,753	6,305	3,753	6,305
Termination benefits	-	-	-	-
	3,753	**6,305**	**3,753**	**6,305**
Profit on disposal of property, plant and equipment	1,578	349	1,578	349
Auditors remuneration	2,419	2,306	2,419	2,306
Staff cost	87,833	128,708	87,833	128,708
Director's remuneration and allowance	8,690	6,760	8,690	6,760
Interest on loans and overdrafts	1,230	735	1,230	735

12 Tax expense

12 Per profit and loss account

Income tax payable on the results for the period	GROUP 30/06/2021 N'000	GROUP 30/06/2020 N'000	COMPANY 30/06/2021 N'000	COMPANY 30/06/2020 N'000
Current tax expense in respect of the current year:				
Income tax	1,820	1,477	1,820	1,477
Education tax	-	-	-	-
	1,820	1,477	1,820	1,477
In respect of prior years	-	-	-	-
	1,820	**1,477**	**1,820**	**1,477**
Deferred tax				
Current tax expense in respect of the current year:	-	-	-	-
Deferred tax expense for current year	-	-	-	-
Write-downs (reversals of previous write downs) of	-	-	-	-
Total income tax expense recognised in current year for	**1,820**	**1,477**	**1,820**	**1,477**

12 Per statement of financial position

	GROUP 30/06/2021 N'000	GROUP 31/12/2020 N'000	COMPANY 30/06/2021 N'000	COMPANY 31/12/2020 N'000
At 1 January	651,338	11,256	651,053	10,971
Charged for the period Capital gain tax	-	155,362	-	155,362
Payments during the year	(170,388)	(171)	(170,388)	(171)
Adjustments -witholding tax utilised	-	(6,251)	-	(6,251)
Provision for the year - minimum tax	1,820	491,142	1,820	491,142
	482,770	**651,338**	**482,485**	**651,053**

12 Deferred taxation

	GROUP 30/06/2021 N'000	GROUP 31/12/2020 N'000	COMPANY 30/06/2021 N'000	COMPANY 31/12/2020 N'000
Deferred tax liabilities	389,557	120,627	389,557	120,627
Deferred tax assets	(395,059)	(126,130)	(395,059)	(126,130)
	5,503	**5,503**	**5,503**	**5,503**

Deferred taxation

	GROUP 30/06/2021 N'000	GROUP 31/12/2020 N'000	COMPANY 30/06/2021 N'000	COMPANY 31/12/2020 N'000
Movement at a glance				
Deferred tax (liabilities)/assets:				
At 1 January	5,503	5,503	5,503	5,503
Recognised in profit or loss	-	-	-	-
At 30th June, 2021	5,503	5,503	5,503	5,503

The tax rate used is the corporate tax rate of 30% and 2% education tax payable by corporate entities in Nigeria on taxable profits under tax law in the country.

The Group makes full provision for the future cost of decommissioning and dismantling the leased warehouse based on estimated cost of decommissioning the plant, equipment and facilities. It relates to the removal of assets as well as their associated restoration costs. This obligation is recorded in the period in which the liability meets the definition of a ‘‘probable future sacrifice of economic benefits arising from a present obligation,’’ and in which it can be reasonably measured. The provision represents the estimated value of future expenditure to be incurred when the plant facilities will be dismantled or relocated to a new location. The estimate is reviewed regularly to take into account any material changes to the assumptions.

	GROUP		COMPANY	
13 Share Capital	**2021**	**2020**	**2021**	**2020**
Authorised Share capital	**₦'000**	**₦'000**	**₦'000**	**₦'000**
1,300,000,000 Ordinary shares of 50k each	650,000	650,000	650,000	650,000
Issued and fully paid:				
497,728,000 ordinary shares of 50k each	248,864	248,864	248,864	248,864
Share Premium	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Balance at the beginning and end of the period	53,173	53,173	53,173	53,173
Revenue reserve	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Balance at the beginning of the year	1,463,166	345,156	1,414,039	305,533
Transfer from statement of profit or loss	(9,322)	1,118,010	(9,326)	1,108,506
Balance at the end of the period	1,453,844	1,463,166	1,404,713	1,414,039
Non-controlling interest	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Balance as at 1 January	2,448	2,452	-	-
Transfer from profit or loss	(4)	(4)	-	-
Balance as at the end of period	2,444	2,448	-	-

Basic earnings/(loss) per ordinary share

Basic earnings/ (loss) per ordinary share of ₦50k each is calculated on the Group's earnings/(loss) after taxation based on the number of shares in issue at the end of the period.

	₦'000	**₦'000**	**₦'000**	**₦'000**
Profit/(loss) for the period attributable to shareholders	(9,326)	(60,731)	(9,326)	(60,731)
Basic earnings/(loss) per share of ₦50k each	(2)	(12)	(2)	(12)
Diluted earnings/(loss) per share (kobo)	(2)	(12)	(2)	(12)

Dividend

The Board of Directors has resolved to pay interim Dividend of N1.50K/ Share to the shareholders for the first half of 2021 financial year which amounts to ₦746,592,000. The dividend is payable less withholding tax to all members whose names appear in the Company's Register of Members as at the close of business on Friday August 20th, 2021 starting from 16th of August 2021. The payment date for the divided is Wednesday August 25th. 2021.

Reconciliation of statement of cash flows

For the purpose of the statement of cash flows, cash comprises cash at bank and in hand, net of overdraft facilities. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	₦'000	**₦'000**	**₦'000**	**₦'000**
Cash and bank balances	2,202,859	2,388,772	2,202,675	2,388,588

MEYER PLC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH JUNE, 2021
PROPERTY, PLANT & EQUIPMENT

14

The Group

Cost	Buildings	Plant & machinery	Office equipment	Furniture & fittings	Motor vehicles	Captial Work -in-Progress	Right of use of Asset	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January 2020	2,529	210,586	41,566	14,138	151,505	244,549		664,874
Additions		-	735	128	34,309	1,535	112,834	149,541
Transfers	-						-	-
Reclassification			-	-	(32,059)		32,059	-
Disposals		(644)	(3,022)	(2,512)	(15,243)		-	(21,421)
At December 31st 2020	**2,529**	**209,942**	**39,279**	**11,754**	**138,513**	**246,084**	**144,893**	**792,993**
At 1 January 2021	**2,529**	**209,942**	**39,279**	**11,754**	**138,513**	**246,084**	**144,893**	**792,993**
Additions	-	12,065	-	-	-	964	-	**13,029**
Transfers		2,499			-	(2,499)		**-**
Reclassification								**-**
Disposals		-	-	-	(15,956)	-	-	**(15,956)**
At 30th June 2021	**2,529**	**224,506**	**39,279**	**11,754**	**122,556**	**244,549**	**144,893**	**790,066**
Accumulated depreciation and impairment								
At 1 January 2020	1,055	205,487	34,354	14,015	138,492	-	-	393,403
Charge for the year	51	1,302	2,570	58	14,826		15,671	34,478
Transfers								-
Reclassification	-				(7,327)		7,327	(7,327)
Disposals		(644)	(3,022)	(2,512)	(15,243)	-	-	(21,421)
At December 31st 2020	1,106	206,145	33,902	11,561	130,748	-	22,998	406,460
At 1 January 2021	1,106	206,145	33,902	11,561	130,748	-	22,998	406,460
Charge for the period	25	1,395	1,176	40	5,913		18,806	27,355
Transfers								-
Reclassification			-					-
Eliminated on disposals		-	-	-	(5,782)	-		(5,782)
At 30th June 2021	**1,131**	**207,540**	**35,077**	**11,601**	**130,879**	**-**	**41,804**	**428,033**
Carrying amount								
At 30th June 2021	**1,398**	**16,966**	**4,201**	**153**	**(8,323)**	**244,549**	**103,089**	**258,944**
At 31st December 2020	**1,423**	**3,797**	**5,377**	**193**	**7,765**	**246,084**	**121,895**	**264,661**

(292)

Company

Cost	Buildings	Plant & machinery	Office equipment	Furniture & fittings	Motor vehicles	Captial Work -in-Progress	Right of use of Asset	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January 2020	2,529	202,088	41,566	14,138	151,505	244,549	-	656,375
Additions	-	-	735	128	34,309	1,535	112,834	149,541
Transfers	-	-	-	-	-	-		-
Reclassification	-	-	-	-	(32,059)	-	32,059	-
Disposals	-	(644)	(3,022)	(2,512)	(15,243)	-		(21,421)
At December 31st 2020	**2,529**	**201,444**	**39,279**	**11,754**	**138,513**	**246,084**	**144,893**	**784,495**
At 1 January 2021	**2,529**	**201,444**	**39,279**	**11,754**	**138,513**	**246,084**	**144,893**	**784,495**
Additions	-	12,065	-	-	-	964		**31,888**
Transfers	-	2,499	-	-	-	(2,499)		**-**
Reclassification	-	-	-	-	-	-		**-**
Disposals	-	-	-	-	(15,956)	-		**(15,956)**
At 30th June 2021	**2,529**	**216,007**	**39,279**	**11,754**	**122,557**	**244,549**	**144,893**	**687,475**
Accumulated depreciation and impairment								
At 1 January 2020	1,055	196,987	34,354	14,015	138,492	-	-	621,616
Charge for the year	51	1,302	2,570	58	14,826	-	15,671	14,185
Transfers	-	-	-	-	-	-		-
Reclassification	-	-	-	-	(7,327)	-	7,327	(229,019)
Disposals	-	(644)	(3,022)	(2,512)	(15,243)	-		(21,877)
At December 31st 2020	1,106	197,645	33,902	11,561	130,748	-	22,998	384,905
At 1 January 2021	1,106	197,645	33,902	11,561	130,748	-	22,998	384,905
Charge for the period	25	1,396	1,175	40	5,913	-	18,806	8,790
Transfers	-	-	-	-	-	-		-
Reclassification	-	-	-	-	-	-		13
Eliminated on disposals	-	-	-	-	(5,782)	-		(789)
At 30th June 2021	**1,131**	**199,041**	**35,077**	**11,601**	**130,879**	**-**	**41,804**	**392,919**
Carrying amount								
At 30th June 2021	**1,398**	**16,966**	**4,201**	**153**	**(8,323)**	**244,549**	**103,089**	**258,944**
At 31st December 2020	**1,423**	**3,799**	**5,377**	**193**	**7,765**	**246,084**	**121,895**	**264,661**

15 **Other Assets**

	Group		Company	
	30/06/2021	**31/12/2020**	**30/06/2021**	**31/12/2020**
	N'000	**N'000**	**N'000**	**N'000**
PREPAYMENT	2,105	-	2,105	-
	2,105	-	2,105	-

i Assets pledged as security
None of the Company's assets is pledged as collateral for loans (2021: Nil)

ii Contractual commitments
At 30th June 2021, the Company had no contractual commitments for the acquisition of property, plant and equipment (2020: Nil).

16 Investment in subsidiary

	GROUP		COMPANY	
	30/06/2021	31/12/2020	30/06/2021	31/12/2020
	N'000	N'000	N'000	N'000
Carrying amount at cost	-	-	-	-

Details of the Group subsidiary at the end of the reporting period is as stated below:

Name of the company	Principal activity	Place of incorporation	Proportion of ownership interest and voting power held by the Group 30/06/2021	31/12/2020
DNM Construction Limited	Construction and rehabilitation of building	Nigeria	96%	96%

The Group owns 96% of the DNM Construction Limited

The remaining 4% shares atributable to non-controlling interest is stated below:

	Cost N'000	%
Mr. Kayode Falowo	100	1
Mr. Toyin Okeowo	100	1
Alhaji Ibrahim Suleman	100	1
Arc. Ayoola Onajide	100	1
	400	**4**

Two out of the four shareholders are Directors of Meyer Plc.

17 Inventories

	Group		Company	
	30/06/2021	**31/12/2020**	**30/06/2021**	**31/12/2020**
	N'000	**N'000**	**N'000**	**N'000**
Raw materials	49,160	47,206	49,160	47,206
Work-in-progress	17,082	9,124	17,082	9,124
Finished Goods - Paints & Adhesives	26,425	38,769	26,425	38,769
Consumables	137	51	137	51
	92,803	95,150	92,803	95,150
Provision for obsolete spares and slow moving stock	-	-	-	-
	92,803	**95,150**	**92,803**	**95,150**

The carrying amount of the inventories is the lower of their costs and net realisable values as at the reporting dates.

18 Trade and other receivables

	Group		Company	
	30/06/2021	**31/12/2020**	**30/06/2021**	**31/12/2020**
	N'000	**N'000**	**N'000**	**N'000**
Trade receivables	143,181	132,855	106,955	96,629
Allowance for doubtful debts	(33,016)	(33,015)	(33,016)	(33,016)
	110,165	99,840	73,939	63,614
Other receivables				
Related party		894		894
Insurance claim	-	-	-	-
WHT claimable	84,451	71,666	84,451	71,666
Prepayment	-	2,751	-	2,751
Sundry debtors	788	554	388	358
Due from related party	-	-	-	-
Provision for doubtful debts				
	195,404	**175,705**	**158,778**	**139,283**

The Directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value

19 Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, short term investments with an original maturity of three months or less, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	Group		Company	
	30/06/2021	31/12/2020	30/06/2021	31/12/2020
	N'000	N'000	N'000	N'000
Cash and bank balances	9,106	3,828	8,922	3,644
Short-term investments (see note 20)	2,193,753	2,384,944	2,193,753	2,384,944
	2,202,859	**2,388,772**	**2,202,675**	**2,388,588**

19a Short-Term Investments

These represents cash held in Fixed deposits in various banks. These investments are placed in short-term deposits and are continuously rolled over throughout the period

20a Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, short term investments with an original maturity of three months or less, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	The Group		The Company	
	30/06/2021	31/12/2020	30/06/2021	31/12/2020
	N'000	N'000	N'000	N'000
Cash and Bank Balances	9,106	3,828	8,922	3,644
Short-term Investments (see note 19)	2,193,753	2,384,944	2,193,753	2,384,944
	2,202,859	**2,388,772**	**2,202,675**	**2,388,588**

20a Short-term Investment

These represents cash held in Fixed deposits in various banks. These investments are placed in short term deposits and are continuously rolled over throughout the period

	Group		Company	
	30/06/2021	31/12/2020	30/06/2021	31/12/2020
20b Short Borrowing				
	N'000	N'000	N'000	N'000
LPO Financing	1,813	1,813	1,813	1,813
Commercial Papers	-	-	-	-
Lease obligation	37,346	19,315	37,346	19,315
Term loan	-	-	-	-
Total borrowings	39,159	21,128	39,159	21,128
Analysis of loan balances to current and non-current portion				
LPO Financing	1,813	1,813	1,813	1,813
Reclassification to Borrowings	(1,813)	(1,813)	(1,813)	(1,813)
Term loan	-	-	-	-
20c Non-current portion	-	-	-	-
Borrowings	39,159	21,128	39,159	21,128
Unsecured				
Loans from FBN/Ecobank through BOI/CBN interv	-	16,164	-	16,164
LPO Financing	1,813	-	1,813	-
Secured				
	1,813	16,164	1,813	16,164
Reclassification as short term-loan	-	-	-	-
	1,813	**(16,164)**	**1,813**	**(16,164)**
Movement at a glance				
Opening balance	51,128	1,813	51,128	1,813
Obtained during the year:	-	-	-	-
Term (interest capitalised)	-	-	-	-
Loan waived	-	-	-	-
RoU Lease	-	30,000		30,000
Lease obligation	-	31,250	-	31,250
Repayment of loan	(11,969)	(11,935)	(11,969)	(11,935)
Amount due within one year		-		-
Closing balance	39,159	51,128	39,159	51,128

21 Employment benefits

	Group		Company	
	30/06/2021	31/12/2020	30/06/2021	31/12/2020
	N'000	N'000	N'000	N'000
Balance as at 1 January	17,089	27,396	17,089	27,396
Addition/(Payment) for the period	2,115	(10,307)	2,115	(10,307)
Balance as at 30th June 2021	19,204	17,089	19,204	17,089

22a Trade and other payables

	GROUP		COMPANY	
	30/06/2021	31/12/2020	30/06/2021	31/12/2020
	N'000	N'000	N'000	N'000
Trade payable	210,262	157,394	204,427	151,559
Amount due to related parties	-	30,855	22,269	53,124
Other payables:				
lease liability	-	30,000	-	30,000
Value added tax	88,493	130,561	88,493	130,561
Withholding tax payable	49,154	52,530	49,112	52,488
PAYE	(713)	2,502	(713)	2,502
Accruals	8,171	29,011	8,171	28,811
National housing fund	65	65	65	65
Rent receivable	-	805	-	805
Sundry creditors	85,941	73,971	85,841	73,033
Customer deposit	48,273	61,469	48,273	61,469
Technical Management fees	33,455	-	33,455	-
Industrial Training Fund	650	14,334	650	14,334
pension	-	1,383	-	1,383
Other credit balance	(10,775)	-	(12,016)	-
	551,649	**584,880**	**566,700**	**600,134**

22a (I) Decommissioning cost

	2021	2020	2021	2020
	N'000	N'000	N'000	N'000
Balance as at 1 January	9,600	-	9,600	-
Provision for the period	-	9,600	-	9,600
Balance as at 30th June	9,600	9,600	9,600	9,600

This represents the initial estimate of the cost of dismantling and removing items and restoring the site(Leased building) in respect of Right of use assets as disclosed

22b Deposit for AFS	-	-	-	-

23 Share capital

	30/06/2021	31/12/2020	30/06/2021	31/12/2020
	N'000	N'000	N'000	N'000
Authorised:				
1,300,000,000 ordinary shares of 50k each	650,000	650,000	650,000	650,000
Issued and fully paid:				
497,728,000 ordinary shares of 50k each	248,864	248,864	248,864	248,864

The Company has one class of ordinary shares which carry no right to fixed income.

24 Share premium

	30/06/2021	31/12/2020	30/06/2021	31/12/2020
	N'000	N'000	N'000	N'000
At 1 January	53,173	53,173	53,173	53,173
Balance as at 30th June 2021	**53,173**	**53,173**	**53,173**	**53,173**

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25 Retained earnings

	30/06/2021	31/12/2020	30/06/2021	31/12/2020
	N'000	N'000	N'000	N'000
At 1 January	1,463,166	345,156	1,414,039	305,533
Profit/(Loss) attributable to owners of the company	(9,326)	1,118,010	(9,326)	1,108,506
Balance as at 30th June 2021	**1,453,840**	**1,463,166**	**1,404,713**	**1,414,039**

26 (i) Non-controlling interest

	30/06/2021	31/12/2020	30/06/2021	31/12/2020
	N'000	N'000	N'000	N'000
At 1 January	2,448	2,452	-	-
Adjustment during the period	-	-	-	-
Transfer from profit or loss	-	(4)	-	-
Balance as at 30th June 2021	**2,448**	**2,448**	**-**	**-**

27 DIRECTORS AND EMPLOYEES

27.1 DIRECTORS

	Group		Company	
	30/06/2020	31/12/2019	30/06/2020	31/12/2019
	N'000	N'000	N'000	N'000
Emoluments:				
Fees	1,250	5,120	1,250	5,120
Other remuneration and allowances including pension contribution	7,440	23,400	7,440	23,400
	8,690	**28,520**	**8,690**	**28,520**

The number of Directors whose gross emoluments were within the following ranges are:

Range (N)	**Number**	**Number**	**Number**	**Number**
10,000,000	1	1	1	1
	1	**1**	**1**	**1**

The aggregate payroll costs:

	N'000	N'000	N'000	N'000
Wages, salaries, allowances and other benefits	83,138	163,826	83,138	163,826
Pension and social benefits	4,108	11,325	4,108	11,325
Staff training	90	1,372	90	1,372
	87,336	**176,523**	**87,336**	**176,523**

The number of higher paid employees with gross emoluments within the ranges below were:

Range (N)	**Number**	**Number**	**Number**	**Number**
500,001 - 2,000,000	48	48	48	48
2,000,001 - 3,000,000	9	9	9	9
3,000,001 and above	6	6	6	6
	63	**63**	**63**	**63**

28 **LEGAL STATUS**

The Company commenced operations in Nigeria in 1960 after it was incorporated as a private limited liability company and was converted to a public company in 1979. The Company was listed on the Nigerian Stock Exchange in 1979.

29 **PRINCIPAL ACTIVITIES**

The principal activity of the Company is manufacturing and sale of paint products, coating, adhesives and flooring products.

Subsidiary	Principal Activities	Date of Incorporation	Percentage Holding
DNM Construction Ltd.	Building and Construction	20 July, 2007	96%

The financial results of the subsidiary have been consolidated in these financial statements.

30 **SUBSTANTIAL INTEREST IN SHARES**

List of shareholding with 5% and above as at 30th June 2021:

S/N	NAMES	SHAREHOLDINGS	%
1	Greenwich Capital Limited	156,419,326	31.43
2	Bosworth Investments & Service Limited	153,961,094	30.93
3	Mr. Osa Osunde	27,000,250	5.42
4	Mr. Kayode Falowo	25,170,582	5.06

No individual shareholder other than as stated above held more than 5% of the issued share capital of the Company as at 30th June 021.

Interests of Directors in Shares of the Company

The interests of Directors in the issued shares of the company as stated in the Register of Members as at 30 June 2021 for the purposes of section 301 of the Companies and Allied Matters Act, 2020 are as follows :

S/N	Name of Director	Direct shareholding	Indirect shareholding	Direct shareholding	Indirect shareholding
		2021	2021	2020	2020
1	Mr.Kayode Falowo	25,170,582	Nil	25,170,582	Nil
2	Mr. Osa Osunde	27,000,250	Nil	27,000,250	Nil
3	Erelu Angela Adebayo	Nil	Nil	Nil	Nil
4	Mr. Tony Uponi	3,298,804	Nil	3,298,804	Nil
5	Mr. Olutoyin Okeowo	2,080,482	Nil	2,080,482	Nil
6	Mrs. Vivienne Ochee-Bamgboye	384,998	Nil	384,998	Nil

RESEARCH AND DEVELOPMENT

In order to maintain and enhance skills and abilities, the Company's policy of continuously researching into new products and services was maintained.