

MEYER PLC

UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH JUNE, 2023

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

MEYER PLC

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR 2ND QUARTER ENDED 30TH JUNE, 2023

DIRECTORS, ADVISORS AND REGISTERED OFFICE

Corporate information

Chairman of the Board Mr Kayode Falowo

Directors Dr. David Onabajo
Mr Osa Osunde
Erelu Angela Adebayo
Mr Tony Uponi
Dr. Olutoyin Okeowo
Mrs Ochee Vivienne Bamgboye

Registered office No 32 Billings way,
Oregon Industrial Estate,
Ikeja,
Lagos

Company Secretary Marriot Solicitors
15E, Muri Okunola Street
Off Ajose Adeogun Street
Victoria Island,
Lagos

Company Registrar Greenwich Registrars & Data Solutions Limited
274, Murtala Muhammed Way
Alagomeji, Yaba
Lagos

Major Bankers Access Bank Plc
First Bank of Nigeria Limited
Zenith Bank Plc
United Bank for Africa Plc
Stanbic IBTC Bank Plc
Guaranty Trust Bank Ltd
First City Monument Bank Limited
Ecobank Plc
Providus Bank Limited

MEYER PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30TH JUNE, 2023

	Note	GROUP		COMPANY	
		30/06/2023 N'000	30/06/2022 N'000	30/06/2023 N'000	30/06/2022 N'000
Continuing operations					
Revenue	5	1,013,907	686,961	1,013,907	686,961
Cost of sales	5.1	<u>(692,470)</u>	<u>(506,267)</u>	<u>(692,470)</u>	<u>(506,267)</u>
Gross profit		321,437	180,694	321,437	180,694
Other operating income	7	7,700	29,949	7,700	29,949
Selling & Distribution expenses	8	(38,259)	(20,562)	(38,259)	(20,562)
Administrative expenses	9	<u>(283,594)</u>	<u>(242,300)</u>	<u>(283,594)</u>	<u>(242,300)</u>
Profit/ (loss) from operating activities		7,283	(52,220)	7,283	(52,220)
Finance Income	10(i)	79,586	34,953	79,586	34,953
Finance costs	10(ii)	<u>(1,747)</u>	<u>(2,734)</u>	<u>(1,747)</u>	<u>(2,734)</u>
Profit/(Loss) before tax		85,123	(20,001)	85,123	(20,001)
Taxation (Provision)	12	<u>(28,091)</u>	<u>(343)</u>	<u>(28,091)</u>	<u>(343)</u>
Profit /(Loss) after Tax for the period		<u>57,032</u>	<u>(20,344)</u>	<u>57,032</u>	<u>(20,344)</u>
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)/Profit for the period		<u>57,032</u>	<u>(20,344)</u>	<u>57,032</u>	<u>(20,344)</u>
Profit/Loss for the period attributable to:					
Owners of the Company		57,036	(20,344)	57,032	(20,344)
Non-controlling interests		<u>(4)</u>	<u>(4)</u>	-	-
		<u>57,032</u>	<u>(20,348)</u>	<u>57,032</u>	<u>(20,344)</u>
Total comprehensive (loss)/income for the period attributable to:					
Owners of the Company		57,036	(20,344)	57,032	(20,344)
Non-controlling interests		<u>(4)</u>	<u>(4)</u>	-	-
		<u>57,032</u>	<u>(20,348)</u>	<u>57,032</u>	<u>(20,344)</u>
Earnings per share					
Basic and diluted earnings per share	.	<u>11</u>	<u>(4)</u>	<u>11</u>	<u>(4)</u>

MEYER PLC

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THREE MONTHS & SIX MONTHS PERIODS ENDED 30TH JUNE, 2023

	GROUP				COMPANY			
	Three (3) Months Ended 30/06/2023 N'000	Six (6) Months Ended 30/06/2023 N'000	Three (3) Months Ended 30/06/2022 N'000	Six (6) Months Ended 30/06/2022 N'000	Three (3) Months Ended 30/06/2023 N'000	Six (6) Months Ended 30/06/2023 N'000	Three (3) Months Ended 30/06/2022 N'000	Six (6) Months Ended 30/06/2022 N'000
Continuing operations								
Revenue	480,246	1,013,907	345,157	686,961	480,246	1,013,907	345,157	686,961
Cost of sales	(335,998)	(692,470)	(254,192)	(506,267)	(335,998)	(692,470)	(254,192)	(506,267)
Gross profit	144,248	321,437	90,965	180,694	144,248	321,437	90,965	180,694
Other operating income	6,235	7,700	3,043	29,949	6,235	7,700	3,043	29,949
Selling & Distribution expenses	(17,865)	(38,259)	(11,078)	(20,562)	(17,865)	(38,259)	(11,078)	(20,562)
Administrative expenses	(142,912)	(283,594)	(127,464)	(242,300)	(142,912)	(283,594)	(127,464)	(242,300)
Profit/ (loss) from operating activities	(10,295)	7,283	(44,535)	(52,220)	(10,295)	7,283	(44,535)	(52,220)
Profit from disposal of building	-	-	-	-	-	-	-	-
Finance income	39,907	79,586	19,776	34,953	39,907	79,586	19,776	34,953
Finance costs	(925)	(1,747)	(2,378)	(2,734)	(925)	(1,747)	(2,378)	(2,734)
Profit/(Loss) before tax	28,688	85,123	(27,137)	(20,001)	28,688	85,123	(27,137)	(20,001)
Taxation (Provision)	(9,750)	(28,091)	1,976	(343)	(9,750)	(28,091)	1,976	(343)
Profit /(Loss) After Tax for the period	18,938	57,032	(25,161)	(20,344)	18,938	57,032	(25,161)	(20,344)
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	18,938	57,032	(25,161)	(20,344)	18,938	57,032	(25,161)	(20,344)
Profit/ (Loss) for the period attributable to:								
Owners of the Company	18,942	57,036	(25,157)	(20,344)	18,938	57,032	(25,161)	(20,344)
Non-controlling interests	(4)	(4)	(4)	(4)	-	-	-	-
	18,938	57,032	(25,161)	(20,348)	18,938	57,032	(25,161)	(20,344)
Total comprehensive Income/(Loss) for the period attributable to:								
Owners of the Company	18,942	57,036	(25,157)	(20,344)	18,938	57,032	(25,161)	(20,344)
Non-controlling interests	(4)	(4)	(4)	(4)	-	-	-	-
	18,938	57,032	(25,161)	(20,348)	18,938	57,032	(25,161)	(20,344)
Earnings per share								
Basic and diluted earnings per share	1	11	(5)	(4)	1	11	(5)	(4)

MEYER PLC
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 30TH JUNE, 2023

	Note	GROUP		COMPANY	
		30/06/2023	31/12/2022	30/06/2023	31/12/2022
		N'000	N'000	N'000	N'000
Non-current assets					
Property, plant and equipment	14	282,663	278,819	282,663	278,817
Right of use	14	44,050	44,094	44,050	44,094
Deffered tax assets	12	-	-	-	-
Total non-current assets		326,713	322,913	326,713	322,911
Current assets					
Inventories	17	103,650	134,392	103,650	134,392
Trade and other receivables	18	307,417	148,013	276,691	117,287
Other assets	15	5,925	7,042	5,925	7,042
Cash and cash equivalents	19i	1,435,611	1,326,225	1,435,426	1,326,042
Total current assets		1,852,602	1,615,672	1,821,691	1,584,763
Total assets		2,179,315	1,938,585	2,148,404	1,907,674
Current liabilities					
Trade and other payables	22	569,930	428,645	590,690	449,397
Short term borrowings	20	35,033	20,088	35,033	20,088
Current tax liabilities	12	38,082	10,245	38,082	10,245
Total current liabilities		643,045	458,978	663,805	479,730
Net Current Assets		1,209,557	1,156,694	1,157,887	1,105,033
Total assets less current liabilities		1,536,270	1,479,607	1,484,600	1,427,944
Non-Current Liabilities					
Decommissioning cost	22i	11,649	11,649	11,649	11,649
Employment benefits	21	14,616	14,989	14,616	14,989
Deffered tax liabilities	12	4,530	4,530	4,530	4,530
		30,796	31,168	30,795	31,169
Net Assets		1,505,476	1,448,439	1,453,805	1,396,775
Equity					
Share capital	23	248,864	248,864	248,864	248,864
Share premium account	24	53,173	53,173	53,173	53,173
Revenue reserve	25	1,200,994	1,143,962	1,151,770	1,094,738
Total equity attributable to owners of the company		1,503,031	1,445,999	1,453,805	1,396,775
Non-controlling interest	26	2,444	2,440	-	-
Total Equity		1,505,476	1,448,439	1,453,805	1,396,775

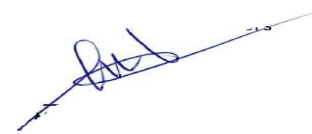
The financial statements and notes to the financial statements were approved by the Board of directors on July 21st, 2023 and signed on its behalf by:



Kayode Falowo
Chairman
FRC/2014/CISN/00000007051



Oluwatoyin Okeowo
Director
FRC/2013/IODN/00000002638



Muibi Musa Adekunle
Ag. Chief Finance Officer
FRC/2014/ICAN/00000006447

MEYER PLC
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30TH JUNE, 2023
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 2023	248,864	53,173	1,143,962	2,444	1,448,443
Dividend paid	-	-	-	-	-
Profit/(Loss) for the period	-	-	57,032	-	57,032
Adjustment for Non-controlling interest	-	-	-	-	-
Reversal of tax provision not required	-	-	-	-	-
Other comprehensive loss for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	57,032	-	57,032
contributions by and distributions to owners:					
Issued Share Capital	-	-	-	-	-
Share premium	-	-	-	-	-
Balance as at 30th June 2023	248,864	53,173	1,200,994	2,444	1,505,475
Balance as at 1st January 2022	248,864	53,173	750,349	2,444	1,054,830
Comprehensive income for the year					
Profit/(Loss) for the period	-	-	393,613	-	393,613
Adjustment for Non-controlling interest	-	-	-	(4)	(4)
Other comprehensive loss for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	393,613	(4)	393,609
contributions by and distributions to owners:					
Issued Share Capital	-	-	-	-	-
Share premium	-	-	-	-	-
Dividend paid	-	-	-	-	-
Balance at 31st December 2022	248,864	53,173	1,143,962	2,440	1,448,439

MEYER PLC
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30TH JUNE, 2023
The Company

	Share capital N'000	Share premium N'000	Retained Earnings N'000	Non controlling interest N'000	Total Equity N'000
Balance at 1st January 2023	248,864	53,173	1,094,738	-	1,396,775
Dividend paid	-	-	-	-	-
Loss for the period	-	-	57,032	-	57,032
Total comprehensive income for the period	-	-	57,032	-	57,032
Contribution by and Distribution to owners:					
Issued Share Capital	-	-	-	-	-
Share premium	-	-	-	-	-
Balance as at 30th June 2023	248,864	53,173	1,151,771	-	1,453,808
Balance as at 1st January 2022	248,864	53,173	701,121	-	1,003,158
Profit/(Loss) for the period	-	-	393,617	-	393,617
Total comprehensive income for the period	-	-	393,617	-	393,617
Contribution by and Distribution to owners:					
Issued Share Capital	-	-	-	-	-
Share premium	-	-	-	-	-
Dividend paid	-	-	-	-	-
Balance at 31st December 2022	248,864	53,173	1,094,738	-	1,396,775

MEYER PLC
STATEMENT OF CASHFLOWS
FOR THE PERIOD ENDED 30TH JUNE, 2023

	GROUP		COMPANY	
	30/06/2023 N'000	31/12/2022 N'000	30/06/2023 N'000	31/12/2022 N'000
Cash flow from operating activities				
Profit/(Loss) for the period	57,032	393,613	57,032	393,617
Adjusted for:				
Depreciation of property, plant and equipment	6,096	10,849	6,096	10,849
Depreciation of use of assets	22,469	38,611	22,469	38,611
Finance cost	1,747	1,990	1,747	1,990
Finance income	(79,586)	(82,754)	(79,586)	(82,754)
income tax expenses	28,091	-	28,091	-
Profit on disposal of property, plant and equipment	(4,781)	(24,980)	(4,781)	(24,980)
Decommissioning cost		2,049	-	2,049
Income tax (credit)/expense		(410,852)	-	(410,852)
Profit from disposal of old Meyer factory	-	-	-	-
Impairment of Investment in Subsidiary	-	-	-	-
Operating cash flows before movements in working capital	31,067	(71,474)	31,067	(71,470)
(Increase)/decrease in inventories	30,742	(44,538)	30,742	(44,538)
Decrease/(increase) in trade and other receivables	(159,404)	39,212	(159,404)	33,313
(Increase)/decrease in other assets	1,117	-	1,117	-
Increase/(decrease) in trade and other payables	141,463	(48,067)	141,462	(42,171)
Increase/(decrease) in finance lease	-	-	-	-
Increase/(decrease) in employee benefit	(373)	(2,100)	(373)	(2,100)
Tax reclassification	-	-	-	-
	44,613	(126,967)	44,612	(126,966)
Income taxes paid	(254)	(26,901)	(254)	(26,901)
Net cash generated by operating activities	44,359	(153,868)	44,358	(153,867)
Cashflow from investing activities				
Purchase of property, plant and equipment	(10,113)	(14,036)	(10,115)	(14,036)
Addition to right of use of assets	(22,425)	(21,570)	(22,425)	(21,570)
Proceeds from sale of Property, plant and equipment	4,781	26,025	4,781	26,025
Finance income	79,586	82,754	79,586	82,754
Net cash generated by investing activities	51,829	73,173	51,828	73,173
Cashflow from financing activities				
Repayment of short term borrowings	(4,555)	(4,801)	(4,555)	(4,801)
Borrowing	19,500	18,275	19,500	18,275
Finance charges	(1,747)	(1,990)	(1,747)	(1,990)
Dividend paid	-	-	-	-
Net cash generated by financing activities	13,198	11,484	13,198	11,484
Net cash and cash equivalents for the period	109,386	(69,211)	109,384	(69,210)
Cash and cash equivalents at beginning of the year	1,326,225	1,395,436	1,326,042	1,395,252
Cash and cash equivalents at end of the period	1,435,611	1,326,225	1,435,426	1,326,042

**MEYER PLC AND ITS SUBSIDIARY COMPANY
DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2023**

ACCOUNTS

The Directors are pleased to submit the interim Unaudited Financial Statements as at 30 June 2023.

LEGAL STATUS

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

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	Building and Construction	20 July, 2007	96%

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

DIVIDEND

The Directors have recommended no dividend for the period.

SHARE CAPITAL AND SHAREHOLDING

- i. The Company did not purchase its own shares during the the period
- ii. The Authorised share capital of the Company is 248,864,781 (2022:497,727,563) divided into 497,727,563 ordinary shares of 50 kobo each.
- iii. The issued and paid up capital of the Company is N248,864,781.50 divided into 497,727,563 ordinary shares of 50 kobo each.

SUBSTANTIAL INTEREST IN SHARES

List of shareholding with 5% as at 30th June 2023

S/N	NAMES	2023 SHAREHOLDING	%
1	Greenwich Capital Limited	156,419,326	31.43
2	Greenwich Asset Management Limited	0	-
3	Bosworth Investments & Service Limited	153,961,094	30.93
4	Mr. Osa Osunde	27,000,250	5.42
5	Mr. Kayode Falowo	25,170,582	5.06

**MEYER PLC AND ITS SUBSIDIARY COMPANY
DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2023**

No individual shareholder other than as stated above held more than 5% of the issued share capital of the

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 2023 for the purposes of section 301 of the Companies and Allied Matters Act, 2020 are as follows :

S/N	Name of Director	Direct	Indirect	Direct	Indirect
		shareholding	shareholding	shareholding	shareholding
		2023	2023	2022	2022
1	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. Oluwatoyin Okeowo	2,080,482	Nil	2,080,482	Nil
6	Mrs. Vivienne Ochee-Bamgboye	384,998	Nil	384,998	Nil
7	Mr. Rotimi Alashe	Nil	Nil	Nil	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.

EMPLOYMENT AND EMPLOYEES

i) Employment of Physically Challenged persons

It is the policy of the Company that there is no discrimination in considering applications for employment including those from Physically Challenged persons. All employees whether or not Physically Challenged are given equal opportunities to develop their experience and knowledge and to qualify for promotion in furtherance of their careers. As at 30 June 2023 there was no Physically Challenged person in the employment of the Company.

ii) Health, safety at work and welfare of employees.

Health and safety regulations are in force within the premises of the Company. The Company provides

iii) Employee involvement and training

The Company is committed to keeping employees fully informed regarding its performance and progress and seeking their views wherever practicable on matters which particularly affect them as employees. Management, professional and technical expertise are the Company's major assets and investments to develop such skills continue.

The Company's expanding skills base has been extended by the provision of training which has broadened opportunities for career development within the organisation. Incentive schemes designed to meet the circumstances of each individual are implemented wherever appropriate.

**MEYER PLC AND ITS SUBSIDIARY COMPANY
DIRECTORS' REPORT FOR THE PERIOD ENDED 30TH JUNE 2023**

COMPLIANCE WITH REGULATORY REQUIREMENTS

The Directors confirm to the best of their knowledge that the Company has substantially complied with the provisions of the Securities and Exchange Commission, Code of Corporate Governance and other regulatory requirements. The Directors further confirm that the Company has adopted the International Financial Reporting Standards (IFRS) and has complied substantially with the provisions thereof.

EFFECTIVENESS OF INTERNAL CONTROL SYSTEM

As the Company operates in a dynamic environment, it continuously monitors its internal control system to ensure its continued effectiveness. In doing this, the Company employs both high level and preventive controls which will ensure maximum opportunity for prevention of misleading or inaccurate financial statements, properly safeguard its assets and ensure achievement of its corporate goals while complying with relevant laws and regulations.

POST BALANCE SHEET EVENTS

There were no post balance sheet events that would have had an effect on these financial statements.

MEYER PLC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH JUNE, 2023

1. The Group

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

Meyer Plc (previously 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 follows: 31.43% by Greenwich Capital Limited, 30.93% by Bosworth Investments & Services Limited, 5.42% by Osa Osunde, 5.06% by 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 (IASB) and the requirements of the Companies and Allied Matters Act, 2020.

The financial statements were authorised for issue by the Board of Directors on the 21st July, 2023.

b. Basis of measurement

- b. 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 3.

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 circumstances. 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) Income and Deferred Taxation

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.

3a 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 of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposal to non-controlling interests are also recorded in equity.

(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 comprehensive income (FVOCI) depending on the level of influence retained.

MEYER PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30TH JUNE, 2023

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 loss.

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

The Company recognizes revenue from contracts with customers based on the five-step process described in IFRS 15. Revenue 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 obligation is satisfied.

(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.

MEYER PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30TH JUNE, 2023

d Expenditure

Expenditures are recognised as they accrue during the course of the period. 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 financial assets (other than trade receivables).

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 borrowing costs are recognised as interest payable in the income statement in the period in which they are incurred.

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
Furniture 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.

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 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 statement of financial position 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

a) 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
- the asset is held within a business model whose objective is to collect the contractual cash
 - the contractual terms give rise to cash flows that are solely payments of principal and
- The group financial assets are trade receivables, other receivables and cash and cash

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 unconditional 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

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

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

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

vii) Impairment of financial instruments

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

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

The expected loss rates are based on the payment profiles of sales over a period of 360 days before 30 June 2023 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

b) 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.

m 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.

o 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.

p 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.

q 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.

r 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.

s 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.

t 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.

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v 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.

w **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.

x **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.

y **Determination of fair value**

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 determining fair values is disclosed in the notes specific to that assets or liabilities.

z **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 existing 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 Management, otherwise payment in advance is required.

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:

	30/06/2023	GROUP	31/12/2022
	N'000		N'000
Trade receivables (Note 18)	279,275		115,557
Cash and cash equivalents (Note 19)	1,435,611		1,326,225
	<u>1,714,886</u>		<u>1,441,782</u>

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:-

	2023	2022
	N'000	N'000
Access Bank Plc	7,663	85
Diamond Bank Plc	98	-
Eco Bank Plc	661	32
First City Monument Bank Limited	2,990	502
Guaranty Trust Bank Plc	2,668	1,011
Stanbic IBTC Bank Plc	17	18
First Bank of Nigeria Limited	5,973	3
Zenith Bank Plc	32	2
Sterling Bank Plc	8	8
7 Union Bank of Nigeria Plc	99	99
Polaris Bank Limited	3,161	48
Heritage Bank Limited	131	131
United Bank for Africa Plc	139	96
Wema Bank Plc	98	667
Providus Bank Limited	1	2
Greenwich Asset Management Limited	107,213	101,537
Greenwich Merchant Bank Limited	1,304,390	1,221,801
	<u>1,435,341</u>	<u>1,326,042</u>

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, 2023	=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	569,930	-	569,930	-
	<u>571,743</u>	<u>-</u>	<u>569,930</u>	<u>1,813</u>

	Book value N'000	Contractual cashflow	One year or less N'000	1-5 years
Short Term Borrowings	1,813	-	1,813	1,813
Trade and other payables	569,930	-	569,930	-
	571,743	-	571,743	1,813

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 2023	Effective interest rate	one year or less N'000	1-5 years N'000	Total N'000
Cash held with banks	-	1,435,341	-	1,435,341
Short Term Borrowings	-	1,813	-	1,813
	-	1,437,153	-	1,437,153

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 materially from the book value.

MEYER PLC

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5 Revenue

	GROUP		COMPANY	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022
	N'000	N'000	N'000	N'000
Paints	1,013,756	667,630	1,013,756	667,630
Application of paints	150	19,331	150	19,331
	<u>1,013,907</u>	<u>686,961</u>	<u>1,013,907</u>	<u>686,961</u>

5.1 Cost of sales

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

	30/06/2023	30/06/2022	30/06/2023	30/06/2022
	N'000	N'000	N'000	N'000
Paints	692,320	493,225	692,320	493,225
Application of paints	150	13,042	150	13,042
	<u>692,470</u>	<u>506,267</u>	<u>692,470</u>	<u>506,267</u>

MEYER PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30TH JUNE, 2023

6 Segment Revenue and results

	GROUP		COMPANY	
	30/06/2023 N'000	30/06/2022 N'000	30/06/2023 N'000	30/06/2022 N'000
Paints	1,013,756	667,630	1,013,756	667,630
Application of paints	150	19,331	150	19,331
	<u>1,013,907</u>	<u>686,961</u>	<u>1,013,907</u>	<u>686,961</u>

Segment Results

	30/06/2023	30/06/2022	30/06/2023	30/06/2022
	N'000	N'000	N'000	N'000
Other Income	7,700	29,949	7,700	29,949
Finance costs	(1,747)	(2,734)	(1,747)	(2,734)
Profit/(Loss) before tax	85,123	(20,001)	85,123	(20,001)
Tax (Provision)	(28,091)	(343)	(28,091)	(343)
Profit /(Loss) after Tax for the period	<u>57,032</u>	<u>(20,344)</u>	<u>57,032</u>	<u>(20,344)</u>

Segment Accounting

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.

MEYER PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH JUNE, 2023

7 Other Operating Income

	GROUP		COMPANY	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022
	N'000	N'000	N'000	N'000
Profit on disposal of property, plant and equipment	4,781	24,955	4,781	24,955
Bad debt recovered	-	-	-	-
Rental income	-	-	-	-
Long over due credit balances	-	-	-	-
Sundry income	483	3,267	483	3,267
Canteen Takings	-	-	-	-
Sale of empty drums	2,436	1,727	2,436	1,727
Insurance claim	-	-	-	-
Provision no longer required	-	-	-	-
	7,700	29,949	7,700	29,949

8 Selling and distribution expenses

	GROUP		COMPANY	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022
	N'000	N'000	N'000	N'000
Carriage outward	23,560	15,236	23,560	15,236
Sales Promotion/Commission	5,378	3,136	5,378	3,136
Dev, & Product Testing	776	604	776	604
Delivery Van Expenses	6,562	1,587	6,562	1,587
Depot and salesman float	1,983	-	1,983	-
	38,259	20,562	38,259	20,562

MEYER PLC
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FOR THE PERIOD ENDED 30TH JUNE, 2023

	GROUP		COMPANY	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022
	N'000	N'000	N'000	N'000
9 Administrative expenses				
Basic	61,830	48,370	61,830	48,370
Overtime	675	347	675	347
Fringe costs	27,240	23,886	27,240	23,886
Christmas bonus	4,075	3,397	4,075	3,397
NSITF	632	464	632	464
Pension scheme	6,102	6,029	6,102	6,029
Casual labour	3,512	4,254	3,512	4,254
Staff Canteen	7,467	7,386	7,467	7,386
Medical	1,245	1,314	1,245	1,314
Training Local	-	1,036	-	1,036
Uniform & Laundry	34	543	34	543
ITF Refund	-	-	-	-
Scholarship Scheme	-	-	-	-
Long Service Award	917	583	917	583
Maintenance Mechanical	149	126	149	126
Maintenance Electrical	629	736	629	736
Security	2,029	1,575	2,029	1,575
Computer Rentals	909	1,322	909	1,322
Building Rents and rates	2,831	1,467	2,831	1,467
Light & Water Offices	1,262	1,332	1,262	1,332
Site & Office Cleaning	1,636	1,198	1,636	1,198
Factory Relocation	-	-	-	-
Repair & Maintenance General	1,886	1,868	1,886	1,868
Depreciation Land & Building	5	8	5	8
Depreciation Right of Use	22,469	19,306	22,469	19,306
Depreciation Vehicles	2,800	2,791	2,800	2,791
Depreciation Office Equipment	1,386	1,131	1,386	1,131
Depreciation F & F	329	24	329	24
General Quality Assurance	-	165	-	165
Advert & Publicity	795	1,737	795	1,737
Provision /Bad Debt	-	-	-	-
Free Goods & Sample	345	445	345	445
Lost and scrapped written off	-	-	-	-
Fuel Lubricant	4,391	3,988	4,391	3,988
Vehicle Runing Exp	5,574	8,381	5,574	8,381
Travelling	1,939	3,075	1,939	3,075
Fork lift truck	188	672	188	672
Directors and Board Expenses	8,900	11,615	8,900	11,615
Insurance Expense	4,542	1,903	4,542	1,903
Legal & Professional Expenses	5,779	9,210	5,779	9,210
Stationery	1,181	219	1,181	219
Printing and Publication	998	645	998	645
Telephone Expenses	1,150	977	1,150	977
AGM Expenses	1,500	1,500	1,500	1,500
Courier & Postages	20	48	20	48
Audit Fees	3,220	2,419	3,220	2,419
Bank charges	978	-	978	-
Performance Cost	21,500	18,127	21,500	18,127
Periodic and Publication	1,322	-	1,322	-
Subscriptions	2,188	3,942	2,188	3,942
Licence Renewal	10,677	4,208	10,677	4,208
General Stores & Consumables	2,336	1,717	2,336	1,717
Entertainment	882	1,578	882	1,578
Staff Contingency Exp.	340	-	340	-
Stock taking expenses	90	37	90	37
Conference and Seminar Expenses	-	-	-	-
Management Fees	50,695	35,118	50,695	35,118
Staff Recruitment	159	83	159	83
	283,594	242,300	283,594	242,300

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10 Finance income and Cost

(i) Finance income:

Interest received on bank deposit

(ii) Finance Cost

Interest on bank overdraft and loans

Interest on finance lease

Total interest expenses

	GROUP		COMPANY	
	30/06/2023 N'000	30/06/2022 N'000	30/06/2023 N'000	30/06/2022 N'000
Interest received on bank deposit	79,586	34,953	79,586	34,953
Interest on bank overdraft and loans	-	-	-	-
Interest on finance lease	1,747	2,734	1,747	2,734
Total interest expenses	1,747	2,734	1,747	2,734

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

11 charging/(crediting) the followings:

Depreciation and amortisation expense:

Depreciation of property, plant and equipment

Amortisation of intangible assets (included in cost of sales)

Employee benefits expense:

Defined contribution plans

Termination benefits

Profit on disposal of property, plant and equipment

Auditors remuneration

Staff cost

Director's remuneration and allowance

Interest on loans and overdrafts

	30/06/2023 N'000	30/06/2022 N'000	30/06/2023 N'000	30/06/2022 N'000
Depreciation of property, plant and equipment	28,385	24,655	28,385	24,655
Amortisation of intangible assets (included in cost of sales)	-	-	-	-
	28,385	24,655	28,385	24,655
Defined contribution plans	6,102	6,029	6,102	6,029
Termination benefits	-	-	-	-
	6,102	6,029	6,102	6,029
Profit on disposal of property, plant and equipment	4,781	24,955	4,781	24,955
Auditors remuneration	3,220	2,419	3,220	2,419
Staff cost	123,526	102,543	123,526	102,543
Director's remuneration and allowance	8,900	11,615	8,900	11,615
Interest on loans and overdrafts	1,747	2,734	1,747	2,734

MEYER PLC
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	GROUP		COMPANY	
	30/06/2023 N'000	30/06/2022 N'000	30/06/2023 N'000	30/06/2022 N'000
12 Tax expense				
Per profit and loss account				
Income tax payable on the results for the period				
Current tax expense in respect of the current period:				
Income tax	25,537	343	25,537	343
Education tax	2,554	-	2,554	-
Capital gain tax	-	-	-	-
Police Trust	-	-	-	-
NASENI levy	-	-	-	-
Deffered tax written back	-	-	-	-
Over provision of income tax in prior year	-	-	-	-
	28,091	343	28,091	343
In respect of prior period	-	-	-	-
	28,091	343	28,091	343
Deferred tax				
Current tax expense in respect of the current period:	-	-	-	-
Deferred tax expense for current period	-	-	-	-
Write-downs (reversals of previous write downs) of	-	-	-	-
Total income tax expense recognised in current period for	28,091	343	28,091	343

	GROUP		COMPANY	
	30/06/2023 N'000	31/12/2022 N'000	30/06/2023 N'000	31/12/2022 N'000
12 i. Per statement of financial position				
At 1 January	10,245	458,484	10,245	458,484
Charged for the period Capital gains tax	-	-	-	-
Payments during the Period	-	-	-	-
Education tax	(254)	(3,140)	(254)	(3,140)
Adjustments -withholding tax utilised	-	(23,758)	-	(23,758)
Nigeria Police Trust Fund Levy	-	(3)	-	(3)
Adjustments - income tax provision	-	-	-	-
Provision for the period - income tax	25,537	7,724	25,537	7,724
Education Tax	2,554	254	2,554	254
Capital gain tax	-	2,268	-	2,268
NASENI Levy	-	-	-	-
Police Trust Fund	-	-	-	-
Over provision of income tax in prior year	-	(431,584)	-	(431,584)
	38,082	10,245	38,082	10,245

12 ii. Deferred taxation

	GROUP		COMPANY	
	30/06/2023 N'000	31/12/2022 N'000	30/06/2023 N'000	31/12/2022 N'000
Deferred tax liabilities	389,557	389,557	389,557	389,557
Deferred tax assets	(385,026)	(385,027)	(385,026)	(385,027)
	(4,530)	(4,530)	(4,530)	(4,530)

	GROUP		COMPANY	
	31/12/2021 N'000	31/12/2022 N'000	31/12/2021 N'000	31/12/2022 N'000
Deferred taxation				
Movement at a glance				
Deferred tax (liabilities)/assets:				
At 1 January	(4,530)	(4,530)	(4,530)	(4,530)
Recognised in profit or loss	-	-	-	-
At 30th June	-4,530	-4,530	-4,530	-4,530

The tax rate used is the corporate tax rate of 30% and 3% education tax payable by corporate entities in Nigeria on taxable profits under tax law in the country.

MEYER PLC
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13 Earnings/(Loss) per share

Earnings/(Loss) per share are calculated on the basis of profit after taxation and the number of issued and fully paid ordinary shares of each financial year.

	GROUP		COMPANY	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022
	N	N	N	N
Basic/diluted (loss)/earnings per share	11.46	(4.09)	11.46	(4.09)
Total basic/diluted (loss)/earnings per share	<u>11.46</u>	<u>(4.09)</u>	<u>11.46</u>	<u>(4.09)</u>

13.i Basic/diluted earnings per share

The earnings/(loss) and weighted average number of ordinary shares used in the calculation of basic earnings per share are:

	GROUP		COMPANY	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022
	N'000	N'000	N'000	N'000
Earnings from continuing operations				
Profit / (Loss) for the period attributable to owners of the Company	57,032	(20,348)	57,032	(20,344)
Number of shares				
Number of ordinary shares for the purposes of basic earnings per share	<u>497,728</u>	<u>497,728</u>	<u>497,728</u>	<u>497,728</u>
Profit/(Loss) per share (Kobo) - Basic	<u>11.46</u>	<u>(4.1)</u>	<u>11.46</u>	<u>(4.1)</u>

The denominators for the purposes of calculating both basic earnings per share is based on issued and paid up ordinary shares of 50 kobo each.

13.ii Impact of changes in accounting policies

There were no changes in the company's accounting policies during the period that impacted earnings per share.

MEYER PLC
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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	
	30/06/23	31/12/22	30/06/23	31/12/22
13.iii Share Capital				
Authorised Share capital	N'000	N'000	N'000	N'000
497,728,563 Ordinary shares of 50k each	248,864	248,864	248,864	248,864
Issued and fully paid:				
497,728,000 ordinary shares of 50k each	248,864	248,864	248,864	248,864
Share Premium	N'000	N'000	N'000	N'000
Balance at the beginning and end of the period	53,173	53,173	53,173	53,173
Revenue reserve	N'000	N'000	N'000	N'000
Balance at the beginning of the year	1,143,962	750,349	1,094,738	701,121
Transfer from statement of profit or loss	57,032	393,613	57,032	393,617
Dividend paid	-	-	-	-
Balance at the end of the period	1,200,994	1,143,962	1,151,770	1,094,738
Non-controlling	N'000	N'000	N'000	N'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.

	GROUP		COMPANY	
	30/06/23	30/06/22	30/06/23	30/06/22
	N'000	N'000	N'000	N'000
Profit/(loss) for the period attributable to shareholders	57,032	(20,344)	57,032	(20,344)
Basic earnings/(loss) per share of ₦50k each	11	(4)	11	(4)
Diluted earnings/(loss) per share (kobo)	11	(4)	11	(4)

Dividend

No Dividend was proposed in 2023 (Dividend paid in 2021 N746,592,000)

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:

	GROUP		COMPANY	
	30/06/23	31/12/22	30/06/23	31/12/22
	N'000	N'000	N'000	N'000
Cash and bank balances	1,435,611	1,326,225	1,435,426	1,326,042

MEYER PLC
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FOR THE PERIOD ENDED 30TH JUNE, 2023
PROPERTY, PLANT & EQUIPMENT

The Group								
Cost	Buildings	Plant & machinery	Office equipment	Furniture & fittings	Motor vehicles	Capital 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
14								
As at 1 January 2022	2,529	224,888	37,634	11,754	154,615	244,549	115,834	791,803
Additions	-	-	3,408	2,441	446	7,741	21,570	35,606
Transfers	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-	-
Disposals	(2,016)	-	-	-	(4,170)	-	-	(6,186)
As at December 31st 2022	513	224,888	41,042	14,195	150,891	252,290	137,404	821,223
As at 1 January 2023	513	224,888	41,042	14,195	150,891	252,290	137,404	683,819
Additions	-	6,358	3,626	100	-	-	22,425	10,085
Transfers	-	-	-	-	-	-	-	-
Reclassification	-	3,400	-	-	-	(3,400)	-	-
Disposals	-	-	-	-	(14,223)	-	-	(14,223)
As at 30th June 2023	513	234,646	44,668	14,295	136,669	248,890	159,829	679,681
Accumulated depreciation and impairment								
As at 1 January 2022	1,157	208,868	34,586	11,640	143,041	-	54,699	453,991
Charge for the year	14	2,665	2,401	179	5,590	-	38,611	49,460
Transfers	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-	-
Disposals	(971)	-	-	-	(4,170)	-	-	(5,141)
As at December 31st 2022	200	211,533	36,987	11,819	144,461	-	93,310	405,000
As at 1 January 2023	200	211,533	36,987	11,819	144,461	-	93,310	498,310
Charge for the period	5	1,689	1,272	329	2,800	-	22,469	28,565
Transfers	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-	-
Eliminated on disposals	-	-	-	-	(14,223)	-	-	(14,223)
As at 30th June 2023	205	213,222	38,259	12,148	133,038	-	115,779	512,652
Carrying amount								
As at 30th June 2023	308	21,392	6,298	2,145	3,630	248,890	44,050	282,663
At 31st December 2022	313	13,355	4,055	2,376	6,430	252,290	44,094	278,819

Company								
Cost	Buildings	Plant & machinery	Office equipment	Furniture & fittings	Motor vehicles	Capital 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
As at 1 January 2022	2,529	216,388	37,634	11,754	154,615	244,549	115,834	667,469
Additions	-	-	3,408	2,441	446	7,741	21,570	14,036
Transfers	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-	-
Disposals	(2,016)	-	-	-	(4,170)	-	-	(6,186)
As at December 31st 2022	513	216,388	41,042	14,195	150,891	252,290	137,404	812,723
As at 1 January 2023	513	216,388	41,042	14,195	150,891	252,290	137,404	675,319
Additions	-	9,758	3,626	100	-	-	22,425	13,485
Transfers	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-	-
Disposals	(8,500)	-	-	-	(14,223)	-	-	(14,223)
As at 30th June 2023	513	226,146	44,668	14,295	136,669	252,290	159,829	674,581
Accumulated depreciation and impairment								
As at 1 January 2022	1,157	200,370	34,587	11,640	143,040	-	54,699	390,794
Charge for the year	14	2,665	2,401	179	5,590	-	38,611	10,849
Transfers	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-	-
Disposals	(971)	-	-	-	(4,170)	-	-	(5,141)
As at December 31st 2022	200	203,035	36,988	11,819	144,460	-	93,310	396,502
As at 1 January 2023	200	203,035	36,988	11,819	144,460	-	93,310	396,502
Charge for the period	5	1,689	1,272	329	2,800	-	22,469	6,096
Transfers	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-	-
Eliminated on disposals	-	-	-	-	(14,223)	-	-	(14,223)
As at 30th June 2023	205	204,724	38,260	12,148	133,037	-	115,779	392,919
Carrying amount								
As at 30th June 2023	308	21,422	6,407	2,147	3,630	252,290	44,050	286,204
As at 31st December 2022	313	13,353	4,054	2,376	6,431	252,290	44,094	278,817

15	Other Assets	Group		Company	
		30/06/2023 N'000	31/12/2022 N'000	30/06/2023 N'000	31/12/2022 N'000
	PREPAYMENT	5,925	7,042	5,925	7,042
		<u>5,925</u>	<u>7,042</u>	<u>5,925</u>	<u>7,042</u>

- i Assets pledged as security
None of the Company's assets is pledged as collateral for loans in the period
- ii Contractual commitments
As at 30th June 2023, the Company had no contractual commitments for the acquisition of property, plant and equipment .

MEYER PLC

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16 Investment in subsidiary

	GROUP		COMPANY	
	30/06/2023 N'000	31/12/2022 N'000	30/06/2023 N'000	31/12/2022 N'000
Carrying amount at cost	-	-	-	-

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

<u>Name of the company</u>	<u>Principal activity</u>	<u>Place of incorporation</u>	<u>Proportion of ownership interest and voting power held by the Group</u>	
			30/06/2023	31/12/2022
DNM Construction Limited	Construction and rehabilitation of building	Nigeria	96%	96%

The Group owns 96% of the DNM Construction Limited

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

	%	%
Mr. Kayode Falowo	1	1
Mr. Olutoyin Okeowo	1	1
Alhaji Ibrahim Suleman	1	1
Arc. Ayoola Onajide	1	1
	<u>4</u>	<u>4</u>

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

MEYER PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH JUNE, 2023

17 Inventories	Group		Company	
	30/06/2023 N'000	31/12/2022 N'000	30/06/2023 N'000	31/12/2022 N'000
Raw materials	50,499	77,224	50,499	77,224
Work-in-progress	115	7,947	115	7,947
Finished Goods - Paints	52,492	48,858	52,492	48,858
Consumables	545	363	545	363
	<u>103,650</u>	<u>134,392</u>	<u>103,650</u>	<u>134,392</u>
Provision for obsolete spares and slow moving stock	-	-	-	-
	<u>103,650</u>	<u>134,392</u>	<u>103,650</u>	<u>134,392</u>

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	
	30/06/2023 N'000	31/12/2022 N'000	30/06/2023 N'000	31/12/2022 N'000
Trade receivables	318,598	154,878	288,272	124,552
Allowance for doubtful debts	(39,323)	(39,321)	(39,323)	(39,321)
	<u>279,275</u>	<u>115,557</u>	<u>248,949</u>	<u>85,231</u>
Other receivables				
Related party		-		-
Insurance claim	-	-	-	-
WHT claimable	27,523	27,522	27,523	27,522
Prepayment	-	7,042	-	7,042
Sundry debtors	619	630	219	230
Due from related party	-	4,304	-	4,304
Provision for doubtful debts				
	<u>307,417</u>	<u>155,055</u>	<u>276,691</u>	<u>124,329</u>

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

MEYER PLC

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19i 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	
	30/06/2023	31/12/2022	30/06/2023	31/12/2022
	N'000	N'000	N'000	N'000
Cash Balance	25,003	3,087	24,818	2,904
Short-term investments (see note19ii)	1,410,608	1,323,138	1,410,608	1,323,138
	<u>1,435,611</u>	<u>1,326,225</u>	<u>1,435,426</u>	<u>1,326,042</u>

19ii Short-Term Investments

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

MEYER PLC
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FOR THE PERIOD ENDED 30TH JUNE, 2023

	Group		Company	
	30/06/2023	31/12/2022	30/06/2023	31/12/2022
20 Short Borrowings				
	N'000	N'000	N'000	N'000
LPO Financing	1,813	1,813	1,813	1,813
Lease obligations	33,220	18,275	33,220	18,275
Total borrowings	35,033	20,088	35,033	20,088
Movement at a glance				
Opening balance	20,088	6,614	20,088	6,614
Obtained during the year:	19,500	18,275	19,500	18,275
Repayment of loan	(4,555)	(4,801)	(4,555)	(4,801)
Amount due within one year		-		-
Closing balance	35,033	20,088	35,033	20,088

	Group		Company	
	30/06/2023	31/12/2022	30/06/2023	31/12/2022
21 Employment benefits				
	N'000	N'000	N'000	N'000
Balance as at 1 January	14,989	17,089	14,989	17,089
Addition/(Payment) for the period	(373)	(2,100)	(373)	(2,100)
Balance as at end of the period	14,616	14,989	14,616	14,989

MEYER PLC
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22 Trade and other payables	GROUP		COMPANY	
	30/06/2023 N'000	31/12/2022 N'000	30/06/2023 N'000	31/12/2022 N'000
Trade payable	197,782	153,881	191,947	148,046
Amount due to related parties	-	839	28,169	29,008
Other payables:				
Lease liability	-	-	-	-
Unclaimed dividends	102,126	102,126	102,126	102,126
Value added tax	76,261	54,459	76,261	54,459
Withholding tax payable	33,741	38,805	33,698	38,762
PAYE	968	880	968	880
Accruals and Provision	22,108	26,995	20,711	26,995
Other credit balance				
National Housing Fund	65	65	65	65
NSITF	83	-	83	-
Rent receivable	-	-	-	-
Sundry Creditors	1,909	3,892	1,809	2,353
Customer deposit	101,521	40,482	101,524	40,482
Technical Management Fees	29,492	-	29,492	-
Industrial Training Fund	322	2,732	322	2,732
Pension	3,553	3,489	3,553	3,489
	569,930	428,645	590,727	449,397

22i Decommissioning cost	2023	2022	2023	2022
	N'000	N'000	N'000	N'000
Balance as at 1 January	11,649	9,600	11,649	9,600
Provision for the period	-	2,049	-	2,049
Balance as at 30th June	11,649	11,649	11,649	11,649

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

22ii Deposit for AFS	-	-	-	-
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23 Share capital	GROUP		COMPANY	
	30/06/2023 N'000	31/12/2022 N'000	30/06/2023 N'000	31/12/2022 N'000
Authorised share capital				
497,727,563 ordinary shares of 50k each	487,729	487,729	487,729	487,729

In 27 July 2023, At the meeting of the board of Directors, a resolution was approved for the Company's unissued ordinary shares totaling 802,272,438 of 50k each amounting to N401,136,219 to be cancelled. The transaction was filed with the Corporate Affairs Commission (CAC) during the reporting period.

Issued and fully paid:

497,728,000 ordinary shares of 50k each	248,864	248,864	248,864	248,864
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The Company has one class of ordinary shares which carry no right to fixed income.

24 Share premium	GROUP		COMPANY	
	30/06/2023 N'000	31/12/2022 N'000	30/06/2023 N'000	31/12/2022 N'000
At 1 January	53,173	53,173	53,173	53,173
Balance as at period end	53,173	53,173	53,173	53,173

25 Revenue Reserve	GROUP		COMPANY	
	30/06/2023 N'000	31/12/2022 N'000	30/06/2023 N'000	31/12/2022 N'000
At 1 January	1,143,962	750,349	1,094,738	701,121
Profit/(Loss) attributable to owners of the company	57,032	393,613	57,032	393,617
Dividend paid during the year	-	-	-	-
Balance as at period end	1,200,994	1,143,962	1,151,770	1,094,738

26 Non-controlling interest	GROUP		COMPANY	
	30/06/2023 N'000	31/12/2022 N'000	30/06/2023 N'000	31/12/2022 N'000
At 1 January	2,440	2,444	-	-
Adjustment during the period	-	-	-	-
Transfer from profit or loss	-	(4)	-	-
Balance as at period end	2,440	2,440	-	-

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27 DIRECTORS AND EMPLOYEES

27.1 DIRECTORS

	Group		Company	
	30/06/2023	31/12/2022	30/06/2023	31/12/2022
	N'000	N'000	N'000	N'000
Emoluments:				
Fees	1,250	1,250	1,250	1,250
Other remuneration and allowances including pension contribution	7,650	20,090	7,650	20,090
	8,900	21,340	8,900	21,340
The aggregate payroll costs:				
	N'000	N'000	N'000	N'000
Wages, salaries, allowances and other benefits	122,894	169,485	122,894	169,485
Pension and social benefits	6,734	12,144	6,734	12,144
Staff training	-	7,413	-	7,413
	129,628	189,042	129,628	189,042
The number of higher paid employees with gross emoluments within the ranges below are:				
Range (N)	Number	Number	Number	Number
500,001 - 2,000,000	70	78	70	78
2,000,001 - 3,000,000	20	20	20	20
3,000,001 and above	12	11	12	11
	102	109	102	109