

MORISON INDUSTRIES PLC
247100, MANCHESTER, G10 9JL
0161 275 1111
MORISON-UK-15 - 2021
PLC, 2021, 2021, 2021
PLC, 2021, 2021, 2021

MORISON INDUSTRIES PLC

3RD QUARTER FINANCIAL REPORTS AS AT SEPTEMBER 30, 2021.(UNAUDITED)

MORISON INDUSTRIES PLC RC. 1274



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MORISON INDUSTRIES PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	Notes	JAN TO SEPT 2021 N'000	JAN TO SEPT 2020 N'000	JULY TO SEPT 2021 N'000	JULY TO SEPT 2020 N'000
Revenue	1	113,511	98,229	45,629	30,703
Cost of sales	2	(80,224)	(63,360)	(30,239)	(17,707)
Gross profit		33,288	34,869	15,391	12,996
Distribution expenses	3	(18,537)	(16,802)	(7,012)	(5,680)
Operating expenses	4	(93,964)	(89,087)	(30,596)	(30,717)
Other operating income	5	34,253	25,971	12,602	10,852
Loss from operations		(44,960)	(45,048)	(9,615)	(12,548)
Finance income		-	-	-	-
Finance expenses	6	(10,050)	(1,464)	(4,050)	(639)
Net finance expenses		(10,050)	(1,464)	(4,050)	(639)
Loss before taxation		(55,010)	(46,512)	(13,665)	(13,187)
Tax expense		-	-	-	-
Loss for the year		(55,010)	(46,512)	(13,665)	(13,187)
Other comprehensive income					
Items that will not be reclassified to profit or loss:		-	-	-	-
Items that will or may be reclassified to profit or loss:	6(d)	-	-	-	-
Total other comprehensive income		-	-	-	-
Total comprehensive loss		(55,010)	(46,512)	(13,665)	(13,187)
Loss per share(kobo)		-0.06	-0.05	-0.01	-0.01

Directors: Richard O. Titiloye (Chairman), Engineer Charles A. Osezua (OON), Ayeni Philip, Afolake Lawal (Mrs.), John O. Adekoje, Adesoji Oladejo (Managing Director)

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MORISON INDUSTRIES PLC

STATEMENT OF FINANCIAL POSITION AS AT 30TH SEPTEMBER 2021 (UNAUDITED)

	Notes	30TH SEPTEMBER	31ST, DECEMBER
		2021	2020
		N'000	N'000
Assets			
Non-current assets			
Property, plant and equipment	7	270,843	290,781
Leased assets		-	-
		<u>270,843</u>	<u>290,781</u>
Current assets			
Inventories	8	31,941	39,869
Trade and other receivables	9	78,364	54,837
Cash and cash equivalents	10	36,237	3,202
		<u>146,541</u>	<u>97,908</u>
Total assets		<u>417,384</u>	<u>388,689</u>
Liabilities			
Current liabilities			
Borrowings	11	115,050	58,393
Trade and other payables	12	255,344	227,907
Income tax payables		-	388
		<u>370,393</u>	<u>286,689</u>
Non-current liabilities			
Employee benefit liabilities	18	-	-
Employees' benefit obligations	13	515	515
Deferred tax liabilities		59,826	59,826
		<u>80,606</u>	<u>80,606</u>
		<u>60,341</u>	<u>60,341</u>
Total liabilities		<u>430,734</u>	<u>347,029</u>
Net assets		<u>(13,350)</u>	<u>41,659</u>
Equity			
Share capital	14	494,581	494,580
Share premium	15	84,477	84,477
Revenue reserve	16	(592,408)	(537,398)
Total equity		<u>13,350</u>	<u>41,659</u>

The financial statements and accompanying notes were approved by the Board of Directors on Oct 25, 2021 and signed on behalf by:

TITILOYE, R. Olaniyi
Chairman
FRC/2013/ICAN/0000003887

OLADEJO, A. Adesoji
Managing Director
FRC/2021/003/00000022832

AYEGBO, Oluwafemi Olanrewaju
Financial Controller
FRC/2021/001/00000022831

Directors: Richard O. Titiloye (Chairman), Engineer Charles A. Osezua (OON), Ayeni Philip, Afolake Lawal (Mrs.), John O. Adekoje, Adesoji Oladejo (Managing Director)

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MORISON INDUSTRIES PLC

STATEMENT OF CHANGES IN EQUITY(UNAUDITED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	Share Capital N'000	Share Premium N'000	Revenue Reserve N'000	Total Equity N'000
Balance at 1 January 2020	494,580	84,477	(430,083)	148,974
Comprehensive income for the period:				
Loss for the period	-	-	(107,315)	(107,315)
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	(107,315)	(107,315)
Transactions with owners recorded directly in equity				
Dividends to equity holders	-	-	-	-
Total transactions with equity owners	-	-	-	-
Balance at 31 December 2020	494,580	84,477	(537,398)	41,659
Balance at 1 January 2021	494,580	84,477	(537,398)	41,659
Comprehensive income for the year/period:				
Loss for the year/period	-	-	(55,010)	(55,010)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year/period	-	-	(55,010)	(55,010)
Transactions with owners, recorded directly in equity				
Dividends to equity holders	-	-	-	-
Total transactions with equity owners	-	-	-	-
Balance at 30 September 2021	494,580	84,477	(592,408)	(13,351)

Directors: Richard O. Titiloye (Chairman), Engineer Charles A. Osezua (OON), Ayeni Philip, Afolake Lawal (Mrs.), John O. Adekoje, Adesoji Oladejo (Managing Director)

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MORISON INDUSTRIES PLC
28/30, MORISON CRESCENT,
OREGON INDUSTRIAL AREA,
IKEJA, LAGOS.
P. M. B. 21290, IKEJA,
LAGOS 07080574209

MORISON INDUSTRIES PLC
STATEMENT OF CASH FLOW (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2021

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	SEPT 2021 N'000	SEPT 2020 N'000	31ST, DECEMBER 2020 N'000
Net cash flow from Operating Activities	16,484	(18,249)	(42,506)
Net cash flow from Investing Activities	19,938	23,734	(8,211)
Net cash flow from Financing Activities	-	-	52,836
Cash and Cash equivalent for the year	36,422	5,485	2,119
Cash and cash equivalent at the beginning of the year	3,202	1,083	1,083
Cash and cash equivalent at the end of the year/period	39,624	6,568	3,202

MORISON INDUSTRIES PLC
 FINANCIAL STATEMENTS, 30 SEPTEMBER 2021 (UNAUDITED)
 NOTES TO THE FINANCIAL STATEMENTS

	SEPT 2021			SEPT 2020		
	Revenue N'000	Cost of sales N'000	Gross profit N'000	Revenue N'000	Cost of sales N'000	Gross profit N'000
1. Revenue and Profit						
Analysis by activities:						
Pharmaceuticals	167	109	58	5,113	3,336	1,777
LMP-Consumers	83,955	79,155	4,800	83,687	59,870	23,816
Others/Contracts	29,390	961	28,429	9,430	153	9,276
	<u>113,511</u>	<u>80,224</u>	<u>33,288</u>	<u>98,229</u>	<u>63,360</u>	<u>34,869</u>
2. Cost of sales				2020	2019	
Cost of sales includes:				N'000	N'000	
Materials consumed				50,199	39,423	
Production salaries and wages				17,117	13,217	
Repairs and maintenance				3,432	3,112	
Electricity				3,250	1,973	
Depreciation of property, plant and equipment				1,647	1,647	
Production - Oil & Gas				2,076	499	
Laboratory Expenses/Technical Analysis				1,054	-	
Factory Annual Registration				335	-	
Obsolete and damaged inventory written off				44	-	
				<u>79,155</u>	<u>59,870</u>	
3. Distribution expenses				N'000	N'000	
Advertisement and Tender Expenses				2,507	893	
Discount allowed and commission				772	2,599	
Salaries, bonuses and commission				11,094	8,704	
Local Freight				2,558	-	
Transportation and Travel Expenses				1,606	4,605	
				<u>18,537</u>	<u>16,802</u>	
4. Operating expenses				N'000	N'000	
Audit fees				1,500	1,500	
Salaries and wages				28,205	20,804	
Bank charges				225	229	
Depreciation on property, plant and equipment				21,968	22,454	
Directors' emoluments				1,125	1,125	
Directors' fees				-	-	
Electricity				1,393	845	
Product Registration				263	-	
Insurance, licence and fees				779	1,645	
Computer expenses				531	872	
Donations & Company Social Responsibility				-	652	
Land use charges				284	363	
Office expenses -Note 6(c)				8,970	6,106	
Postages and telephones				1,932	1,156	

MORISON INDUSTRIES PLC
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Professional fees	10,417	15,925
Legal Expenses	700	
Rent and rates	660	660
Repairs and renewals- Offices & premises	713	2,003
Meals & Entertainment	443	-
Environmental Development Charge	290	
Analytical & NAFDAC Charges	533	961
Secretariat expenses	6,820	6,579
Security expenses	1,884	1,670
Company Income Tax - Previous Year	11	300
Vehicle running expenses	4,319	3,237
	<u>93,964</u>	<u>89,087</u>
5 Other operating income		
(a) This comprises:	N'000	N'000
Disposal of Fixed Asset	-	994
Sales of empty drums and scraps	604	1,129
Rental and freight	33,649	23,848
	<u>34,253</u>	<u>25,971</u>
6 Finance income/ expenses	N'000	N'000
(a) Finance income	-	-
Finance expenses comprise:		
Interest on borrowings	-10,050	-1,464
Net finance expenses	<u>-10,050</u>	<u>-1,464</u>
(b) Directors	N'000	N'000
The aggregate emoluments of the Directors were:		
Fees	-	-
Other emoluments	1,125	1,125
	<u>1,125</u>	<u>1,125</u>
(c) Office expenses		
Canteen expenses	3,277	2,367
Subscriptions	221	5
Recruitment expenses	11	82
Newspaper & magazines	13	7
Printing & stationery	884	429
Staff welfare	4,543	3,001
Training expenses	20	215
	<u>8,970</u>	<u>6,106</u>
(d) Prior Year Items:		
Sales of previous year returned	-	-
Less cost value	-	-
Net sales returned	<u>-</u>	<u>-</u>



Continuation Sheet

MORISON INDUSTRIES PLC
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7 Property, plant and equipment

	Leasehold land and buildings N'000	Plant, machinery and equipment N'000	Computer equipment N'000	Motor Vehicles N'000	Capital work in progress N'000	Total N'000
COST						
At 1 January 2020	381,321	50,529	2,227	90,740	6,853	533,670
Additions	1,699	5,161	-	1,850	745	11,454
Disposals	-	-	-	(5,653)	-	(5,653)
At 31 December 2020	387,020	55,689	2,227	86,937	7,598	539,471
At 1 January 2021	387,020	55,689	2,227	86,937	7,598	539,471
Additions	-	2,646	425	-	227	3,298
Disposals	-	-	-	-	-	-
At 30 September 2021	387,020	58,335	2,652	86,937	7,825	542,789
Accumulated depreciation						
At 1 January 2020	122,713	30,561	2,227	64,245	-	219,746
Charge for the year	17,089	3,941	-	10,942	-	31,972
On disposals	-	-	-	(3,404)	-	(3,404)
At 31 December 2020	139,802	34,502	2,227	71,783	-	248,314
At 1 January 2021	139,802	34,502	2,227	71,783	-	248,314
Charge for the period	12,818	2,962	-	7,832	-	23,612
Disposals	-	-	-	-	-	-
At 30 September 2021	152,620	37,464	2,227	79,615	-	271,926
Impairment						
At 1 January 2020	-	375	-	-	-	375
Impairment	-	-	-	-	-	-
At 31 December 2020	-	375	-	-	-	375
At 1 January 2021	-	375	-	-	-	375
Impairment	-	-	-	-	-	-
Deferred Expenses	-	-	-	-	-	840
At 30 September 2021	-	375	-	-	-	375
Carrying amounts at:						
30 September 2021	234,400	20,871	425	7,322	7,825	270,843
31 December 2020	247,218	20,812	-	15,154	7,598	290,782



Continuation Sheet.

MORISON INDUSTRIES PLC
 15/150, MORISON CRESCENT,
 OSHUN INDUSTRIAL AREA,
 OSHUN, OBELE - LAGOS,
 NIGERIA. PHONE: 01-2612000
 01-2612000/574200

	30/09/2021	31/12/2020
	N'000	N'000
8. Inventories		
Raw materials	26,799	25,744
Finished goods	44,150	52,134
	70,949	78,878
Provision for obsolete inventory	(39,008)	(39,009)
	31,941	39,869

(a) No inventory was pledged as security for borrowings.

	N'000	N'000
9. Trade and other receivables		
Trade receivables	126,055	110,831
Provision for trade receivables	(82,350)	(82,340)
Total financial assets other than	43,705	28,491
Other receivables and prepayments	34,659	26,346
	78,364	54,837

	N'000	N'000
(a) Provision for trade receivables		
Balance at the beginning of the year	82,340	76,208
Provision for the period	10	6,529
Write back during the year	-	(392)
Balance at the end of the period	82,350	82,340

Trade receivables represents receivables from customers for goods sold and other trading services

	N'000	N'000
(b) The age analysis of trade receivables is as follows:		
Past due - 90days	20,498	9,456
Past due 91-180 days	6,987	652
Past due 181-360 days	698	18,383
Past due 360days and above	97,871	82,340
	126,055	110,831

	N'000	N'000
(c) The carrying value of trade and other receivables classified as loans and receivables approximates fair value.		
Neither past due nor impaired	28,184	28,491
Past due but not impaired	15,521	-
Collectively impaired	82,350	82,340
	126,055	110,831

	N'000	N'000
Other receivables and prepayments:		
Staff receivables	684	25
Withholding tax receipts	14,911	14,809
Withholding tax receivables	17,643	15,934
Provision for WHT and other receivables	(14,714)	(16,092)
Advance to suppliers	4,389	542
Receivable from Unosource	-	500
Other receivables	2,717	1,751
	25,628	17,469
Prepayments	9,031	8,877
	34,659	26,346

	N'000	N'000
(f) Prepayments		
Insurance and Rates	9,031	8,877
	9,031	8,877

	N'000	N'000
10. Cash and cash equivalents		
Cash and cash equivalents comprise:		
Cash at bank	36,074	3,186
Cash in hand	163	16
Cash and cash equivalents for the purpose of cash flows	36,237	3,202



Continuation Sheet.

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11. Borrowings	N'000	N'000
(a) The book value and fair value of		
Balance at the beginning of the year	58,393	-
Additions during the year	59,050	55,000
Repayments during the year	(2,393)	5,557
		(2,164)
Balance at the end of 30/6/2021	115,050	58,393
12. Trade and other payables	N'000	N'000
Trade payables	31,026	28,823
Other payables	199,122	179,306
Due to related company	9,800	9,800
Total financial liabilities,	239,948	217,928
Other payables - Tax	15,396	9,979
	255,344	227,907
(a) Other payables	N'000	N'000
Unclaimed dividend	5,632	5,632
Accruals	46,207	28,293
Pension payable - Note 12 c	90,582	84,271
Rent received in advance	10,066	22,022
Advance deposit by customers	3,804	800
Other payables	42,832	38,288
	199,122	179,306
(b) Accruals	N'000	N'000
Wages	9,632	1,401
Sundry accruals	20,590	9,220
Audit fees	2,650	2,700
Secretarial expenses	4,535	661
Chairman's Allowance	5,625	4,500
Nigerian Stock Exchange	-	3,927
Professional Fees	-	2,709
Directors' fees	862	862
Taxation Expenses	-	-
Land Use Charge	-	-
Interest expense	2,313	2,313
	46,207	28,293
(c) Pension payable	N'000	N'000
Balance at the beginning of the period	84,271	80,816
Contributions for the period	6,668	6,994
Remittances	(157)	(3,539)
Balance at the end of the period	90,582	84,271

The Company operates a defined contributory pension scheme for eligible employees. Both employer and employee contribute 10% and 8% respectively of the employees' basic, housing and transport allowances in line with the provisions of the Pension Reform Act, 2014 (as amended).



Continuation Sheet.

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(d) <u>Other payables-tax</u>	N'000	N'000
Income Tax	388	5,352
Withholding Tax	2,074	1,660
PAYE	5,430	2,967
VAT	7,503	
	<u>15,396</u>	<u>9,979</u>
13 <u>Employees' benefits obligations</u>	N'000	N'000
Balance at the beginning of the year	515	715
Provision for the year	-	-
Payments during the year	-	(200)
	<u>-</u>	<u>(200)</u>
Balance at the end of 30/9/2021	<u>515</u>	<u>515</u>
14 <u>Share capital</u>	30/09/2021	31/12/2020
<u>Authorised</u>	N'000	N'000
<u>Value</u>		
Ordinary shares of N0.50 each at beginning of the year	500,000	500,000
Ordinary shares of N0.50 each as at 30 September 2021	<u>500,000</u>	<u>500,000</u>
<u>Number</u>		
Ordinary shares of N0.50 each at beginning of the year	1,000,000	1,000,000
Ordinary shares of N0.50 each as at 30 September 2021	<u>1,000,000</u>	<u>1,000,000</u>
<u>Issued and fully paid:</u>		
<u>Value</u>		
Ordinary shares of N0.50 each at beginning of the year	N494,580	N494,580
Ordinary shares of N0.50 each as at 30 September 2021	<u>N494,580</u>	<u>N494,580</u>
<u>Number</u>		
Ordinary shares of N0.50 each at beginning of the year	989,160	989,160
Ordinary shares of N0.50 each as at 30 September 2021	<u>989,160</u>	<u>989,160</u>
15 <u>Share premium</u>		
Balance at the beginning of the year	84,477	84,477
Balance as at 30 September 2021	<u>84,477</u>	<u>84,477</u>
16 <u>Revenue reserve</u>	N'000	N'000
Balance at the beginning of the year	(537,398)	(430,083)
Transfer from statement of comprehensive income	(55,010)	(107,315)
Balance as at 30 September 2021	<u>(592,408)</u>	<u>(537,398)</u>

In compliance with Rule 17.15 Disclosure of Dealings in Issuers, Shares, Rules of Exchange 2015 (Issuers' Rule), Morison Industries Plc (the Company) is currently updating and finalising its Securities Trading Policy as mandated by the Issuers' Rule. This Policy when becomes effective Applies to all Directors, Audit Committee, employees of the Company and any other person in possession of insider information from the dealing in the Company's shares during the Non-Authorised Trading Period, in accordance with the Investment and Security Act, 2007 and Post Listing Rules of The Nigerian Stock Exchange.