

**SKYWAY AVIATION HANDLING COMPANY PLC  
(RC:813022)**

**UNAUDITED  
INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED  
30 JUNE 2023**

# SKYWAY AVIATION HANDLING COMPANY PLC

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# SKYWAY AVIATION HANDLING COMPANY PLC

## CORPORATE INFORMATION

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**REGISTERED NUMBER:** RC:813022

**TAX IDENTIFICATION NUMBER:** 04683753-0001

<b>DIRECTORS:</b>	Barrister (Dr.) Taiwo Afolabi	Chairman
	Mr. Basil Agboarumi	Managing Director
	Mr. Babatunde Afolabi	Executive Director
	Mr. Olaniyi Adigun	Executive Director
	Mrs. Boma Ukwunna	Executive Director
	Herbert Ijeoma Odika	Executive Director
	Dr. Oluropo Owolabi	Non Executive Director
	Barrister Oladipo Kayode Filani	Non Executive Director
	Captain Shehu Iyal	Non Executive Director
	Mrs. Laila St. Mathew Daniel	Non Executive Director
	Mrs. Bukola Bello-Jayesimi	Non Executive Director
	Mr. Anogwi Anyanwu	Independent Director

<b>PRINCIPAL OFFICERS:</b>	Basil Agboarumi	Managing Director/CEO
	Olaniyi Adigun	Executive Director -Sales and Marketing
	Boma Ukwunna	Executive Director - Cargo Services
	Babatunde Afolabi	Executive Director - IT and Business Development
	Herbert Ijeoma Odika	Executive Director - Operations
	James Oriowo	AGM- Engineering and Maintenance
	Olugbenga Okeowo	AGM- Operations
	Olajide Kafidipe	AGM- Cargo Services
	Hamzat Bola Olaniyan	AGM- Billing
	Yinka Afolabi Ogungbemi	AGM- Admin Services and Project
	Taiwo Olayemi Mogaji	AGM- Internal Control
	Benjamin Akinola	AGM- Internal Audit
	Rotimi Omotoso	Chief Finance Officer
	Folorunso Elegbede	AGM - Human Resources
	Christie Oseghale	AGM -Safety and Quality Assurance
Adebowale Okunlola	Head -Security	
Ayodele Taoheed Sanusi	Head -Procurement	
Temitope Olubanji	Head - Legal Services	

**REGISTERED OFFICE/  
OPERATIONAL OFFICE ADDRESS:** 54 Warehouse Road, Apapa, Lagos  
Skyway Aviation Handling Company Plc. Complex,  
Cargo Terminal,  
Murtala Muhammed International Airport,  
Ikeja,  
Lagos.

**COMPANY SECRETARY:** Jesuyemisi Odeyemi  
Skyway Aviation Handling Company Plc. Complex,  
Cargo Terminal,  
Murtala Muhammed International Airport,  
Ikeja,  
Lagos State.

# SKYWAY AVIATION HANDLING COMPANY PLC

## CORPORATE INFORMATION (CONT'D)

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### PRINCIPAL BANKERS:

Access Bank Plc.  
Eco bank Nigeria Limited  
Fidelity Bank Plc.  
First Bank of Nigeria Limited  
First City Monument Bank Plc.  
Guaranty Trust Bank Plc.  
Keystone Bank Limited.  
Polaris Bank Ltd  
Stanbic IBTC Bank Plc.  
Sterling Bank Plc.  
Union Bank of Nigeria Plc.  
United Bank for Africa Plc.  
Wema Bank Plc.  
Zenith Bank Plc.

### SOLICITORS

Sceptre Law  
2c Idowu Olaitan Street,  
Gbagada Expressway,  
Gbagada Phase II,  
Lagos.

H.A. Olaniyan and Co.  
2nd Floor Rear Block,  
208 Ikorodu Road,  
Palmgrove,  
Lagos.

### REGISTRARS:

First Registrars and Investors Services Limited  
2 Abebe Village Road, Iganmu  
Postal 12242  
Lagos State.

# SKYWAY AVIATION HANDLING COMPANY PLC

## DIRECTORS' CERTIFICATION REPORT FOR THE HALF YEAR ENDED 30 JUNE, 2023

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We have reviewed the condensed financial statements of Skyway Aviation Handling Company Plc for the period ended 30 June, 2023

Based on our knowledge, these condensed financial statements do not;

- (a) Contain any untrue statement of a material fact or;
- (b) Omit to state material fact, which would make the statement misleading in the light of the circumstance under which such statements were made
- (c) The condensed financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for the periods presented in the condensed financial statements

The Directors are responsible for establishing and maintaining internal controls;

we have;

i designed such internal controls to ensure that material information relating to the Company is made known to us by others within the Company, particularly during the period in which this report is being prepared;

ii continuously evaluated the effectiveness of the Company's internal controls on a quarterly basis;



.....  
**Barr. (Dr.) Taiwo Afolabi**  
Chairman  
FRC/2015/NBA/00000013106  
Date: ...20th July... 2023



.....  
**Mr. Rotimi Omotoso**  
Chief Financial Officer  
FRC/2016/ICAN/00000014593  
Date: ...20th July... 2023



.....  
**Mr. Agboarumi Basil**  
Managing Director/CEO  
FRC/2019/IODN/00000019784  
Date: ...20th July.. 2023

# SKYWAY AVIATION HANDLING COMPANY PLC

## CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 30 JUNE, 2023

	NOTE	Unaudited 3 Months Ended		Unaudited 6 Months Ended		Audited Year Ended
		30 June 2023 N'000	30 June 2022 N'000	30 June 2023 N'000	30 June 2022 N'000	31 Dec., 2022 N'000
Revenue	3	4,073,731	3,119,984	7,454,813	5,675,109	11,125,330
Direct cost	4	(1,993,222)	(1,766,578)	(3,885,850)	(3,342,765)	(6,759,284)
<b>Gross profit</b>		<b>2,080,509</b>	<b>1,353,407</b>	<b>3,568,962</b>	<b>2,332,344</b>	<b>4,366,047</b>
Other operating income	5	22,760	17,924	41,324	36,325	475,413
Administration expenses	6	(1,241,600)	(919,834)	(2,155,897)	(1,818,232)	(4,074,381)
<b>Profit from operation</b>		<b>861,669</b>	<b>451,497</b>	<b>1,454,389</b>	<b>550,437</b>	<b>767,079</b>
Finance Income	7	607,158	5,227	618,808	9,687	19,829
Finance expense	7	(84,045)	(17,944)	(167,998)	(52,690)	(317,325)
<b>Operating profit before taxation</b>		<b>1,384,782</b>	<b>438,779</b>	<b>1,905,198</b>	<b>507,434</b>	<b>469,583</b>
Tax expense	27	(457,096)	(112,457)	(735,758)	(197,209)	(160,247)
<b>Profit for the year</b>		<b>927,686</b>	<b>326,323</b>	<b>1,169,440</b>	<b>310,226</b>	<b>309,336</b>
<b>Other comprehensive income</b>						
<b>Item that will not be reclassified to profit or loss</b>						
(Reversal)/recognition of actuarial loss on defined benefit obligation	20	-	-	-	-	-
Recognition of related tax on defined benefit obligation	27	-	-	-	-	155,287
<b>Other comprehensive income for the year, net of tax</b>						<b>155,287</b>
<b>Total comprehensive income for the year</b>		<b>927,686</b>	<b>326,323</b>	<b>1,169,440</b>	<b>310,226</b>	<b>464,623</b>
<b>Earnings per share</b>						
Basic earnings - kobo	25	<b>69</b>	<b>24</b>	<b>86</b>	<b>23</b>	<b>21</b>
Diluted earnings - kobo	25	<b>69</b>	<b>24</b>	<b>86</b>	<b>23</b>	<b>21</b>

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

# SKYWAY AVIATION HANDLING COMPANY PLC

## CONDENSED STATEMENT OF FINANCIAL POSITION AS AT,

		Unaudited	Unaudited	Audited
		30 June 2023	30 June 2022	31 Dec., 2022
	NOTE	₦'000	₦'000	₦'000
<b>NON-CURRENT ASSETS</b>				
Property, plant and equipment	9	14,170,222	14,164,643	14,258,905
Investment properties	10	722,289	741,085	734,531
Intangible assets	11	4,080,124	4,077,702	4,081,010
Deferred tax assets	28	926,918	649,449	926,918
		<b>19,899,554</b>	<b>19,632,879</b>	<b>20,001,364</b>
<b>CURRENT ASSETS</b>				
Inventories	12	676,053	452,604	615,653
Trade and other receivables	13	8,500,279	3,852,781	4,217,783
Cash and cash equivalent	14	1,082,531	927,965	4,383,740
		<b>10,258,863</b>	<b>5,233,350</b>	<b>9,217,176</b>
<b>TOTAL ASSETS</b>		<b>30,158,417</b>	<b>24,866,229</b>	<b>29,218,541</b>
<b>EQUITY</b>				
Share capital	19	676,790	676,790	676,790
Share premium	24	4,784,010	4,784,010	4,784,010
Retained earnings	21	5,611,188	4,710,631	4,665,090
Actuarial valuation reserve	23	323,137	167,850	323,137
Revaluation reserve	22	9,088,895	9,088,895	9,088,895
		<b>20,484,021</b>	<b>19,428,176</b>	<b>19,537,922</b>
<b>NON-CURRENT LIABILITIES</b>				
Long term borrowings	16	3,387,057	-	3,430,457
Deferred income	26	129,126	76,458	8,753
Defined Benefit Obligations	20	2,359,882	1,751,528	2,240,086
		<b>5,876,066</b>	<b>1,827,986</b>	<b>5,679,297</b>
<b>CURRENT LIABILITIES</b>				
Trade payable and other payables	15	2,752,828	2,618,383	3,550,928
Short term borrowings	16	204,993	176,919	204,993
Deferred income	26	35,014	83,055	35,014
Current income tax liabilities	27	805,495	731,710	210,387
		<b>3,798,330</b>	<b>3,610,067</b>	<b>4,001,321</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>30,158,417</b>	<b>24,866,229</b>	<b>29,218,541</b>

The condensed financial statements were approved by the Board of Directors on ....20th July, 2023 and signed on its behalf by:

.....  
Barr. (Dr.) Taiwo Afolabi, MON  
Chairman  
FRC/2015/NBA/00000013106

.....  
Mr. Agboarumi Basil  
Managing Director/CEO  
FRC/2019/IODN/00000019784

.....  
Mr. Rotimi Omotoso  
Chief Financial Officer  
FRC/2016/ICAN/00000014593

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

# SKYWAY AVIATION HANDLING COMPANY PLC

## STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30 JUNE, 2023

	SHARE CAPITAL N'000	SHARE PREMIUM N'000	RETAINED EARNINGS N'000	ACTUARIAL VALUATION RESERVE N'001	REVALUATION RESERVE N'000	TOTAL EQUITY N'000
<b>Balance at 1 January 2022</b>	<b>676,790</b>	<b>4,784,010</b>	<b>4,623,746</b>	<b>167,850</b>	<b>9,088,895</b>	<b>19,341,291</b>
Impact of correction of errors			(44,650)			(44,650)
<b>Balance after adjustment for Prior year errors</b>	<b>676,790</b>	<b>4,784,010</b>	<b>4,579,096</b>	<b>167,850</b>	<b>9,088,895</b>	<b>19,296,641</b>
<b>Total Comprehensive Income for the year</b>						
Profit for the year	-	-	309,336	-	-	309,336
Other comprehensive income for the year	-	-	-	155,287	-	155,287
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>309,336</b>	<b>155,287</b>	<b>-</b>	<b>464,623</b>
<b>Transactions with owners recorded directly in equity</b>						
Dividend Paid	-	-	(223,342)	-	-	(223,342)
<b>Balance at 31 December 2022</b>	<b>676,790</b>	<b>4,784,010</b>	<b>4,665,090</b>	<b>323,137</b>	<b>9,088,895</b>	<b>19,537,922</b>
<b>Balance at 1 January 2022</b>	<b>676,790</b>	<b>4,784,010</b>	<b>4,623,747</b>	<b>167,850</b>	<b>9,088,895</b>	<b>19,341,292</b>
<b>Total Comprehensive Income for the period</b>						
Profit for the period	-	-	310,225	-	-	310,225
Other comprehensive income for the period	-	-	-	-	-	-
<b>Total Comprehensive Income for the period</b>	<b>-</b>	<b>-</b>	<b>310,225</b>	<b>-</b>	<b>-</b>	<b>310,225</b>
<b>Transactions with owners recorded directly in equity</b>						
Dividend Paid	-	-	(223,342)	-	-	(223,342)
<b>Balance at 30 June 2022</b>	<b>676,790</b>	<b>4,784,010</b>	<b>4,710,630</b>	<b>167,850</b>	<b>9,088,895</b>	<b>19,428,175</b>
<b>Balance at 1 January 2023</b>	<b>676,790</b>	<b>4,784,010</b>	<b>4,665,090</b>	<b>323,137</b>	<b>9,088,895</b>	<b>19,537,922</b>
<b>Total Comprehensive Income for the period</b>						
Profit for the period	-	-	1,169,440	-	-	1,169,440
Other comprehensive income for the period	-	-	-	-	-	-
<b>Total Comprehensive Income for the period</b>	<b>-</b>	<b>-</b>	<b>1,169,440</b>	<b>-</b>	<b>-</b>	<b>1,169,440</b>
<b>Transactions with owners recorded directly in equity</b>						
Dividend Paid	-	-	(223,341)	-	-	(223,341)
<b>Balance at 30 June 2023</b>	<b>676,790</b>	<b>4,784,010</b>	<b>5,611,189</b>	<b>323,137</b>	<b>9,088,895</b>	<b>20,484,021</b>

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



# SKYWAY AVIATION HANDLING COMPANY PLC

## CONDENSED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 30 JUNE, 2023

		Unaudited 6 Months Ended 30 June 2023 NOTE	Unaudited 6 Months Ended 30 June 2022 NOTE	Audited Year Ended 31 Dec., 2022 NOTE
		N'000	N'000	N'000
<b>Cash flows from operating activities:</b>				
Profit for the period		1,905,198	507,433	469,583
<b>Adjustments for net income to net cash provided by operating activities</b>				
Impact of prior year adjustment		-	-	(44,650)
Finance Expenses	7	167,998	13,500	314,546
Allowance for impairment on Receivables		-	-	128,073
Provision for Employee benefit	20	188,324	156,140	460,533
Investment Property- Depreciation	10	12,242	14,773	28,342
Intangible Asset- Amortisation	11	886	885	1,770
Property Plant & Equipment-Depreciation	9	1,037,835	990,836	1,992,747
		<b>3,312,483</b>	<b>1,683,567</b>	<b>3,350,944</b>
<b>Changes in working capital</b>				
Increase in trade and other receivables		(4,282,496)	(484,164)	(977,239)
Increase in inventories		(60,400)	(141,841)	(304,891)
(Decrease)/Increase in trade and other payables		(798,099)	(86,090)	846,455
Increase/(Decrease) in deferred income		120,373	47,252	(68,494)
<b>Cash generated from operations</b>		<b>(1,708,139)</b>	<b>1,018,724</b>	<b>2,846,773</b>
Tax paid	27	(140,650)	(30,000)	(636,545)
Payment made by the employer on the Employee Benefit	20	(68,528)	(73,809)	(130,921)
Finance expenses paid		(167,998)	(13,500)	(73,133)
<b>Net cash inflow from operating activities</b>		<b>(2,085,315)</b>	<b>901,415</b>	<b>2,006,175</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	9	(949,153)	(1,533,795)	(2,630,103)
Investment Properties	10	-	-	(7,015)
Purchase of Intangible asset	11	-	(11,825)	(16,018)
<b>Net cash outflow used in investing activities</b>		<b>(949,153)</b>	<b>(1,545,620)</b>	<b>(2,653,136)</b>
<b>Financing Activities:</b>				
Dividend		(223,341)	(223,341)	(223,341)
Loan Received		-	-	3,500,000
Repayment of borrowings	16	(43,401)	(38,947)	(80,415)
<b>Net cash inflow used in financing activities</b>		<b>(266,741)</b>	<b>(262,288)</b>	<b>3,196,244</b>
Net (decrease)/increase in cash and cash equivalents		(3,301,209)	(906,493)	2,549,283
Cash and cash equivalents at the beginning		4,383,740	1,834,458	1,834,458
<b>Cash and cash equivalents at the end</b>	<b>14</b>	<b>1,082,531</b>	<b>927,965</b>	<b>4,383,740</b>

FREE FLOAT ANALYSIS

Shareholding structure/Free Float Status

Description	30 June 2023		31 December 2022	
	Units	Percentage (in relation to issued Share Capital)	Units	Percentage (in relation to issued Share Capital)
Issued Share Capital	1,353,580,000	100%	1,353,580,000	100%
<b>Details of Substantial Shareholdings (5% and above)</b>				
AFOLABI TAIWO OLAYINKA	378,616,989	27.97	379,041,989	28.00
SIFAX SHIPPING COMPANY LTD	443,331,091	32.75	443,331,091	32.75
AFOLABI FOLASHADE A.	241,816,960	17.86	241,816,960	17.86
<b>Total Substantial Shareholdings</b>	<b>1,063,765,040</b>	<b>78.59</b>	<b>1,064,190,040</b>	<b>78.62</b>
Details of Directors Shareholdings (Direct and indirect), excluding directors' holding substantial interests				
<b>Name(s) of Directors</b>				
AFOLABI TAIWO OLAYINKA	-	-	-	-
CHIKE OGEAH (Direct) - Retired in June 2022	537,600	0.040	537,600	0.040
ANOGWI ANYANWU (Direct)	50,000	0.004	50,000	0.004
OLUROPO SAKA OWOLABI(Direct)	5,322,500	0.393	5,322,500	0.393
SHEHU USMAN IYAL	-	-	-	-
ARIYO OLUTOYE OLUWOLE - Retired in June 2022	-	-	-	-
FILANI KAYODE OLADIPUPO (Direct)	4,000,000	0.296	4,000,000	0.296
FILANI KAYODE OLADIPUPO (Indirect)	8,000,000	0.591	8,000,000	0.591
BASIL AGBOARUMI U (Direct)	55,000	0.004	55,000	0.004
OLANIYI ALAMU ADIGUN	-	-	-	-
BOMA UKWUNNA	-	-	-	-
AFOLABI BABATUNDE OLANREWAJU	-	-	-	-
LAILA ST. MATHEW DANIEL - Appointed in June 2022	-	-	-	-
BUKOLA BELLO-JAYESIMI - Appointed in June 2022	-	-	-	-
HERBERT IJEOMA ODIKA - Appointed in June 2023	-	-	-	-
<b>Total Directors' Shareholdings</b>	<b>17,965,100.00</b>	<b>1.33</b>	<b>17,965,100.00</b>	<b>1.33</b>
Share Price as at end of period (₦)	10.15		5.00	
Free Float	271,849,860	20.08	271,849,860	20.08
Free Float in value (₦)		2,759,276,079		1,359,249,300

**Declaration:**

SAHCO plc has a free float of 20.08% as at 30 June 2023 is in compliance with the Exchange' rules on the requirements for all companies listed on the Main Board to maintain a free float of 20% and above.

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE, 2023

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### 1 General Information

The principal activities of the Company include provision of services including aircraft/ramp handling, cargo handling, passenger handling, premium lounge, aviation security and baggage reconciliation.

On 3rd of December 2009, SIFAX Shipping Limited and Global Apex Logistic Limited through Skyway Aviation Handling Company Limited acquired 100% interest of the Federal Government in Skypower Aviation Handling Company Limited due to the privatisation of the company.

In 2018, SAHCOL undertook a business combination with Skypower wherein both companies were consolidated with SAHCOL as the surviving entity.

Skyway Aviation Handling Company Limited became a Public Limited Company on 5th October, 2018.

The Corporate Headquarters is located at Skyway Aviation Handling Company Plc. Complex, Cargo Terminal, Murtala Muhammed International Airport, Ikeja, Lagos State, Nigeria.

### 2 Significant accounting policies

The principal accounting policies applied in the preparation of these condensed financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

#### 2.1 Statement of Compliance

The condensed financial statements for the period ended 30 June 2023 have been prepared in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB"), and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB (together "IFRS") and requirements of the Companies and Allied Matters Act (CAMA) of Nigeria and the Financial Reporting Council (FRC) Act of Nigeria.

Skyway Aviation Handling Company Limited has consistently applied the same accounting policies and methods of computation in its financial statements as in its 2022 financial statements.

None of the new standards, interpretations and amendments, effective for the first time from 1st January 2023, have had a material effect on the financial statements.

#### 2.2 Basis of preparation

These condensed accounts do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2022 Financial Statements.

The financial statements have been prepared under the historical cost convention except for some financial assets and liabilities measured at fair value and amortised cost; inventory at net realisable value; and the liability for defined benefit obligations is recognised as the present value of the defined benefit obligation and related current service cost.

#### 2.3 Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability that market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE HALF YEAR ENDED 30 JUNE, 2023

### 3

#### REVENUE

The Company generates revenue primarily from foreign and domestic handling, cargo handling and equipment rental. Other sources of revenue include rental income from investment properties.

	6 Months Ended 30 June 2023	6 Months Ended 30 June 2022
	N'000	N'000
Revenue from contract with Customers	7,388,374	5,607,153
<b>Other revenue</b>		
Investment Properties Rental Income	66,438	67,956
<b>Total Revenue</b>	<b>7,454,813</b>	<b>5,675,108</b>

#### 3.1 Disaggregation of revenue from contracts with customers

The revenue from contracts with customers is disaggregated by major service lines and timing of revenue recognition.

	6 Months Ended 30 June 2023	6 Months Ended 30 June 2022
	N'000	N'000
<b>i. Major Service Lines</b>		
Foreign Handling	1,562,867	1,162,518
Domestic Handling	1,126,945	1,127,063
Ad-hoc Handling	4,221	25,775
Cargo Handling Income	3,495,609	2,527,108
Cargo Handling -Export	398,145	325,386
VIP Lounge Service Income	9,002	7,114
Hajj Operations	290,736	36,860
Equipment Rental	445,587	363,053
Haulage/Crew Bus Services	1,011	15,015
DCS/PAX Handling Income	-	525
Airport Security Services	28,455	16,737
Christian Pilgrimage Handling	25,796	-
	<u>7,388,374</u>	<u>5,607,153</u>
Discount Allowed	-	-
	<b>7,388,374</b>	<b>5,607,153</b>
<b>ii. Timing of revenue recognition</b>		
Service transferred at a point in time	7,388,374	5,607,153
Service transferred over time	66,438	67,956
	<u>7,454,813</u>	<u>5,675,109</u>

#### 3.2 Contract balances

The following provides information about receivables, contract assets and contract liabilities from contracts with customers.

	6 Months Ended 30 June 2023	6 Months Ended 30 June 2022
	N'000	N'000
Contract liabilities	164,140	180,575
	<u>164,140</u>	<u>180,575</u>

The contract liabilities primarily relate to the advance consideration received from tenants for rent of the investment properties, for which revenue is recognised upon usage by the tenants.

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE HALF YEAR ENDED 30 JUNE, 2023

### 3.3 Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good or service to a customer.

### 3.4 Description of Major Sources of income:

**Foreign and Domestic Handling:** This include income from aircraft handling raised for Ramp Services, passenger profiling, security and baggage handling(Loading and offloading).

**Cargo Handling:** These includes income from Cargo documentation services rendered to airlines which include import and export cargo facilitation through Nigeria's biggest network of customers bonded warehouses in Lagos, Kano, Abuja and Port-Harcourt, using Hermes computerisation system which ensures safe storage and easy retrieval of cargos

**Equipment rental and maintenance:** The company leases its equipment to airlines for services that are not covered in the standard Ground Handling Agreement.

	6 Months Ended 30 June 2023	6 Months Ended 30 June 2022
4	₦'000	₦'000
<b>DIRECT COST</b>		
Cargo Shed/ Warehouse	334,853	272,074
Concession Fees	418,305	293,542
Oil and Lubricants	126,133	87,928
VIP Lounge	7,399	1,628
DCS/Check-In Counter Expenses	22,462	20,717
Baggage Logistics Expenses	2,312	1,252
Equipment Running	363,391	405,023
Equipment Repairs	419,373	346,259
RAMP	60,035	101,418
Hajj Operation	51,358	817
Christian Pilgrimage	1,280	665
Cargo Warehouse Incentives	-	4,040
Direct Labour Cost	1,198,860	1,008,241
Other Direct Costs	1,088	15,932
Miscellaneous Cost	48,560	23,001
	<u>3,055,407</u>	<u>2,582,539</u>
Depreciation	830,443	760,226
	<u><b>3,885,850</b></u>	<u><b>3,342,765</b></u>

Expenses by nature have been disclosed in the statement of comprehensive income as above.

Costs directly related to income generating activities are labeled as direct cost. Depreciation of assets used directly in generating revenue are classified as part of direct cost.

	6 Months Ended 30 June 2023	6 Months Ended 30 June 2022
5	₦'000	₦'000
<b>OTHER INCOME</b>		
Electricity bills, scrap and other miscellaneous income	<u><b>41,324</b></u>	<u><b>36,325</b></u>

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE HALF YEAR ENDED 30 JUNE, 2023

	6 Months Ended 30 June 2023	6 Months Ended 30 June 2022
6	N'000	N'000
<b>ADMINISTRATION EXPENSES</b>		
Employee benefit expenses (Note 8)	840,426	695,165
Depreciation & amortisation	220,519	246,268
Printing and stationery	21,936	35,865
Transport and traveling	65,018	68,780
Vehicle running expenses	43,866	37,872
Telecommunication and courier	18,120	18,462
Staff training and development	22,005	55,089
Advertisement and publications	10,218	10,424
Public relations	21,254	15,575
Sales promotion	5,000	3,200
Subscription	3,735	3,587
Newspaper, periodical and magazine	497	629
Rent and electricity	99,387	92,251
Medical expenses	89,682	86,916
Insurance premium	44,882	46,763
Legal expenses	1,692	4,318
Audit fees	-	-
Repairs of office equipment	720	3,736
Repairs and maintenance of building	76,025	82,064
Entertainment	25,118	15,380
Gifts and donations	49,313	18,663
Hotel and accommodation	5,156	10,245
Repair of furniture and fittings	8,572	12,441
Computer support and accessories	72,646	29,222
Lighting and fitting expenses	11,466	8,103
Premises upkeep and cleaning	31,885	30,499
Special security expenses	12,163	14,992
Office running expenses	9,311	7,343
Board meeting expenses	14,959	13,288
Recruitment expenses	-	-
Staff welfare expenses	212,095	5,800
Professional and business fees	13,348	22,628
Directors expenses	46,000	79,617
Debt Written off	-	-
Bank charges	13,595	21,501
Government levies	5,006	7,196
Impairment Allowance on Receivables	-	-
Other expenses	40,282	14,351
	<u>2,155,897</u>	<u>1,818,232</u>

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE HALF YEAR ENDED 30 JUNE, 2023

	6 Months Ended 30 June 2023 ₹'000	6 Months Ended 30 June 2022 ₹'000
<b>7</b>		
<b>FINANCE INCOME AND FINANCE COST</b>		
<b>Finance Income</b>		
Interest Income	9,556	9,687
Interest on defined benefit obligation	-	-
	<u>9,556</u>	<u>9,687</u>
Foreign exchange Gain	609,252	-
	<u><b>618,808</b></u>	<u><b>9,687</b></u>
<b>Finance Expense</b>		
Interest on loan	167,998	13,500
Interest on defined benefit obligation	-	-
	<u>167,998</u>	<u>13,500</u>
Foreign exchange Loss	-	39,191
	<u><b>167,998</b></u>	<u><b>52,690</b></u>
<b>8</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries and wages	424,596	348,816
Pension fund contribution	27,002	21,726
Leave allowance	31,946	24,954
Gratuity and terminal benefits	188,324	156,215
Overtime	16,513	16,615
13th month salary	118,132	95,444
Other allowance	7,003	7,750
ITF contribution	15,215	12,277
NSITF Employee Compensation	11,696	11,368
	<u><b>840,426</b></u>	<u><b>695,165</b></u>
	<b>6 Months Ended</b>	<b>6 Months Ended</b>
	<b>30 June 2023</b>	<b>30 June 2022</b>
<b>8.1</b>	<b>Number</b>	<b>Number</b>
<b>The Average number of employees per department:</b>		
Operations	1,877	1,877
Administrations	51	51
	<u><b>1,928</b></u>	<u><b>1,928</b></u>
<b>8.2</b>		
<b>Employees remuneration Scale</b>		
<b>RANGE</b>		
< 1000000	942	942
1000000-2000000	814	814
2000001-3000000	118	118
3000001-4000000	26	26
4000001-5000000	13	13
5000001-6000000	11	11
6000001-7000000	-	-
7000001-8000000	-	-
8000001-14000000	4	4
	<u><b>1,928</b></u>	<u><b>1,928</b></u>

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE HALF YEAR ENDED 30 JUNE, 2023

9

### PROPERTY, PLANT AND EQUIPMENTS

	Leasehold Land N'000	Building N'000	Motor Vehicle and Trucks N'000	Plant and Machinery N'000	Furniture, Fixture and Fittings N'000	Computer Equipment N'000	Office Equipment N'000	Sundry Tools N'000	Total N'000
<b>Cost:</b>									
At 1 January 2022	40,950	4,863,535	404,293	14,274,720	734,111	116,160	250,328	113,560	20,797,657
Charge for the year	-	201,957	122,383	2,202,125	56,215	29,209	478	17,736	2,630,103
<b>At 31 December 2022</b>	<b>40,950</b>	<b>5,065,492</b>	<b>526,676</b>	<b>16,476,845</b>	<b>790,326</b>	<b>145,370</b>	<b>250,806</b>	<b>131,296</b>	<b>23,427,761</b>
Additions	-	88,356	-	809,029	23,111	13,652	6,789	8,215	949,153
<b>At 30 June 2023</b>	<b>40,950</b>	<b>5,153,849</b>	<b>526,676</b>	<b>17,285,874</b>	<b>813,437</b>	<b>159,022</b>	<b>257,595</b>	<b>139,511</b>	<b>24,376,913</b>
<b>Accumulated Depreciation:</b>									
At 1 January 2022	30,030	705,717	212,469	5,373,100	556,215	65,093	175,637	57,713	7,175,974
Charge for the year	-	183,940	87,881	1,551,997	84,657	18,077	42,011	24,319	1,992,882
<b>At 31 December 2022</b>	<b>30,030</b>	<b>889,657</b>	<b>300,350</b>	<b>6,925,097</b>	<b>640,872</b>	<b>83,170</b>	<b>217,648</b>	<b>82,032</b>	<b>9,168,856</b>
Charge for the period	-	94,898	43,897	830,443	31,350	13,507	11,229	12,512	1,037,835
<b>At 30 June 2023</b>	<b>30,030</b>	<b>984,555</b>	<b>344,247</b>	<b>7,755,540</b>	<b>672,222</b>	<b>96,677</b>	<b>228,877</b>	<b>94,543</b>	<b>10,206,691</b>
<b>Carrying amount:</b>									
<b>At 30 June 2023</b>	<b>10,920</b>	<b>4,169,294</b>	<b>182,429</b>	<b>9,530,334</b>	<b>141,215</b>	<b>62,345</b>	<b>28,718</b>	<b>44,968</b>	<b>14,170,222</b>
<b>At 31 December, 2022</b>	<b>10,920</b>	<b>4,175,836</b>	<b>226,326</b>	<b>9,551,747</b>	<b>149,454</b>	<b>62,200</b>	<b>33,158</b>	<b>49,264</b>	<b>14,258,905</b>

Property, plant and equipment includes right-of-use assets of N10.9 Million related to leased hold land.

#### 9.1 Revaluation

The Company's Property, Plant & Equipment were revalued on March 29, 2018 by Messrs. Ubosi Eleh & Company (FRC/2014/NIESV/00000003997) an accredited independent valuer who has valuation experience for similar offices using the Market Value Basis of valuation.

Leasehold Land is stated at cost and as such do not fall under any class of the revalued assets by the Independent Valuers.

#### 9.2 Assets pledged as security

Borrowings are secured by a debenture on fixed and floating assets of the company.

	6 Months Ended 30 June 2023 N'000	6 Months Ended 30 June 2022 N'000
<b>9.3 Depreciation charged during the period are included in:</b>		
Cost of sales	830,443	760,226
Administrative expenses	207,392	230,610
	<b>1,037,835</b>	<b>990,836</b>



# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE HALF YEAR ENDED 30 JUNE, 2023

### 10

#### INVESTMENT PROPERTIES

<b>Cost</b>	<b>Building ₦'000</b>
At 1 January 2022	844,173
Additions	7,015
<b>At 31 December, 2022</b>	<b>851,188</b>
Additions	-
<b>At 30 June 2023</b>	<b>851,188</b>
<b>Accumulated Depreciation</b>	
At 1 January 2022	88,316
Charge for the year	28,342
<b>At 31 December, 2022</b>	<b>116,658</b>
Charge for the period	12,242
<b>At 30 June 2023</b>	<b>128,899</b>
<b>Carrying amount</b>	
<b>At 30 June 2023</b>	<b>722,289</b>
<b>At 31 December, 2022</b>	<b>734,531</b>

The Investment properties are depreciated using the straight-line method. The rate of depreciation used is 3.5% based on the useful lives of the lease on the landed property.

#### a) Description of the Investment Properties

Investment properties include Skyway Aviation Handling Company Plc. corporate office and Skyway Aviation Handling Company Plc. Office Complex located at Murtala Mohammed Airport Lagos, Nigeria which were made available for rental during the period.

	<b>30 June 2023 ₦'000</b>	<b>30 June 2022 ₦'000</b>
<b>b) Net amounts recognised in profit or loss for investment properties are as follows:</b>		
Rental income	66,438	32,763
Direct operating expenses	(53,218)	(25,001)
Depreciation	(12,242)	(7,387)
	<b>979</b>	<b>375</b>

Depreciation has been included in Administrative expenses in the Statement of Profit or Loss and Other Comprehensive Income.

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE HALF YEAR ENDED 30 JUNE, 2023

### c) Non-current assets pledged as security

Refer to note 9.2 for information on non-current assets pledged as security by the company.

### d) Contractual obligations

The Company's lease agreement with FAAN on the Investment Property Lands places a restriction on the realization of the investment properties. The company has no contractual obligations to purchase the Land but can construct or develop investment properties or for repairs, maintenance and enhancements.

### e) Leasing arrangements

Some of the investment properties are leased to tenants under long-term operating leases with rentals payable annually. Minimum lease payments under non-cancellable operating leases of investment properties recognised in the financial statements as payables are as follows:

	Unaudited 6 Months Ended 30 June 2023 N'000	Audited Year Ended 31 Dec., 2022 N'000
Within one year	35,014	35,014
Later than one year but not later than 5 years	129,126	8,753
	<b>164,140</b>	<b>43,768</b>

## 11

### INTANGIBLE ASSETS

	Website N'000	Software N'000	Goodwill N'000	Total N'000
<b>Cost</b>				
At 1 January 2022	1,050	10,302	4,057,388	4,068,740
Additions	-	16,018	-	16,018
<b>At 31 December, 2022</b>	<b>1,050</b>	<b>26,320</b>	<b>4,057,388</b>	<b>4,084,758</b>
Addition	-	-	-	-
<b>At 30 June 2023</b>	<b>1,050</b>	<b>26,320</b>	<b>4,057,388</b>	<b>4,084,758</b>
<b>Amortisation</b>				
At 1 January 2022	298	1,681	-	1,978
Amortisation	-	1,770	-	1,770
<b>At 31 December, 2022</b>	<b>298</b>	<b>3,451</b>	<b>-</b>	<b>3,748</b>
Amortisation	315	571	-	886
<b>At 30 June 2023</b>	<b>613</b>	<b>4,021</b>	<b>-</b>	<b>4,634</b>
<b>Carrying amount</b>				
<b>At 30 June 2023</b>	<b>438</b>	<b>22,298</b>	<b>4,057,388</b>	<b>4,080,124</b>
<b>At 31 December, 2022</b>	<b>753</b>	<b>22,869</b>	<b>4,057,388</b>	<b>4,081,010</b>

### a

#### Impairment test

There was no impairment loss on Goodwill during the year.

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE HALF YEAR ENDED 30 JUNE, 2023

	Unaudited 6 Months Ended 30 June 2023 ₦'000	Audited Year ended 31 Dec., 2022 ₦'000
<b>12</b>		
<b>INVENTORIES</b>		
Spares	642,769	597,067
Oil and lubricants	33,284	18,586
	<b>676,053</b>	<b>615,653</b>

None of the company's inventories were pledged as collateral for borrowings.

The company's inventories were also not written down during the period (2022 : Nil).

	Unaudited 6 Months Ended 30 June 2023 ₦'000	Audited Year ended 31 Dec., 2022 ₦'000
<b>13</b>		
<b>TRADE AND OTHER RECEIVABLES</b>		
Trade Receivables	4,115,095	3,124,454
<b>Less:</b> Allowance for Impairment (Note 13(a)(i))	(988,565)	(988,565)
	3,126,530	2,135,888
Due from related parties (Note 18.2)	3,925,664	628,278
Advance to Suppliers (Note 13(b))	1,029,851	1,197,861
Other Receivables (Note 13(c))	196,137	101,327
Staff Loan (Note 13(d))	127,727	103,099
Prepayments (Note 13(e))	94,371	51,331
	<b>8,500,279</b>	<b>4,217,783</b>

The company determines its recoverability of trade receivable after considering any changes in the credit quality of the trade receivables from the date credit is granted up to the end of the reporting period.

	Unaudited 6 Months Ended 30 June 2023 ₦'000	Audited Year ended 31 Dec., 2022 ₦'000
<b>a) Allowance for impairment</b>		
Balance at the beginning of the period	1,144,565	1,450,688
Write off Debts	-	(517,018)
Adjustment for reversals	-	82,822
Allowance for Impairment for the period	-	128,073
Balance at end of the period	<b>1,144,565</b>	<b>1,144,565</b>

### i.) Allowance for impairment is further analysed below

Trade Receivables	988,565	988,565
Advance to Suppliers	105,000	105,000
Other Receivables	51,000	51,000
	<b>1,144,565</b>	<b>1,144,566</b>

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE HALF YEAR ENDED 30 JUNE, 2023

	Unaudited 6 Months Ended 30 June 2023 ₹'000	Audited Year ended 31 Dec., 2022 ₹'000
<b>b) Advance to Suppliers</b>		
Cash with Suppliers	1,134,851	1,302,861
Allowance for impairment of advance to suppliers (Note 13(a)(i))	(105,000)	(105,000)
	<b>1,029,851</b>	<b>1,197,861</b>
<b>c) Other Receivables</b>		
Staff Advance for Expenses	27,632	35,485
Withholding Tax Receivables	168,505	65,842
Loan to ABX World	51,000	51,000
Allowance for impairment of loan to ABX World (Note 17(a)(i))	(51,000)	(51,000)
	<b>196,137</b>	<b>101,327</b>

### d) Staff Loan

Staff Loan are non-interest bearing. They are repayable within 12month.

### e) Prepayments

Prepayments relate to rent prepaid on its offices complex all over the country and insurance prepaid on its Property, Plants and Equipment.

	Unaudited 6 Months Ended 30 June 2023 ₹'000	Audited Year ended 31 Dec., 2022 ₹'000
<b>14</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
Cash	6,775	5,430
Bank	642,863	4,009,718
Short term deposits	432,893	368,593
	<b>1,082,531</b>	<b>4,383,740</b>

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

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	Unaudited 6 Months Ended 30 June 2023 ₹'000	Audited Year ended 31 Dec., 2022 ₹'000
Cash	6,775	5,430
Bank	642,863	4,009,718
Short term deposits	432,893	368,593
	1,082,531	4,383,740
Bank Overdrafts	-	-
	<b>1,082,531</b>	<b>4,383,740</b>

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE HALF YEAR ENDED 30 JUNE, 2023

	Unaudited 6 Months Ended 30 June 2023 ₦'000	Audited Year ended 31 Dec., 2022 ₦'000
<b>15</b>		
<b>TRADE AND OTHER PAYABLES</b>		
Trade Payables	447,711	1,250,720
Customers Deposits	-	624,856
Provision for concession fee	1,091,485	684,434
Other Payables	205,982	104,893
Accruals (Note 15.2)	271,677	133,472
Statutory obligations payables – tax and social security payments (Note 15.3)	735,971	752,552
	<b>2,752,828</b>	<b>3,550,928</b>

### 15.1

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled within 12months.
- Other payables are non-interest bearing and have an average term of 6months.

	Unaudited 6 Months Ended 30 June 2023 ₦'000	Audited Year ended 31 Dec., 2022 ₦'000
<b>15.2</b>		
<b>Accruals</b>		
Stamp Duties	16,068	14,520
Others	255,609	118,952
	<b>271,677</b>	<b>133,472</b>

### 15.3

#### Statutory obligation payables – tax and social security payments

Withholding tax payables	27,002	13,281
Value added tax payable	375,237	355,320
ITF contribution	8,749	8,906
NSITF contribution payable	26,684	25,367
Pension	183,930	170,317
PAYE	24,039	15,251
Cooperative and thrift	89,450	149,561
Union dues	879	811
National Housing Fund	1	1
Payroll Clearance	-	147
	<b>735,971</b>	<b>752,552</b>

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE HALF YEAR ENDED 30 JUNE, 2023

	Unaudited 6 Months Ended 30 June 2023 ₦'000	Audited Year ended 31 Dec., 2022 ₦'000
<b>16</b>		
<b>BORROWINGS</b>		
Bank of Industry	3,500,000	3,500,000
United Bank for Africa Plc.	92,050	135,450
	<b>3,592,050</b>	<b>3,635,450</b>
<b>Classification of borrowings:</b>		
Current	204,993	204,993
Non Current	3,387,057	3,430,457
	<b>3,592,050</b>	<b>3,635,450</b>

### i. United Bank for Africa Plc.-Term Loan

This is a facility of ₦319,041,494.72(€768,608) which was sourced to purchase a ground handling equipment. The facility is for a tenor of 4 years effective 2020. The interest rate is floating at 14% p.a below the lender's prime lending rate currently 25% per annum giving an initial gross interest rate of 11% per annum. The facility is secured against fixed and floating assets of the company and personal guarantee of the Chairman.

### ii. Bank of Industry

This is a facility of ₦3,500,000,000 which was sourced for the procurement of equipment and machinery for aviation ground handling services. It is for six(6) years (inclusive of a 12 (twelve) months moratorium on principal repayment commencing from the date of first disbursement. The interest rate is 9% per annum "all in" (subject to review) payable monthly in arrears commencing from the date of first disbursement.

## 17

### Reconciliation of movements of Liabilities to cash flows arising from Financing Activities

	Unaudited 6 Months Ended 30 June 2023 ₦'000	Audited Year ended 31 Dec., 2022 ₦'000
Opening Balance	3,635,450	215,866
<b>Changes from Financing Cash flows</b>		
Additional Borrowing	-	3,500,000
Repayment of Borrowings	(43,401)	(80,415)
<b>Other Changes</b>		
Interest Expense	167,998	73,133
Interest Paid	(167,998)	(73,133)
	-	-
<b>Closing amount as at ending</b>	<b>3,592,050</b>	<b>3,635,450</b>

## 18

### RELATED PARTY

The company entered into various transaction with related parties in the ordinary course of business. Details of the transactions between the Company and other related parties are disclosed below:

#### 18.1 Identity of Related Party

Port and Cargo Handling Services Company Limited  
Sifax Shipping Company Limited

#### Port and Cargo Handling Services Company Limited

Ports and Cargo Handling Services is the port operations arm of SIFAX Group. The company entered into various transactions with the related party, ranging from support services to expenses incurred by the related company. The outstanding amount is from the various transactions entered with the related party.

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)

FOR THE HALF YEAR ENDED 30 JUNE, 2023

### Sifax Shipping Company Limited

SIFAX Shipping Company Limited was founded to provide a variety of complementary, quality shipping services. The company's bouquet of services includes Ship Agency, Ship Husbandry, Protective Agency/ Owners Representation, Crew Change and Group age. The amount outstanding represent cost and expenses incurred by the company on behalf of Skyway Aviation Handling Company Plc.

### 18.2 Outstanding Balances

#### Due from related entities

Sifax Shipping Company Limited

Unaudited 6 Months Ended 30 June 2023 ₹'000	Audited Year ended 31 Dec., 2022 ₹'000
3,925,664	628,278
<b>3,925,664</b>	<b>628,278</b>

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### SHARE CAPITAL

#### Issued and fully paid

Ordinary shares of 50k each

(2022: Ordinary shares of 50k each)

Unaudited 6 Months Ended 30 June 2023 Unit	Audited Year ended 31 Dec., 2022 Unit
<b>1,353,580,000</b>	<b>1,353,580,000</b>

	Unaudited 6 Months Ended 30 June 2023 ₹'000	Audited Year ended 31 Dec., 2022 ₹'000
<b>Issued and fully paid</b>		
Balance at the beginning of the year	676,790	676,790
Issued during the year	-	-
Balance at the end of the year	<b>676,790</b>	<b>676,790</b>

All ordinary shares rank equally with regard to the Company's residual assets

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE HALF YEAR ENDED 30 JUNE, 2023

### 20 Employee Benefits Obligation

#### a) Defined Contribution Plan

The company operates a defined contribution pension scheme in line with the provisions of the Pension Reform Act, 2004, with contributions based on the employees' emoluments in the ratio 8% by the employee and 12% by the employer.

	Unaudited 6 Months Ended 30 June 2023 N'000	Audited Year ended 31 Dec., 2022 N'000
Balance at beginning	170,317	151,095
Charge to profit or loss	153,469	272,893
Payments during the period	(139,856)	(253,671)
Balance at the end	<u>183,930</u>	<u>170,317</u>

The company's contributions to this scheme is charged to the profit or loss account in the period to which they relate. Contributions to the scheme are managed by Stanbic IBTC pension manager, and other appointed pension managers on behalf of the beneficiary staff in line with the provisions of the Pension Reform Act.

Consequently, the company has no legal or constructive obligations to pay further contributions if the funds do not hold sufficient assets to meet the related obligations to employees.

#### b) Defined Benefit Plan

The Company also has a retirement benefits policy for all its full-time employees who have served the company for a minimum of 1 year. The company has a post-retirement programme for any employee who has attained the terminal age limit of 60years and 35 years in service whichever is earlier.

The amount included in the statement of financial position as a result of the entity's obligation in respect of its defined benefit plans is as follows:

	Unaudited 6 Months Ended 30 June 2023 N'000	Audited Year ended 31 Dec., 2022 N'000
Present value of the defined benefit plan	2,359,882	2,240,086
Fair value of plan assets	-	-
<b>Funded Status</b>	<u>2,359,882</u>	<u>2,240,086</u>

Reconciliation of change in the present value of the defined benefit plan are as follows:

	Unaudited 6 Months Ended 30 June 2023 N'000	Audited Year ended 31 Dec., 2022 N'000
Statement of Financial Position - Opening	2,240,086	1,669,197
Net Periodic Benefit Cost recognised in the Profit or loss	188,324	360,831
Benefit paid by employer during the period	(68,528)	(130,921)
Amount recognised in Other Comprehensive income	-	340,979
	<u>2,359,882</u>	<u>2,240,086</u>



# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE HALF YEAR ENDED 30 JUNE, 2023

	Unaudited 6 Months Ended 30 June 2023 ₦'000	Audited Year ended 31 Dec., 2022 ₦'000
<b>21</b>		
<b>RETAINED EARNINGS</b>		
As at beginning of the period	4,665,089	4,623,746
Impact of correction of errors	-	(44,650)
Profit for the period	1,169,440	309,336
Dividend	(223,341)	(223,342)
As at the end of the period	<u>5,611,188</u>	<u>4,665,089</u>

<b>22</b>		
<b>REVALUATION RESERVE</b>		
As at beginning of the period	9,088,895	9,088,895
Other Comprehensive Income	-	-
As at the end of the period	<u>9,088,895</u>	<u>9,088,895</u>

The revaluation reserve relates to the revaluation of Property, Plant & Equipment (Refer to Note 9.1).

	Unaudited 6 Months Ended 30 June 2023 ₦'000	Audited Year ended 31 Dec., 2022 ₦'000
<b>23</b>		
<b>ACTUARIAL VALUATION RESERVE</b>		
As at beginning of the period	323,137	167,850
Other Comprehensive Income	-	155,287
As at the end of the period	<u>323,137</u>	<u>323,137</u>

<b>24</b>		
<b>SHARE PREMIUM</b>		
As at beginning of the period	4,784,010	4,784,010
Issued during the period	-	-
As at the end of the period	<u>4,784,010</u>	<u>4,784,010</u>

### **25** **EARNINGS PER SHARE**

Basic earnings per share amounts are calculated by dividing net profit for the period attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period.

	Unaudited 6 Months Ended 30 June 2023 ₦'000	Audited Year ended 31 Dec., 2022 ₦'000
Net profit attributable to ordinary equity holders	<u>1,169,440</u>	<u>309,336</u>
	Number	Number
Weighted average number of ordinary shares	<u>1,353,580,000</u>	<u>1,353,580,000</u>
<b>Basic earning per Ordinary Shares (Kobo)</b>	<u>86</u>	<u>23</u>
<b>Diluted earnings per ordinary shares (Kobo)</b>	<u>86</u>	<u>23</u>

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE HALF YEAR ENDED 30 JUNE, 2023

	Unaudited 6 Months Ended 30 June 2023 K'000	Audited Year ended 31 Dec., 2022 K'000
<b>26</b>		
<b>DEFERRED INCOME</b>		
<b>Rental Income</b>	<b>164,140</b>	<b>43,767</b>
Amount received during the period are categorized as follows:		
Current portion	35,014	35,014
Non-Current portion	129,126	8,753
	<b>164,140</b>	<b>43,767</b>
<b>27</b>		
<b>INCOME TAX LIABILITY</b>		
The major components of income tax expense for the period are:		
<b>As per profit or loss:</b>		
<b>Current income tax charge:</b>		
Income tax	588,607	224,986
Education tax	147,152	56,247
Police Levy	-	23
NASENI	-	1,174
<b>Total Current Tax</b>	<b>735,758</b>	<b>282,430</b>
<b>Deferred tax:</b>		
Origination and reversal of temporary differences (Note 33)	-	(122,183)
<b>Total Deferred Tax</b>	<b>-</b>	<b>(122,183)</b>
<b>Income Tax Expense</b>	<b>735,758</b>	<b>160,247</b>
<b>As per other comprehensive Income:</b>		
Origination and reversal of temporary differences	-	<b>(155,287)</b>
<b>As Per Statement of Financial Position:</b>		
As at beginning of the period	210,387	564,502
Current income tax charge for the period	735,758	282,430
	946,146	846,932
<b>Less: Payment during the period</b>		
Withholding Tax Credit Notes		(446,380)
Cash	(140,650)	(190,165)
As at the end of the period	<b>805,495</b>	<b>210,387</b>
<b>28</b>		
<b>DEFERRED TAX LIABILITIES/(ASSETS)</b>		
<b>As Per Statement of Financial Position:</b>		
<b>Summarized Reconciliation of Total deferred tax assets (Net):</b>		
As at beginning of the period	926,918	649,449
Relating to origination and reversal of temporary differences	-	277,470
As at the end of the period	<b>926,918</b>	<b>926,918</b>

Deferred tax assets and liabilities relates to the unutilised capital allowances, Employee benefit and receivables/intangible assets to the extent that the realisation of the related tax benefits through future taxable profits is probable. All deferred tax assets/liabilities are deemed to be recoverable after 12months. Deferred tax on revaluation surplus is based on capital gains tax of 10%.

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE HALF YEAR ENDED 30 JUNE, 2023

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### SECURITIES TRADING POLICY

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) Skyway Aviation Handling Company Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy undergoes periodic reviews by the Board and is updated accordingly. The Company has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the policy during the period.