

2021

THE INITIATES PLC MANAGEMENT ACCOUNT
FOR PERIOD ENDED 30TH SEPTEMBER 2021



TIP Commercial

THE INITIATES PLC.

10/12/2021



DOCUMENT TITLE: 2021 THIRD QUARTER MANAGEMENT ACCOUNT

DOCUMENT NO.: TIP-COM-MNG -0026

REV NO.: 00

Unit/Dept: COMMERCIAL AND FINANCE

Site/Location:

TIP BASE

Completed By: DOUGLAS ROSEMARY

Position: CHIEF FINANCIAL OFFICER

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STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors of **The Initiates Plc** are responsible for the preparation of the financial statements that give a true and fair view of the financial position of the Company and the results of its operations, cash flows and changes in equity for the period ended 30th September 2021, in compliance with International Financial Reporting Standards ("IFRS") and in the manner required by the Companies and Allied Matters Act of Nigeria, the Financial Reporting Council of Nigeria Act, 2011.

In preparing the financial statements, the Directors are responsible for:

- properly selecting and applying accounting policies;
- presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- providing additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance; and
- making an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for:

- designing, implementing and maintaining an effective and sound system of internal controls throughout the Company;
- maintaining adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company, and which enable them to ensure that the financial statements of the Company comply with IFRS;
- maintaining statutory accounting records in compliance with the legislation of Nigeria and IFRS;
- taking such steps as are reasonably available to them to safeguard the assets of the Company; and
- preventing and detecting fraud and other irregularities.

The financial statements of the Company for the period ended 30th September 2021 were approved by directors on 26th of October, 2021.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

.....
Mr. Joe Ogbonna Anosikeh

Chairman

FRC No:FRC/2014/NIS/00000008836

.....
Mr. Reuben Mustapha Ossai

Managing Director

FRC No:FRC/2014/NIAECHI/00000009687



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**CERTIFICATE OF COMPLIANCE OF THE INITIATES PLC PURSUANT TO
SECTION 60(2) OF THE INVESTMENT AND SECURITIES ACT, 2007 FOR THE THIRD
QUARTER ENDED 30TH SEPTEMBER 2021**

We hereby certify that:

1. The signing officers have reviewed the financial report;
 2. Based on the knowledge of the officers, the Management account does not:
 - a. Contain any untrue statement of a material fact;
 - b. Omit to state a material fact which would make the statement misleading in the light of the circumstances under which the statement was made;
 3. The financial statement represents fairly the financial condition and result of the operations of the Company as of and for the period indicated;
 4. The signing officers:
 - a. Are responsible for establishing and maintaining internal control.
 - b. Have designed such internal control to ensure that material information relating to the Company is made known to such officers within the entity particularly during the period in which the periodic report was prepared.
 - c. Have evaluated the effectiveness of the Company's internal control as of date within 30 days prior to the time of this account.
- I. The signing officers have disclosed to the Audit Committee of the Company.
- II. All significant deficiencies in the design or operations of the internal controls which would adversely affect the Company's ability to record, process, summarize and report financial data and was identified for any material weakness in internal controls;

Anosikeh, Joe Ogbonna
Chairman
FRC No: FRC/2014/NIS/00000008836

Ossai, Reuben Mustapha
Chief Executive Officer
FRC//2014//NIAECHI//00000009687

Douglas Rosemary
Chief Financial Officer
FRC//2017//ICAN//00000016060



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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): The Initiates Plc maintains effective Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy is regularly reviewed and updated by the Board. The Company has made specific inquiries of all the directors and other insiders and is not aware of any infringement of the policy during the period.

Olaide Odejebi

Company Secretary

FRC/2017/NBA/00000016739



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THE INITIATES PLC

SHAREHOLDING STRUCTURE AND FREE FLOAT STATUS AS AT THE PERIOD ENDED 30TH SEPTEMBER 2021

COMPANY NAME: THE INITIATES PLC.
BOARD LISTED: GROWTH BOARD
YEAR END: 31ST DECEMBER
REPORTING PERIOD: 2021 THIRD QUARTER (1ST JULY - 30TH SEPTEMBER 2021)
SHARE PRICE AS AT REPORTING DATE: N0.42 (2020: N0.60)

| DESCRIPTION | 2021 | | 2020 | |
|---|--------------------|--|--------------------|--|
| | UNITS | PERCENTAGE (IN RELATION TO ISSUED SHARE CAPITAL) % | UNITS | PERCENTAGE (IN RELATION TO ISSUED SHARE CAPITAL) % |
| Issued Share Capital @ 50 Kobo per share | 900,000,000 | 100% | 900,000,000 | 100% |
| Details of Substantial Shareholdings (5% and above) | | | | |
| DVCF OIL & GAS PLC | 322,828,822 | 35.87 | 332,174,967 | 36.91 |
| OSSAI REUBEN M | 190,695,237 | 21.19 | 190,695,237 | 21.19 |
| AFOLAYAN SAMUEL | 73,046,061 | 8.12 | 65,453,152 | 7.27 |
| OBOH-OZHEREBE GORDON | 58,568,412 | 6.51 | 58,568,412 | 6.51 |
| Total Substantial Shareholdings | 645,138,532 | 71.68 | 646,891,768 | 71.88 |
| Details of Directors Shareholdings (direct and indirect), excluding directors' holding substantial interests | | | | |
| ANOSIKEH JOE OGBONNA | 20,295,796 | 2.26 | 18,295,796 | 2.03 |
| ALIKOR ACHI EDWARD | 1,126,761 | 0.13 | 1,126,761 | 0.13 |
| EBINUM JOSEPH (INDIRECT - BELL IYKE LIMITED) | 37,550,000 | 4.17 | 34,550,000 | 3.84 |
| OBOH CHARLES AROAWODE | 1,000,000 | 0.11 | 1,000,000 | 0.11 |
| Total Directors' Shareholdings | 59,972,557 | 6.66 | 54,972,557 | 6.11 |
| Details of Other Influential shareholdings, if any (E.g. Government, Promoters) | | | | |
| EMPLOYEES | 5,432,282 | 0.60 | 5,432,282 | 0.60 |
| Total of Other Influential Shareholdings | 5,432,282 | 0.60 | 5,432,282 | 0.60 |
| Free Float in Unit and Percentage | 189,456,629 | 21.05 | 192,703,393 | 21.41 |
| Free Float in Value | N79,571,784.18 | | N115,622,035.80 | |

(A) THE INITIATES Plc with a free float percentage of 21.05% as at 30th September 2021, is compliant with The Exchange's free float requirements for companies listed on the GROWTH Board.

(A) THE INITIATES Plc with a free float value of N79,571,784.18 as at 30th September 2020, is compliant with The Exchange's free float requirements for companies listed on the GROWTH Board.



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AUDIT COMMITTEE REPORT OF THE INITIATES PLC

In compliance with Section 359(6) of the Companies and Allied Matters Act CAP.C20, LFN 2004, and Section 60(2) of the Investment and Securities Act 2007, we have reviewed the Management account for the third quarter account ended 30th September 2021 and hereby state as follows:

1. We examined the accounting entries, policies and bases for preparation of the third quarter account ended 30th September 2021; this was in our opinion adequate.
2. We also reviewed the Internal Auditors report for the period as well as the Management's response thereon.
3. We ascertained that the accounting and reporting policies of the Company for the third quarter account ended 30th September 2021 are in accordance with legal requirements and agreed ethical practices.

In our opinion, the accounting entries, policies and bases of this Management account for the third quarter account ended 30th September 2021 was adequate and Management's response to Internal Auditors' findings thereon was satisfactory.

Dated 22nd October 2021



NWANMA UGOCHUKWU CHRISTIAN
Chairman

FRC/2017/ ICAN/00000016424

Members of the Committee:

Mr. Christian Ugochukwu Nwanma - Chairman/Shareholder Representative

Sir Enoch Iwueze- Shareholder Representative

Prof. Edward Alikor - Non-Executive Director

Mr. Joseph Ebinum - Non-Executive Director



EXECUTIVE SUMMARY:

1.1 THIRD QUARTER (JULY - SEPTEMBER 2021)

1.1.1 REVENUE

TIP reported a total revenue of NGN69.5M (2020: N120.3M) representing a 42.25% drop when compared with the performance of Q3 of 2020. The makeup of this revenue along core business lines shows a significant contribution from Waste Management Service - N50.45M and ICS – 19M

1.1.2 GROSS PROFIT

TIP posted a Gross Profit of N15.8M, (2020 – N45.8M) which represent a drop of 65.5% compared to Q3 of 2020. **DC:** 2021 – N53.7M (77% of revenue), 2020 – N74.4M, Q3 2021, representing a decrease in Direct Cost by 27.9% over Q3 of 2020.

1.1.3 NET PROFIT:

TIP posted a net loss before tax of N20.5M (2020 Q3 N11.42). Representing about 279.02% deviation from the profits of Q3 2020 profit.

1.2.0 YEAR TO DATE (JAN- SEPTEMBER 2021)

1.2.1 REVENUE: 2021 – NGN178.2M (2020 – NGN366.9M) representing a drop of 51.4% from Q3 2020 revenue.

1.2.2 DC: 2021 – N151.2M (2020 -N244.7.M) representing a drop in Direct Cost by 38.2%.

1.2. 3 GROSS PROFIT: 2021 Q3: N27.05M (2020: N122.3M) representing 77.89% drop when compared with YTD of 2020.

1.2.4 NET LOSS BEFORE TAX: 2021: (N94.6M) (2020: N9.46M) showing an increase in loss of



1,099% deviation.

BALANCE SHEET

2.0 BALANCE SHEET

TIP Balance Sheet values shows NGN1.694B during the period under review from NGN1.131M as at 30th September 2020.

- 1. Trade Receivables:** This stood at N33.1M at the close of business (COB) on 30th September 2021 (Q3 2020: N99.95M). Out of this, only NGN7.58M was above 60 days.
- 2. Trade Payable:** TIP Account Payable dropped to NGN36.4M as at 30th September 2021 as against NGN58.87M reported as at Q3 2020.

3. Measurement of Liquidity

When TIP's Current Assets of N838.35.6M is charged against Current Liabilities of NGN832.5M a Current Ratio of about 1:1 is reported. This however shows a fair liquidity situation meaning that TIP's current assets can pay all her current liabilities with little reserve for working capital.

The Management and Board assures all stakeholders that the days of poor performances is Over. As we will report increases in TIP bottom lines owing to the award of two new contracts that will commence in Q4 of 2021.



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THE INITIATES PUBLIC LIMITED COMPANY

HIGHLIGHT OF ACCOUNT FOR THE PERIOD ENDED 30TH SEPTEMBER 2021.

| STATEMENT OF COMPREHENSIVE INCOME | | | | | | |
|--|----------------|-------------------|---------------|---|-------------------|---------------|
| FOR THE PERIOD ENDED 30TH SEPTEMBER | | | | NINE MONTHS ENDED SEPTEMBER 30TH | | |
| | ACTUAL | HISTORICAL | CHANGE | ACTUAL | HISTORICAL | |
| | Q3 2021 | Q3 2020 | % | YTD 2021 | YTD 2020 | CHANGE |
| | N'Mn | N'Mn | | N'Mn | N'Mn | % |
| Revenue | 69.47 | 120.29 | (42.25) | 178.25 | 366.96 | (51.43) |
| Direct cost | 53.67 | 74.45 | (27.91) | 151.20 | 244.67 | (38.20) |
| Gross Profit | 15.80 | 45.84 | (65.54) | 27.05 | 122.29 | (77.89) |
| Other Income | 2.13 | - | 100.00 | 2.28 | 0.30 | 671.32 |
| Total Indirect Cost | 34.63 | 29.42 | 17.70 | 102.96 | 103.68 | (0.69) |
| Financial Cost | 3.75 | 4.99 | 100.00 | (20.94) | (4.99) | 100.00 |
| Profit Before Tax | (20.46) | 11.43 | (279.02) | (52.70) | 23.90 | (320.48) |
| Provision of Income Tax Expense | - | 3.66 | - | - | 4.45 | - |
| Profit for the period | (20.46) | 7.77 | (363.27) | (94.58) | 9.46 | (1,099.36) |
| | | | | - | | |

| STATEMENT OF FINANCIAL POSITION | | | |
|--|--|--|--|
| AS AT 30TH SEPTEMBER | | | |

| | YTD 2020 | YTD 2020 | CHANGE |
|---------------------------------|-----------------|-----------------|---------------|
| ASSETS | N'Mn | N'Mn | % |
| Non-Current Assets | | | |
| Property, plant and Equipment | 845.77 | 865.79 | (2.31) |
| Other non-current assets | 10.00 | - | 100.00 |
| Total Non-Current Assets | 855.77 | 865.79 | (1.16) |
| Current Assets | | | |
| Inventories | 4.76 | 3.89 | 22.39 |
| Trade receivables | 41.53 | 99.95 | (58.45) |
| Cash and cash equivalents | 697.53 | 15.97 | 4,268.90 |
| Current tax assets | 81.22 | 122.23 | (33.55) |
| Other current tax assets | 13.30 | 23.41 | (43.19) |
| Total current Asset | 838.35 | 265.45 | 215.82 |
| Total Assets | 1,694.11 | 1,131.24 | 49.76 |
| | | | |
| Non-Current Liabilities | | | |
| Deferred tax | 108.91 | 92.19 | 18.15 |
| Current Liabilities | | | |
| Trade and Other payables | 58.36 | 58.87 | (0.86) |
| Provisions | - | - | - |
| Current tax liabilities | - | 6.31 | (100.00) |
| Other current tax liabilities | 70.08 | 53.36 | 31.34 |
| Employees' benefits | 4.04 | 1.17 | 246.51 |
| Short term borrowings | 700.00 | - | - |
| Total current liabilities | 832.48 | 119.70 | 595.47 |
| Total Liabilities | 941.39 | 211.89 | 344.29 |
| Working Capital | (103.05) | 53.56 | (292.39) |
| Net Asset | 752.72 | 919.35 | (18.13) |
| | | | |

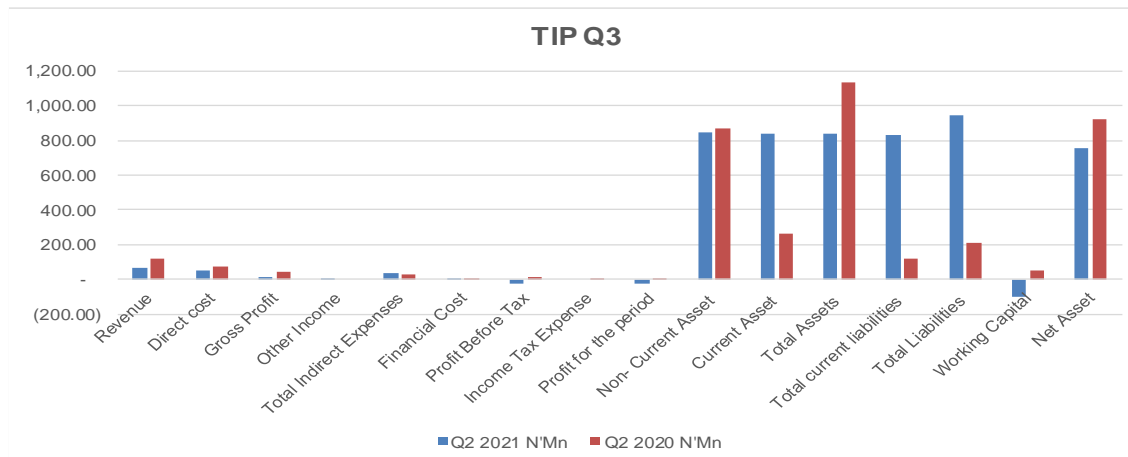


DOCUMENT TITLE: 2021 THIRD QUARTER MANAGEMENT ACCOUNT

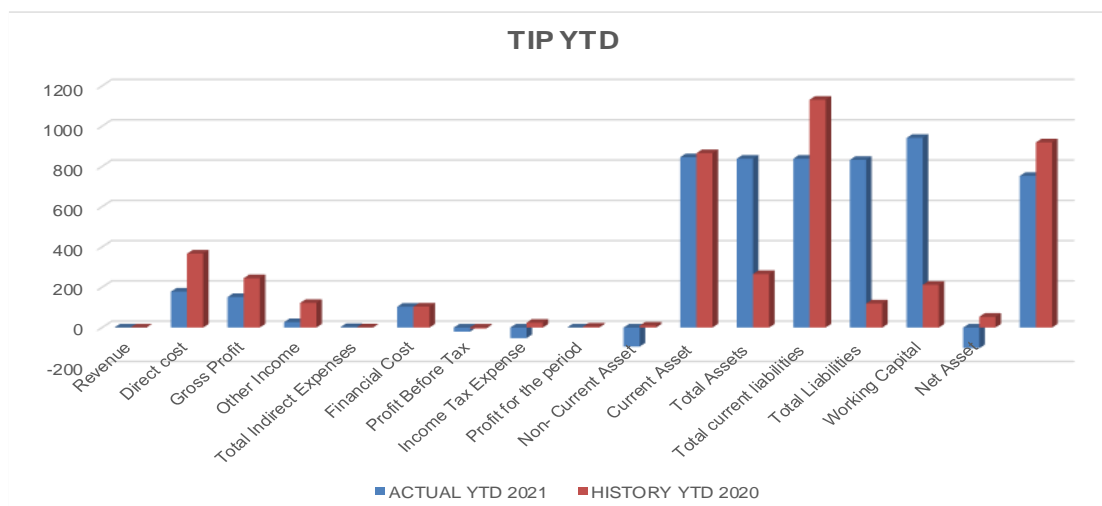
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| KEY RATIOS | | | | |
|-----------------------------------|-------------|-------------|----------------------------------|-----------|
| THREE MONTHS ENDED 30TH SEPTEMBER | | | NINE MONTHS ENDED SEPTEMBER 30TH | |
| | Q3 2021 | Q3 2020 | YTD 2021 | YTD 2020 |
| Earnings Per Share | (0.02) Kobo | (0.01) Kobo | 0.11 Kobo | 0.01 kobo |
| Gross Profit Margin | 22.74% | 38.11% | 15.17% | 33.33% |
| Net Profit Margin | -29.45% | 6.46% | -53.06% | 2.58% |
| Net Asset Per Shares | 0.85 Kobo | 1.03 Kobo | 0.85 kobo | 1.03 Kobo |
| Return on Capital Employed | -2.37% | 0.77% | -10.98% | 0.94% |
| Current Ratios | 1.01 x | 2.22x | 1.01 x | 2.22% |
| Net Working Capital: | 0.08 x | 1.21x | 0.03x | 0.40x |
| Fixed Asset Turnover: | 0.08 x | 0.14x | 0.21x | 0.42x |
| Receivables Turnover | 3.35 x | 2.41 x | 8.58x | 7.34x |
| Payables Turnover | (3.03) x | (3.53) x | (8.71) x | (1184) x |
| Return On Equity | -0.03% | 0.01% | (013) x | (0.01) x |
| Return On Assets | 0.04% | 0.11% | 0.11% | 0.32% |
| Price Earning per Share | 21.75 Kobo | 57.26 Kobo | (4.71) Kobo | 47.02Kobo |
| | 1.25% | 0.23% | 1.25% | 0.23% |



Graphical representation of TIP's THIRD QUARTER 2021 performance



Graphical representation of TIP's NINE MONTH 2021 performance



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THE INITIATES PLC

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30TH SEPTEMBER 2021**

| | | ACTUAL Q3 2021 N | HISTORICAL Q3 2020 N | CHANGE % | ACTUAL YTD 2021 N | HISTORICAL YTD 2020 N | CHANGE % | 2020 N | 2019 N |
|--|--------------|------------------------|----------------------------|-------------|-------------------------|-----------------------------|-------------|---------------------|----------------------|
| Continuing Operations | Notes | | | | | | | | |
| Revenue from contracts with customers | 6 | 69,470,301 | 120,291,237 | (42.25) | 178,248,090 | 366,964,937 | (51.43) | 469,379,791 | 550,218,779 |
| Cost of sales | 7 | 53,672,467 | 74,447,096 | (27.91) | 151,202,858 | 244,670,977 | (38.20) | 324,980,699 | (285,547,369) |
| Gross profit | | 15,797,835 | 45,844,141 | (65.54) | 27,045,232 | 122,293,961 | (77.89) | 144,399,092 | 264,671,410 |
| Other income | 6a | 2,128,000 | - | 100.00 | 2,278,700 | 295,428 | 671.32 | 5,989,484 | 30,140,845 |
| Staff costs | 8 | 11,190,654 | 9,445,870 | 18.47 | 32,648,932 | 41,307,525 | (20.96) | 55,797,420 | (72,773,148) |
| Depreciation and impairment loss | 9 | 1,779,307 | 2,172,057 | (18.08) | 5,273,956 | 6,289,400 | (16.15) | 8,333,590 | (7,526,599) |
| Administrative expenses | 10 | 21,661,979 | 17,805,487 | 21.66 | 65,039,238 | 56,082,313 | 15.97 | 86,022,639 | (88,538,219) |
| Other expenses | 11 | - | - | - | - | - | - | - | - |
| Total Indirect Cost | | 34,631,940 | 29,423,414 | 17.70 | 102,962,126 | 103,679,238 | (0.69) | 150,153,649 | (168,837,966) |
| Results from operating activities | | (16,706,105) | 16,420,727 | (201.74) | (73,638,195) | 18,910,150 | (489.41) | 234,927 | 125,974,289 |
| Finance cost | 13 | 3,751,712 | 4,993,075 | 100.00 | 20,937,302 | 4,993,075 | 100.00 | 5,918,075 | (30,153,731) |
| Profit before tax | | (20,457,817) | 11,427,652 | (279.02) | (94,575,497) | 13,917,075 | (779.56) | (5,683,148) | 95,820,558 |
| Provision for Income tax expense | 14.1 | - | 3,656,849 | - | - | 4,453,464 | - | (78,141,363) | (53,551,712) |
| Profit for the Period | | (20,457,817) | 7,770,803 | (363.27) | (94,575,497) | 9,463,611 | (1,099.36) | (83,824,511) | 42,268,846 |
| Other Comprehensive income | | | | | | | | | |
| Foreign currency translation difference | 6b | 3,379,478.40 | 3,047,840.00 | - | 3,485,236 | 4,743,586 | - | - | - |
| Revaluation surplus on property, plant and equipment | 23.3 | - | - | - | - | - | - | - | 221,263,007 |
| Other comprehensive income for the year | | 3,379,478.40 | 3,047,840 | - | 3,485,236 | 4,743,586 | - | - | 221,263,007 |
| Total comprehensive income for the year | | (17,078,339) | 10,818,643 | (257.86) | (91,090,261) | 14,207,197 | (741.16) | (83,824,511) | 263,531,853 |
| Basic earnings per share (kobo) | 37 | (0.02) | 0.01 | (363.27) | (0.11) | 0.01 | (1,099.36) | (0.09) | 5 |

The notes on pages 16 to 29 form part of these financial statements.



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THE INITIATES PLC
STATEMENT OF FINANCIAL POSITION
AS AT 30TH SEPTEMBER 2021

| | Note | ACTUAL YTD 2021 N | HISTORICAL YTD 2020 N | CHANGE % | 2020 N | 2019 N |
|-------------------------------------|------|-------------------------|-----------------------------|----------------|----------------------|----------------------|
| Assets | | | | | | |
| Non-current assets | | | | | | |
| Property, plant and equipment | 15 | 845,765,978 | 865,792,629 | (2.31) | 855,137,712 | 864,209,717 |
| Other non-current assets | | 10,000,000 | - | 100.00 | 10,000,000 | - |
| Current assets | | | | | | |
| Inventories | 16 | 4,763,851 | 3,892,391 | 22.39 | 5,115,611 | 8,063,918 |
| Trade and other receivables | 17 | 41,531,901 | 99,950,861 | (58.45) | 126,061,106 | 142,477,084 |
| Cash and cash equivalents | 18 | 697,533,797 | 15,965,893 | 4,268.90 | 8,641,088 | 13,421,682 |
| Current tax assets | 19 | 81,218,266 | 122,231,552 | (33.55) | 125,401,944 | 116,863,352 |
| Other current assets | 20 | 13,297,361 | 23,407,551 | (43.19) | 13,981,405 | 4,264,376 |
| Total current assets | | 838,345,175 | 265,448,248 | 215.82 | 279,201,154 | 285,090,412 |
| Total Assets | | 1,694,111,154 | 1,131,240,877 | 49.76 | 1,144,338,866 | 1,149,300,129 |
| Equity and Liabilities | | | | | | |
| Equity | | | | | | |
| Share capital | 21 | 444,990,776 | 444,990,776 | - | 444,990,776 | 444,990,776 |
| Share premium | 22 | 17,780,000 | 17,780,000 | - | 17,780,000 | 17,780,000 |
| Revaluation reserve | 23 | 303,473,535 | 303,473,535 | - | 303,473,535 | 303,473,535 |
| Retained earnings | 24 | (13,525,663) | 153,110,223 | (108.83) | 77,564,599 | 161,389,109 |
| Total equity | | 752,718,648 | 919,354,534 | (18.13) | 843,808,910 | 927,633,420 |
| Non-current liabilities | | | | | | |
| Deferred tax liabilities | 14.4 | 108,914,292 | 92,186,159 | 18.15 | 108,914,292 | 92,186,159 |
| Current liabilities | | | | | | |
| Trade and other payables | 25 | 58,356,548 | 58,865,616 | (0.86) | 46,706,252 | 52,677,285 |
| Provisions | 26 | - | - | - | - | 13,482,130 |
| Current tax liabilities | 14 | - | 6,312,224 | (100.00) | 61,106,615 | 17,602,350 |
| Other current tax liabilities | 27 | 70,079,403 | 53,355,792 | 31.34 | 64,184,506 | 43,663,784 |
| Employees' benefits | 28 | 4,042,263 | 1,166,552 | 246.51 | 2,618,292 | 2,055,001 |
| Borrowings | 29 | 700,000,000 | - | - | 17,000,000 | - |
| Total current liabilities | | 832,478,214 | 119,700,184 | 595.47 | 191,615,665 | 129,480,550 |
| Total liabilities | | 941,392,506 | 211,886,343 | 344.29 | 300,529,957 | 221,666,709 |
| Total equity and liabilities | | 1,694,111,154 | 1,131,240,877 | 49.76 | 1,144,338,866 | 1,149,300,129 |

These financial statements were approved by the Board of Directors on 24th October, 2021 and signed on its behalf by:

Mr. Joe Ogonna Anosikeh
Chairman
FRC No:FRC/2014/NIS/00000008836

Mr. Reuben Mustapha Ossai
Managing Director
FRC No:FRC/2014/NIAECH/00000009687

Rosemary Douglas
Chief Finance Officer
FRC No:FRC/2017/ICAN/00000016060

The notes on pages 16 to 29 form part of these financial statements.

**THE INITIATES PLC****STATEMENT OF CHANGES IN EQUITY****FOR THE PERIOD ENDED 30TH SEPTEMBER 2021**

| | Share capital N | Share premium N | Revaluation reserve N | Retained earnings N | Total Equity N |
|--------------------------|-----------------------|-----------------------|-----------------------------|---------------------------|----------------------|
| At 1 January | 444,990,776 | 17,780,000 | 303,473,535 | 77,564,599 | 843,808,910 |
| Loss for the period | - | - | - | (91,090,261) | (91,090,261) |
| At 30th September | 444,990,776 | 17,780,000 | 303,473,535 | (13,525,663) | 752,718,648 |

FOR THE PERIOD ENDED 30TH SEPTEMBER 2020

| | Share capital N | Share premium N | Revaluation reserve N | Retained earnings N | Total Equity N |
|---|-----------------------|-----------------------|-----------------------------|---------------------------|----------------------|
| At 1 January | 444,990,776 | 17,780,000 | 303,473,535 | 161,389,109 | 927,633,420 |
| Prior Year Adjustments (note 24.1) | | | | (22,486,083) | (22,486,083) |
| Profit for the Period | - | - | - | 9,463,611 | 9,463,611 |
| | 444,990,776 | 17,780,000 | 303,473,535 | 148,366,637 | 914,610,948 |
| Other comprehensive income: | | | | | |
| Foreign currency translation difference | - | - | - | 4,743,586 | 4,743,586 |
| At 30th Sept. 2020 | 444,990,776 | 17,780,000 | 303,473,535 | 153,110,223 | 919,354,534 |



DOCUMENT TITLE: 2021 THIRD QUARTER MANAGEMENT ACCOUNT

DOCUMENT NO.: TIP-COM-MNG -0026

REV NO.: 00

THE INITIATES PLC

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH SEPTEMBER 2021

| | ACTUAL Q3 2021 N | HISTORICAL Q3 2020 N | CHANGE % | ACTUAL YTD 2021 N | HISTORICAL YTD 2020 N | CHANGE % | 2020 N | 2019 N |
|---|------------------------|----------------------------|-----------------|-------------------------|-----------------------------|------------------|---------------------|----------------------|
| Cashflows from Operations | 54,327,984 | 95,643,114 | (43.20) | 119,637,335 | 134,838,013 | (11.27) | 223,837,076 | 666,627,337 |
| Cash Paid to Suppliers | (21,961,254) | (63,226,098) | (65.27) | (42,197,356) | (28,715,732) | 46.95 | (126,002,989) | (406,192,819) |
| Cash Paid to Employees | (11,190,654) | (9,445,870) | 18.47 | (32,648,932) | (41,307,525) | (20.96) | (71,515,460) | (72,773,148) |
| Finance Cost | (3,751,712) | (4,993,075) | 100.00 | (20,937,302) | (4,993,075) | 319.33 | (5,918,075) | (30,153,731) |
| Paid to Government (taxes) | - | - | 100.00 | (999,500) | (955,000) | 4.66 | (4,912,309) | (3,665,349) |
| Total | 17,424,364 | 17,978,072 | (3.08) | 22,854,246 | 58,866,681 | (61.18) | 15,488,243 | 153,842,291 |
| Cashflow from Investment Activities | | | | | | | | |
| Capex | (6,587,980) | (4,556,390) | 44.59 | (20,019,859) | (33,836,387) | (40.83) | (36,342,386) | (28,203,883) |
| Proceeds from sale of property, plant and equipment | - | - | - | - | - | - | 1,000,000 | - |
| Interest received | - | - | - | 47,700 | - | 100.00 | 100,844 | 1,236,417 |
| Total | (6,587,980) | (4,556,390) | 44.59 | (19,972,159) | (33,836,387) | (40.97) | (35,241,542) | (26,967,466) |
| Cashflow from Financing Activities | | | | | | | | |
| Loans obtained | 700,000,000 | - | 100.00 | 729,500,000 | - | - | 17,000,000 | 103,340,360 |
| Repayment of loans | (28,694,015) | - | 100.00 | (46,500,000) | - | 100.00 | - | (253,494,091) |
| Unclaimed dividend returned | 3,010,622 | - | 100.00 | 3,010,622 | - | 100.00 | - | 2,144,398 |
| Dividend paid | - | - | 100.00 | - | - | (100.00) | - | (44,499,078) |
| Retained Earnings | - | - | - | - | (22,486,083) | (100.00) | - | - |
| Total | 674,316,607 | - | 100.00 | 686,010,622 | (22,486,083) | 100.00 | 11,350,770 | (192,508,411) |
| Net Cash Flow | 685,152,990 | 13,421,681 | 5,004.82 | 688,892,709 | 2,544,211 | 26,976.87 | (8,402,529) | (65,633,586) |
| Opening Balance | 12,380,806 | 2,544,212 | 386.63 | 8,641,088 | 13,421,682 | (35.62) | 13,421,682 | 79,055,268 |
| Closing Balance | 697,533,797 | 15,965,893 | 4,268.90 | 697,533,797 | 15,965,893 | 4,268.90 | 5,019,153 | 13,421,682 |

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DOCUMENT TITLE: 2021 THIRD QUARTER MANAGEMENT ACCOUNT

DOCUMENT NO.: TIP-COM-MNG -0026

REV NO.: 00

THE INITIATES PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2021

| | ACTUAL Q3 2021 N | HISTORICAL Q3 2020 N | CHANGE % | ACTUAL YTD 2021 N | HISTORICAL YTD 2020 N | CHANGE % | 2020 N | 2019 N |
|---|------------------------|----------------------------|----------------|-------------------------|-----------------------------|----------------|--------------------|--------------------|
| 6. Revenue from contracts with customers | 69,470,301 | 120,291,237 | (42.25) | 178,248,090 | 366,964,937 | (51.43) | 469,379,791 | 550,218,779 |
| The revenue from contracts with customers is made up of: | | | | | | | | |
| Industrial cleaning services | 19,017,365 | 8,950,875 | 112.46 | 27,701,223 | 30,900,271 | (10.35) | 34,091,612 | 191,530,969 |
| Waste management services | 50,452,936 | 111,340,362 | (54.69) | 150,546,867 | 336,064,666 | (55.20) | 435,288,179 | 358,687,809 |
| | 69,470,301 | 120,291,237 | (42.25) | 178,248,090 | 366,964,937 | (51.43) | 469,379,791 | 550,218,779 |
| 6a. WASTES MANAGEMENT SERVICE | | | | | | | | |
| The revenue from Waste management Services is made up of: | | | | | | | | |
| TDU | 9,072,708 | 33,995,821 | (73.31) | 51,202,516 | 180,073,166 | (71.57) | 182,837,189 | 174,737,101 |
| INCINERATOR | 17,427,865 | 30,051,316 | (42.01) | 35,364,614 | 64,511,172 | (45.18) | 77,405,758 | 107,552,004 |
| FIXATION | 11,290,552 | 901,600 | 1,152.28 | 20,098,312 | 42,405,703 | (52.60) | 43,596,203 | 6,895,660 |
| E-WASTE | 12,661,812 | 46,391,625 | (72.71) | 43,881,425 | 49,074,625 | (10.58) | 131,449,030 | 69,503,044 |
| | 50,452,936 | 111,340,362 | (54.69) | 150,546,867 | 336,064,666 | (55.20) | 435,288,179 | 358,687,809 |
| 6b. Other income | | | | | | | | |
| Sales of Secondary Product | 2,128,000 | - | 100.00 | 2,231,000 | 239,519 | 100.00 | - | 1,510,000 |
| Interest received | - | - | - | 47,700 | - | 100.00 | 100,844 | 1,236,417 |
| Foreign exchange gains (note 6b) | - | - | - | - | 55,909 | (100.00) | 5,802,191 | 27,334,790 |
| Sundry income | - | - | - | - | - | - | 86,449 | 59,638 |
| | 2,128,000 | - | 100.00 | 2,278,700 | 295,428 | 671.32 | 5,989,484 | 30,140,845 |
| 6c Foreign exchange gains | | | | | | | | |
| This represents exchange difference arising from translation of foreign currency transactions during the year under review. | | | | | | | | |
| Gains from translation of foreign currency transactions in the period | 3,379,478 | 3,047,840 | - | 3,485,236 | 4,743,586 | (26.53) | 4,534,337 | 27,334,790 |
| Gains from translation of foreign currency balances at year end | - | - | - | - | - | - | 1,267,854 | - |
| Foreign exchange gains | 3,379,478 | 3,047,840 | 10.88 | 3,485,236 | 4,743,586 | (26.53) | 5,802,191 | 27,334,790 |



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7. Cost of sales

| | | | | | | | | |
|----------------------------------|-------------------|-------------------|----------------|--------------------|--------------------|----------------|--------------------|--------------------|
| Waste Collection and Haulage | 13,757,145 | 26,076,837 | (47.24) | 33,690,208 | 115,624,509 | (70.86) | 162,535,799 | 130,721,110 |
| Waste Disposal | 1,049,563 | 1,321,750 | (20.59) | 3,589,206 | 3,752,500 | (4.35) | 3,353,745 | 4,590,456 |
| Hiring of equipment | 12,060,432 | 4,191,862 | 187.71 | 25,042,946 | 7,908,348 | 216.66 | 11,073,451 | 19,148,768 |
| Diesel and lubricants | 676,548 | 944,300 | (28.35) | 2,431,501 | 2,691,975 | (9.68) | 1,349,474 | 11,216,472 |
| Repairs and Maintenance | 1,712,220 | 2,046,062 | (16.32) | 6,409,658 | 14,622,253 | (56.17) | 14,981,953 | 17,798,973 |
| Employee costs (note 10) | 4,731,569 | - | 100.00 | 16,122,211 | - | - | 15,718,040 | 12,586,914 |
| Transport and travelling | 42,000 | 26,400 | 59.09 | 654,858 | 2,666,044 | (75.44) | 2,979,946 | 4,340,137 |
| Consumables | 901,313 | 304,500 | 196.00 | 2,939,238 | 22,006,150 | (86.64) | 21,836,597 | 28,680,185 |
| Depreciation (note 15) | 8,139,529 | 8,815,911 | (7.67) | 24,117,637 | 25,964,074 | (7.11) | 34,639,551 | 33,564,025 |
| Direct wages | 1,690,813 | 5,233,000 | (67.69) | 5,947,443 | 16,180,040 | (63.24) | 8,351,987 | 11,750,880 |
| Community relations and security | 2,355,188 | 21,361,058 | (88.97) | 15,991,983 | 23,985,170 | (33.33) | 30,341,980 | 7,163,884 |
| Compliance | - | 485,200 | (100.00) | 666,500 | 1,981,740 | (66.37) | 15,114,981 | 8,442,699 |
| Other direct costs | 6,556,149 | 3,640,217 | 80.10 | 13,599,473 | 7,288,175 | 86.60 | 2,703,195 | 8,129,780 |
| | 53,672,467 | 74,447,096 | (27.91) | 151,202,858 | 244,670,977 | (38.20) | 324,980,699 | 298,134,283 |

7a. Other direct costs

| | | | | | | | | |
|----------------------|------------------|------------------|--------------|-------------------|------------------|--------------|------------------|------------------|
| Business Development | 2,820,625 | 400,000 | 605.16 | 4,256,838 | 1,232,445 | 245.40 | 2,021,445 | 2,295,635 |
| QHSE | 1,614,384 | 1,680,717 | (3.95) | 5,567,495 | 3,580,569 | 55.49 | 361,750.00 | 3,532,125 |
| Permits | 2,121,140 | 1,559,500 | 36.01 | 3,775,140 | 2,475,161 | 52.52 | 320,000.00 | 2,302,020 |
| | 6,556,149 | 3,640,217 | 80.10 | 13,599,473 | 7,288,175 | 86.60 | 2,703,195 | 8,129,780 |

8. Staff costs

| | | | | | | | | |
|---------------------------------|-------------------|------------------|--------------|-------------------|-------------------|----------------|-------------------|-------------------|
| Salaries and allowances | 9,016,448 | 7,322,475 | 23.13 | 26,532,027 | 32,308,044 | (17.88) | 59,549,009 | 59,443,411 |
| Employer's pension contribution | 983,195 | 1,087,422 | (9.58) | 2,920,005 | 4,089,835 | (28.60) | 5,121,718 | 5,533,500 |
| Staff welfare | 300,000 | 50,000 | 500.00 | 397,250 | 1,050,125 | (62.17) | 1,810,039 | 2,388,736 |
| Medical expenses | 891,011 | 985,973 | (9.63) | 2,799,649 | 3,859,521 | (27.46) | 5,034,694 | 5,407,501 |
| | 11,190,654 | 9,445,870 | 18.47 | 32,648,932 | 41,307,525 | (20.96) | 71,515,460 | 72,773,148 |



DOCUMENT TITLE: 2021 THIRD QUARTER MANAGEMENT ACCOUNT

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THE INITIATES PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30TH SEPTEMBER 2021

| | ACTUAL Q3 2021 N | HISTORICAL Q3 2020 N | CHANGE % | ACTUAL YTD 2021 N | HISTORICAL YTD 2020 N | CHANGE % | 2020 N | 2019 N |
|--|------------------------|----------------------------|---------------|-------------------------|-----------------------------|---------------|-------------------|-------------------|
| 9. Depreciation and impairment loss | | | | | | | | |
| Depreciation | 1,779,307 | 2,172,057 | (18.08) | 5,273,956 | 6,289,400 | (16.15) | 8,333,590 | 7,526,599 |
| 10. Administrative expenses | | | | | | | | |
| Directors' Remuneration | 2,656,080 | 1,960,848 | 35.46 | 7,968,240 | 8,080,848 | (1.39) | 11,077,200 | 12,913,200 |
| Directors' allowances and expenses | 444,000 | 1,300,500 | (65.86) | 3,606,513 | 1,319,959 | 173.23 | 4,018,712 | 5,798,462 |
| Directors' fees | | 1,294,959 | - | - | 2,249,345 | - | 2,250,000 | 2,250,000 |
| Transport and travelling expenses | 800,393 | 558,250 | 43.38 | 1,756,496 | 1,656,609 | 6.03 | 2,333,019 | 4,012,670 |
| Professional fees | 8,982,531 | 2,701,076 | 232.55 | 18,571,144 | 4,523,753 | 310.53 | 7,389,232 | 5,247,574 |
| Electricity (PHCN) | 670,598 | 517,357 | 29.62 | 1,722,993 | 1,432,816 | 20.25 | 1,592,830 | 676,837 |
| Fuel and diesel | 809,492 | 1,143,450 | (29.21) | 3,262,742 | 4,543,862 | (28.19) | 5,574,919 | 9,209,331 |
| Licenses/Permits and levies | 686,258 | 252,700 | 100.00 | 1,565,858 | 1,491,169 | 5.01 | 1,306,468 | 1,821,925 |
| Occupancy Cost | 809,125 | 606,844 | 100.00 | 1,820,532 | 993,826 | 100.00 | 1,600,670 | - |
| Donation & Gift | | - | - | 360,000 | 1,120,000 | - | 1,420,000 | 735,500 |
| Repairs and maintenance | 818,790 | 714,547 | 14.59 | 2,560,220 | 4,898,850 | (47.74) | 5,747,325 | 2,747,650 |
| Printing and stationery | 99,962 | 280,948 | (64.42) | 537,484 | 595,769 | (9.78) | 788,917 | 1,107,206 |
| Insurance | 741,357 | 829,549 | (10.63) | 4,569,651 | 4,230,512 | 8.02 | 3,877,650 | 4,122,883 |
| Telephone and Courier Services | 130,800 | 148,330 | (11.82) | 335,964 | 471,430 | (28.74) | 851,790 | 928,585 |
| Entertainment | 92,200 | 124,250 | (25.79) | 318,200 | 538,900 | (40.95) | 601,400 | 840,800 |
| Internet expenses | 786,700 | 393,650 | 99.85 | 2,356,300 | 1,840,435 | 28.03 | 2,304,875 | 689,500 |
| Industrial Training Fund | | - | - | - | - | - | 877,497 | 1,064,015 |
| Bank charges | 87,395 | 306,949 | (71.53) | 686,130 | 951,019 | (27.85) | 1,138,407 | 2,698,248 |
| Training expenses | 118,200 | 270,000 | (56.22) | 1,268,700 | 795,000 | 59.58 | 835,000 | 440,000 |
| Local content tax | 225,898 | 520,899 | (56.63) | 1,788,501 | 2,823,267 | (36.65) | 3,664,385 | 6,079,505 |
| Subscription | | - | - | 609,750 | 548,478 | 11.17 | 942,239 | 1,378,407 |
| Meal expenses | 850,400 | 752,450 | 13.02 | 2,413,150 | 2,310,150 | 4.46 | 3,197,400 | 2,539,900 |
| Corporate social responsibility | - | 1,000,000 | - | - | 1,040,000 | - | 1,040,000 | 150,000 |
| Balances written off | | - | - | - | - | - | 3,000 | 3,286,338 |
| Leave allowance | 660,000 | 534,600 | 23.46 | 2,532,338 | 1,605,450 | 57.73 | - | - |
| Advertisement | | - | - | - | 567,000 | (100.00) | 567,000 | 383,847 |
| Bad debt written off | | - | - | - | - | - | - | 40,671 |
| Auditors' remuneration | 800,000 | 1,000,000 | (20.00) | 2,400,000 | 3,000,000 | (20.00) | 2,000,000 | 2,500,000 |
| Provision for doubtful debts | | - | - | - | - | - | 5,687,639 | 13,089,410 |
| Terminal Benefit | | - | - | 552,062 | - | - | 1,441,250 | - |
| Office and general expenses | 391,800 | 593,329 | (33.97) | 1,476,272 | 2,453,867 | (39.84) | 2,086,071 | 1,785,755 |
| VAT | | - | - | - | - | - | 8,107,872 | - |
| WHT | | - | - | - | - | - | 1,699,872 | - |
| | 21,661,979 | 17,805,487 | 21.66 | 65,039,238 | 56,082,313 | 15.97 | 86,022,639 | 88,538,219 |
| 12. Results from operating activities is stated | | | | | | | | |
| Director's emolument: | | | | | | | | |
| - Fees | - | - | - | - | - | - | 2,250,000 | 2,250,000 |
| - Others | - | - | - | - | - | - | 15,095,912 | 18,711,662 |
| Depreciation and impairment loss | 1,779,307 | 2,172,057 | - | 5,273,956 | 6,289,400 | (16.15) | 42,973,141 | 41,090,624 |
| Auditors' remuneration | 800,000 | 1,000,000 | - | 2,400,000 | 3,000,000 | (20.00) | 2,000,000 | 2,500,000 |
| 13. Finance cost | | | | | | | | |
| This represents interests charged by | | | | | | | | |
| Other financial charges | 3,751,712 | - | 100.00 | 9,713,413 | - | 100.00 | 4,993,075 | 5,296,549 |
| Interest on loans | - | 4,993,075 | 100.00 | 11,223,889 | 4,993,075 | 100.00 | 925,000 | 24,857,182 |
| | 3,751,712 | 4,993,075 | 100.00 | 20,937,302 | 4,993,075 | 100.00 | 5,918,075 | 30,153,731 |



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REV NO.: 00

THE INITIATES PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH SEPTEMBER 2021**

| | ACTUAL YTD 2021 N | HISTORICAL YTD 2020 N | CHANGE % | 2020 N | 2019 N |
|--|----------------------------------|--------------------------------------|---------------------|--------------------|--------------------|
| 14. Taxation | | | | | |
| 14.1 Income tax expense | | | | | |
| Company income tax | - | 4,175,123 | - | 4,333,774 | 12,990,332 |
| Education tax | - | 278,342 | - | 999,180 | 2,752,934 |
| | - | 4,453,464 | - | 5,332,954 | 15,743,266 |
| Prior year under-provision (note 14.2.1) | - | | | 56,080,276 | - |
| Current tax expense | - | | - | 61,413,230 | 15,743,266 |
| Deferred tax (note 14.4) | - | - | | 16,728,133 | 37,808,446 |
| | - | 4,453,464 | | 78,141,363 | 53,551,712 |
| 14.2 Current tax liabilities | | | | | |
| Movement in Income tax liabilities | | | | | |
| At 1 January | 61,106,615 | 17,602,350 | 247.15 | 17,602,350 | 20,641,917 |
| Prior year under-provision | - | - | - | 56,080,276 | - |
| Payments during the year | (61,106,615) | (15,743,590) | (1,472.11) | (4,912,309) | (3,665,349) |
| Tax charge for the year | - | 4,453,464 | - | 5,332,954 | 15,743,266 |
| Withholding tax credit notes applied | - | - | - | (12,996,656) | (15,117,484) |
| At 30th September | - | 6,312,224 | (100.00) | 61,106,615 | 17,602,350 |
| 14.2.1 Prior year under-provision | | | | | |
| This represents tax liabilities arising from the tax audit carried out in 2020 by the Federal Inland Revenue Service on the accounts of 2012 - 2017. | | | | | |
| 14.3 Reconciliation of effective tax rate | | | | | |
| (Loss)/profit for the year before tax | (94,575,497) | 13,917,075 | (779.56) | (5,683,148) | 95,820,558 |
| Income tax using the company's domestic tax rate of 30% | (28,372,649) | (4,175,123) | 579.56 | (1,704,944) | 28,746,167 |
| Education tax using tax rate of 2% | (1,891,510) | (278,342) | 579.56 | (113,663) | 1,916,411 |
| Tax effect on expenses not deductible for tax purposes | - | - | - | 17,805,483 | 13,384,360 |
| Tax effect on capital allowances | - | - | - | (9,991,797) | (27,529,336) |
| Tax effect on tax incentives | - | - | - | (662,125) | (774,336) |
| Under-provision in prior year | - | - | - | 56,080,276 | - |
| Income tax expense excluding deferred tax | (30,264,159) | (4,453,464) | 579.56 | 61,413,230 | 15,743,267 |
| Effective tax rate | 0.32 | -0.32 | | (10.81) | 16% |
| 14.4 Deferred tax liabilities | | | | | |
| At 1 January 2021 | 108,914,292 | 92,186,159 | 18.15 | 54,377,713 | 29,276,182 |
| Movement in the period | - | - | - | 37,808,446 | 25,101,531 |
| | 108,914,292 | 92,186,159 | 18.15 | 92,186,159 | 54,377,713 |
| Deferred tax due to revaluation | - | - | | 16,728,133 | 37,808,446 |
| At 30th September 2021 | 108,914,292 | 92,186,159 | 18.15 | 108,914,292 | 92,186,159 |
| 15. Property, Plant and Equipment | | | | | |
| 15.1 Summary | | | | | |
| The carrying amount of property, plant and equipment is stated as follows: | | | | | |
| Land | 43,600,000 | 43,600,000 | - | 43,600,000 | 43,600,000 |
| Buildings | 164,679,293 | 168,046,075 | (2.00) | 167,187,100 | 170,073,340 |
| Plant and Machinery | 628,549,144 | 641,657,985 | (2.04) | 633,125,255 | 638,135,241 |
| Furniture and Fittings | 1,262,743 | 2,991,196 | (57.78) | 2,361,230 | 3,617,574 |
| Office & HSE Equipment | 7,674,798 | 9,497,374 | (19.19) | 8,864,127 | 8,783,562 |
| | 845,765,978 | 865,792,629 | (2.31) | 855,137,712 | 864,209,717 |

**THE INITIATES PLC****NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH SEPTEMBER 2021****15.2A FOR THE PERIOD ENDED 30TH SEPTEMBER 2021**

| | Land | Buildings | Plant and Machinery | Furniture and Fittings | Office & HSE Equipment | Total |
|--|-------------------|---------------------|------------------------|---------------------------|---------------------------|----------------------|
| Deemed Cost | | N | N | N | N | N |
| At 1 January 2021 | 43,600,000 | 167,187,100 | 633,125,255 | 2,361,230 | 8,864,127 | 855,137,712 |
| Addition in the year | - | - | 19,754,860 | 130,000 | 135,000 | 20,019,860 |
| At 30th September 2021 | 43,600,000 | 167,187,100 | 652,880,115 | 2,491,230 | 8,999,127 | 875,157,572 |
| Accumulated Depreciation and impairment loss | | | | | | |
| At 1 January 2021 | - | (7,509,020) | (72,437,102) | (4,017,170) | (6,235,515) | (90,198,807) |
| Charge for the year | - | (2,507,807) | (24,330,972) | (1,228,487) | (1,324,329) | (29,391,594) |
| At 30th September 2021 | - | (10,016,827) | (96,768,074) | (5,245,657) | (7,559,844) | (119,590,401) |
| Carrying amount | | | | | | |
| At 30th September 2021 | 43,600,000 | 164,679,293 | 628,549,144 | 1,262,743 | 7,674,798 | 845,765,978 |
| At 30th September 2020 | 43,600,000 | 168,046,075 | 641,657,985 | 2,991,196 | 9,497,374 | 865,792,629 |

15.2B FOR THE PERIOD ENDED 30TH SEPTEMBER 2020

| | Land | Buildings | Plant and Machinery | Furniture and Fittings | Office & HSE Equipment | Total |
|--|-------------------|--------------------|------------------------|---------------------------|---------------------------|---------------------|
| Deemed Cost | | N | N | N | N | N |
| At 1 January 2020 | 43,600,000 | 174,098,400 | 676,191,541 | 5,633,100 | 12,171,092 | 911,694,133 |
| Addition in the year | - | 590,720 | 29,486,818 | 955,000 | 2,803,850 | 33,836,387 |
| At 30th September 2020 | 43,600,000 | 174,689,120 | 705,678,359 | 6,588,100 | 14,974,942 | 945,530,520 |
| Accumulated Depreciation and impairment loss | | | | | | |
| At 1 January 2020 | - | (4,025,060) | (38,056,300) | (2,015,526) | (3,387,530) | (47,484,416) |
| Charge for the year | - | (2,617,985) | (25,964,074) | (1,581,378) | (2,090,038) | (32,253,475) |
| At 30th September 2020 | - | (6,643,045) | (64,020,374) | (3,596,904) | (5,477,568) | (79,737,891) |
| Carrying amount | | | | | | |
| At 30th September 2020 | 43,600,000 | 168,046,075 | 641,657,985 | 2,991,196 | 9,497,374 | 865,792,629 |
| At 30th September 2019 | 43,200,000 | 163,450,303 | 588,726,759 | 1,112,414 | 3,758,847 | 800,248,323 |



THE INITIATES PLC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH SEPTEMBER 2021

15.3 Deemed cost

On 5 November 2018, the company's property, plant and equipment were revalued by Messrs. Jide Taiwo & Co (Estate Surveyors and Valuers - FRC/2012/0000000000254) on the basis of open market value of N880,800,000. The revalued amount was incorporated with the surplus of N221,263,007 arising therefrom transferred to revaluation reserve account in the financial statements as at 31st December 2019.

15.5 Depreciation

| | ACTUAL YTD 2021 | HISTORICAL YTD 2020 | CHANGE | 2020 | 2019 |
|----------------|--------------------|------------------------|---------------|-------------------|-------------------|
| | N | N | % | N | N |
| Cost of sales | 24,117,637 | 25,964,074 | (7.11) | 34,639,551 | 33,564,025 |
| Administrative | 5,273,956 | 6,289,400 | (16.15) | 8,333,590 | 7,526,599 |
| | 29,391,593 | 32,253,474 | (8.87) | 42,973,141 | 41,090,624 |

15.6 Security

As at 30th September 2021, there were no assets pledged as security.

16. Inventories

| | | | | | |
|----------------------------|------------------|------------------|--------------|------------------|------------------|
| Diesel | 40,283 | 2,091,233 | (98.07) | 939,126 | 3,784,544 |
| QHSE Consumables | 218,133 | 1,242,067 | (82.44) | 980,389 | 1,423,270 |
| Stationeries | 277,095 | 224,141 | 23.63 | 224,092 | 254,204 |
| Technical/Electrical items | 4,193,525 | 334,950 | 1,151.99 | 2,895,340 | 2,571,100 |
| Other consumables | 34,814 | - | 100.00 | 76,664 | 30,800 |
| | 4,763,851 | 3,892,391 | 22.39 | 5,115,611 | 8,063,918 |

The value of inventories recognised as an expense during the period was N1.095 million (2020: N4.185 million).

No inventory was pledged as security during the year.

The Company uses First In First Out method in valuing its inventory.



THE INITIATES PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2021

| | ACTUAL YTD 2021 N | HISTORICAL YTD 2020 N | CHANGE % | 2020 N | 2019 N |
|---|-------------------------|-----------------------------|-------------------|--------------------|--------------------|
| 17. Trade and other receivables | | | | | |
| Trade receivables (note 17.1) | 33,092,250 | 98,251,946 | (66.32) | 118,774,639 | 135,472,885 |
| Staff loans and advances (17.2) | 2,132,650 | 1,698,915 | 25.53 | 979,466 | 912,598 |
| Receivable due from related parties (note 17.3) | 6,307,001 | - | 100.00 | 6,307,001 | 6,091,601 |
| | 41,531,901 | 99,950,861 | (58.45) | 126,061,106 | 142,477,084 |
| 17.1 Trade receivables | | | | | |
| Receivables from customers | 33,092,250 | 98,251,946 | (66.32) | 144,809,054 | 155,819,661 |
| Allowance for expected credit losses (note 17.1.1) | - | - | | (26,034,415) | (20,346,776) |
| | 33,092,250 | 98,251,946 | (66.32) | 118,774,639 | 135,472,885 |
| Ageing of trade receivables | | | | | |
| Current | | | | | - |
| 1 - 30 days past due | 19,984,136 | 30,406,966 | (34.28) | 67,031,021 | - |
| 31 - 60 days past due | 5,530,030 | 32,535,455 | (83.00) | 10,069,574 | 24,608,735 |
| 61 - 90 days past due | 7,578,084 | 18,460,628 | 100.00 | - | 24,545,817 |
| Over 90 days past due | - | 17,848,897 | (100.00) | 67,708,459 | 106,665,109 |
| | 33,092,250 | 99,251,946 | (66.66) | 144,809,054 | 155,819,661 |
| 17.1.1 Movement in allowance for credit losses | | | | | |
| At 1 January | 26,034,415 | 20,346,776 | 27.95 | 20,346,776 | 7,257,366 |
| Allowance for the year | - | - | - | 5,687,639 | 13,089,410 |
| At 30th September 2021 | 26,034,415 | 20,346,776 | 27.95 | 26,034,415 | 20,346,776 |
| 17.2 Key management personnel and staff loans | | | | | |
| Loan to key management personnel | 750,000 | - | 100.00 | - | - |
| Staff loans and advances | 1,382,650 | (50,000) | (2,865.30) | 982,466.00 | 953,269.00 |
| Allowance for expected credit losses | - | - | - | (3,000.00) | (40,671.00) |
| | 2,132,650 | (50,000) | (4,365.30) | 979,466 | 912,598 |

17.3 Receivable due from related parties

a. Relationship with Subsidiary

Transactions

In February 2018, the Company entered into a joint venture agreement with a local company in Uganda with a view to tendering for waste management contracts in Total Uganda. This was followed up by the incorporation of a company (The Initiates Uganda Limited) in November 2018).



THE INITIATES PLC

NOTES TO THE FINANCIAL STATEMENTS
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When fully established the Company will be a subsidiary of The Initiates Plc.

| | ACTUAL YTD 2021 N | HISTORICAL YTD 2020 N | CHANGE % | 2020 N | 2019 N |
|---|-------------------------|-----------------------------|-------------|-----------|-----------|
| Due from | | | | | |
| The Initiates Uganda Limited - Pre-Incorporation expenses | 6,307,001 | 6,307,001 | - | 6,307,001 | 6,091,601 |

b. Relationship with key management Personnel

Key management personnel include the Directors and the management staff of the Company

18. Cash and cash equivalents

Cash and cash equivalents represent cash in hand and at bank as at year end.

| | | | | | |
|--|-------------|------------|----------|-----------|------------|
| Cash in hand | 133,373 | 398,605 | (66.54) | 22,584 | 127,415 |
| Cash at bank | 690,863,158 | 12,567,288 | 5,397.31 | 5,349,659 | 10,294,267 |
| | 691,254,330 | 12,965,893 | 5,231.33 | 5,372,243 | 10,421,682 |
| Apel Capital Investment note (note 18.1) | 6,279,467 | 3,000,000 | 100.00 | 3,268,845 | 3,000,000 |
| | 697,533,797 | 15,965,893 | 4,268.90 | 8,641,088 | 13,421,682 |

18.1 Short Term Investment

This represents short term investment in Apel Investment note. This investment has a tenor of 180 days with the interest rate of 5% per annum.

19 Current Tax Asset

| | | | | | |
|--|-------------------|--------------------|----------------|--------------------|--------------------|
| At 1 January | 125,401,944 | 116,863,352 | 7.31 | 116,863,352 | 97,218,003 |
| Withholding tax in the period | 9,737,223 | 18,358,856 | (46.96) | 21,535,248 | 34,762,833 |
| Withholding tax utilised during the year | (53,920,901) | (12,990,656) | - | (12,996,656) | (15,117,484) |
| At 30th September 2021 | 81,218,266 | 122,231,552 | (33.55) | 125,401,944 | 116,863,352 |



THE INITIATES PLC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH SEPTEMBER 2021

19. Current tax assets

These represent withholding tax receivable as at year end.

| | ACTUAL YTD 2021 N | HISTORICAL YTD 2020 N | CHANGE % | 2020 N | 2019 N |
|--------------------------|-------------------------|-----------------------------|-------------|-------------------|------------------|
| 20. Other current assets | | | | | |
| Advance to third party | 4,015,125 | 6,307,001 | 100.00 | - | - |
| Prepaid expenses | 13,297,361 | 23,407,551 | (43.19) | 13,981,405 | 4,264,376 |
| | 17,312,486 | 29,714,552 | (41.74) | 13,981,405 | 4,264,376 |

21. Share capital

Authorised: (note 23.1)

900,000,000 ordinary shares of N0.50 each

450,000,000 450,000,000 - 450,000,000 450,000,000

Issued and fully paid: (note 23.2)

889,981,552 ordinary shares of N0.50 each

444,990,776 444,990,776 - 444,990,776 444,990,776

21.1 Authorized share capital

At the 12th - 16th Annual General Meeting held on 23rd March 2015, the authorized share capital of the company which was formerly 350,000,000 ordinary shares of N1.00 each was converted to 900,000,000 ordinary shares of N0.50 each.

21.2 Paid up share capital

At the 12th - 16th Annual General Meeting held on 23rd March 2015, the paid up share capital of the company was increased by the capitalization of dividends for 2013 and 2014 and also issue of bonus shares to shareholders.

22. Share premium

At 1 January

17,780,000 17,780,000 - 17,780,000 17,780,000

Additional share premium

- - - -

At 30th September 2021

17,780,000 17,780,000 - 17,780,000 17,780,000

23. Revaluation Reserve

On 5 November 2018, the company's property, plant and equipment were revalued by Messrs. Jide Taiwo & Co (Estate Surveyors and Valuers - FRC/2012/0000000000254) on the basis of open market value of N880,800,000. The revalued amount was incorporated in these financial statements. The surplus of N221,263,007 arising therefrom was transferred to revaluation reserve account.

At 1 January

303,473,535 303,473,535 - 303,473,535 82,210,528

Revaluation surplus

- - - 221,263,007

At 30th September 2021

303,473,535 303,473,535 - 303,473,535 303,473,535



THE INITIATES PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH SEPTEMBER 2021

| | ACTUAL | HISTORICAL | | | |
|-------------------------------------|---------------------|--------------------|-----------------|-------------------|--------------------|
| | YTD 2021 | YTD 2020 | CHANGE | 2020 | 2019 |
| | N | N | % | N | N |
| 24. Retained earnings | | | | | |
| At 1 January | 77,564,598 | 161,389,109 | (51.94) | 161,389,109 | 163,619,341 |
| Prior Year Adjustments (note 24.1) | - | (22,486,083) | (100.00) | - | - |
| Dividend paid | - | - | - | - | (44,499,078) |
| Profit for the year | (91,090,261) | 9,463,611 | (1,062.53) | (83,824,511) | 42,268,846 |
| At 30th September 2021 | (13,525,663) | 148,366,637 | (109.12) | 77,564,598 | 161,389,109 |
| 25. Trade and other payables | | | | | |
| Trade payables | 36,350,990 | 34,580,674 | 5.12 | 28,954,232 | 34,092,049 |
| Dividend payable (note 25.2) | 6,883,198 | 3,603,731 | 91.00 | 3,872,576 | 3,603,731 |
| Other payables | - | - | - | 36,889 | 339,049 |
| Accruals (note 25.1) | 15,122,360 | 20,681,211 | (26.88) | 13,842,555 | 14,642,456 |
| | 58,356,548 | 58,865,616 | (0.86) | 46,706,252 | 52,677,285 |
| 25.1 Accruals | | | | | |
| Accrued Auditors Fees | 2,400,000 | 3,000,000 | (20.00) | 2,000,000.00 | 2,500,000 |
| Accrued Directors' Fees | 65,000 | 65,000 | - | 2,315,000.00 | 2,315,000 |
| Accrued Performance Bonus | 1,009,937 | 1,009,937 | - | 1,009,937.22 | 1,009,937 |
| Accrued Staff Salary | 4,557,861 | 5,874 | 77,497.91 | 1,200,000.00 | 5,809 |
| Accrued Directors' Emolument | 638,490 | - | - | 5,809.00 | - |
| Accrued interest on Loan | 3,751,712 | - | - | 925,000.00 | - |
| Accrued Security & Com Expense | 2,699,360 | 16,600,400 | (83.74) | 5,186,809.77 | 690,710 |
| At 30th September 2021 | 15,122,360 | 20,681,211 | (26.88) | 12,642,556 | 6,521,456 |



THE INITIATES PLC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH SEPTEMBER 2021

| | ACTUAL YTD 2021 | HISTORICAL YTD 2020 | CHANGE | 2020 | 2019 |
|---|----------------------------|--------------------------------|---------------|-------------------|-------------------|
| | N | N | % | N | N |
| 25.2 Dividend payable | | | | | |
| At 1 January | 3,872,576 | 1,459,333 | 165.37 | 3,603,731 | 1,459,333 |
| Unclaimed dividends | 3,010,622 | 2,144,398 | 40.39 | - | 2,144,398 |
| Interest on unclaimed dividends | - | - | - | 268,845 | - |
| Prior Year Dividends approved during the year | - | - | - | - | 44,499,078 |
| Payments made during the year | - | - | - | - | (44,499,078) |
| At 30th September 2021 | 6,883,198 | 3,603,731 | 91.00 | 3,872,576 | 3,603,731 |
| 26. Provisions | | | | | |
| At 1 January | 13,482,130 | - | 100.00 | 13,482,130 | 36,028,711 |
| Provisions made in the year | - | - | - | - | 22,000,000 |
| Provisions used during the year | (13,482,130) | - | 100.00 | (13,482,130) | (44,546,581) |
| At 30th September 2021 | - | - | - | - | 13,482,130 |
| 27. Other current tax liabilities | | | | | |
| Pay As You Earn | 1,774,563 | 333,944 | 431.39 | 126,585 | 971,713 |
| Withholding tax payable | 20,890,555 | 15,126,345 | 38.11 | 18,925,110 | 12,242,787 |
| Local Content Tax Liability | 1,218,836 | 860,556 | 100.00 | 16,243,372 | |
| Value Added Tax - Suppliers | 25,363,570 | 22,149,926 | 14.51 | 1,112,586 | 11,756,403 |
| Value Added Tax - Customers | 20,831,879 | 14,885,020 | 39.95 | 27,776,853 | 18,692,881 |
| At 30th September 2021 | 70,079,403 | 53,355,792 | 31.34 | 64,184,506 | 43,663,784 |



THE INITIATES PLC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH SEPTEMBER 2021

| | ACTUAL YTD 2021 N | HISTORICAL YTD 2020 N | CHANGE % | 2020 N | 2019 N |
|--|--|--|---------------------------|-------------------------|-------------------------|
| 28. Employees' benefits | | | | | |
| Defined contribution plans (note 28.1) | 4,042,263 | 1,166,552 | 0.71 | 2,618,292 | 2,055,001 |

28.1 Defined contribution plans

These represent pension contribution. It is computed as follows: 8% of the employee's basic salary, housing and transport is contributed monthly by the employee and 10% of the employee's basic salary, housing and transport is contributed by the employer. The monthly contribution is remitted to the Pension Fund Administrators in accordance with the Nigerian Pension Reform Act 2014.

| | | | | | |
|-------------------------------|------------------|------------------|---------------|------------------|------------------|
| At 1 January | 2,618,292 | 2,055,001 | 27.41 | 2,055,001 | 118,248 |
| Provision for the year | 4,042,263 | 1,166,552 | 246.51 | 9,408,086 | 10,807,610 |
| Payments made during the year | (2,618,292) | (2,055,001) | 27.41 | (8,844,795) | (8,870,857) |
| At 30th September 2021 | 4,042,263 | 1,166,552 | 246.51 | 2,618,292 | 2,055,001 |

29. Borrowings

| | | | | | |
|--|--------------------|----------|----------|-------------------|----------|
| At 1 January | 17,000,000 | - | 100.00 | - | - |
| Invoice Discounting Facility in the year | 29,500,000 | - | 100.00 | 17,000,000 | - |
| BOI/Providus Bank | 700,000,000 | - | - | - | - |
| Repayments in the year | (46,500,000) | - | 100.00 | - | - |
| At 30th September 2021 | 700,000,000 | - | - | 17,000,000 | - |



THE INITIATES PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2021

| | ACTUAL YTD 2021 N | HISTORICAL YTD 2020 N | CHANGE % | 2020 N | 2019 N |
|--|-------------------------|-----------------------------|---------------|---------------|---------------|
| 30. Information regarding directors and employees | | | | | |
| 30.1. Directors | | | | | |
| Directors' emoluments comprises: | | | | | |
| Fees | - | - | - | 2,250,000 | 2,250,000 |
| Others - salaries and allowances | 11,574,753 | 9,400,807 | - | 15,095,912 | 18,711,662 |
| | 11,574,753 | 9,400,807 | - | 17,345,912 | 20,961,662 |
| Highest paid Director (Managing Director) - emolument | 2,656,080 | 1,960,848 | 35.46 | 11,077,200 | 12,913,200 |
| Other directors with emoluments | Number Nil | Number Nil | Number Nil | Number Nil | Number Nil |
| The number of directors with gross emoluments within the band stated were: | | | | | |
| | Number | Number | | | Number |
| Below N3,000,000 | - | - | - | - | - |
| N3,000,001 - N7,000,000 | - | - | - | - | - |
| N7,000,001 and above | 1 | 1 | - | 1 | 1 |
| | 1 | 1 | - | 1 | 1 |
| 30.2 Employees | | | | | Number |
| Average numbers of persons employed during the year: | | | | | |
| Management | 10 | 10 | - | 11 | 10 |
| Senior Staff | 11 | 11 | - | 12 | 13 |
| Junior Staff | 27 | 28 | (3.57) | 26 | 28 |
| | 48 | 49 | (2.04) | 49 | 51 |
| Aggregate payroll costs | | | | | N |
| Salaries and allowances | 32,648,932 | 41,307,525 | (20.96) | 71,515,460 | 72,773,148 |
| The number of employees in Nigeria with gross emoluments within the bands stated were: | | | | | Number |
| N100,000 | 3 | 3 | - | 3 | 15 |
| N500,001 | 19 | 18 | 5.56 | 19 | 14 |
| N1,000,001 | 12 | 13 | (7.69) | 13 | 9 |
| N1,500,001 | 14 | 15 | (6.67) | 14 | 13 |
| | 48 | 49 | (2.04) | 49 | 51 |

**THE INITIATES PLC****NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH SEPTEMBER 2021****32. Guarantees and other financial commitments**

The company did not guarantee any loan to the directors and officers of the company during the year.

33. Financial commitments

The Directors are of the opinion that all known liabilities and commitments which are relevant in assessing the company's financial statements have been taken into account in the preparation of the financial statements under review.

34. Contingent liabilities

There were no contingent liabilities arising from litigations in the ordinary course of business.

35. Capital commitments

There were no capital commitments at 30th September 2021

36. Events after the reporting date**COVID-19**

The Directors are of the view that the going concern or the continuing existence of the Company is not in doubt, as a result of the impact of COVID-19 on their future operations.

37. Earnings per Share

Earnings per share are based on profit after tax and number of fully paid ordinary shares.

| | ACTUAL Q3 2021 N | HISTORICAL Q3 2020 N | CHANGE % | ACTUAL YTD 2021 N | HISTORICAL YTD 2020 N | CHANGE % | 2020 N | 2019 N |
|--|------------------------|----------------------------|-------------|-------------------------|-----------------------------|-------------|-------------|-------------|
| Profit attributable to ordinary shareholders (in naira) | (20,457,817) | 11,427,652 | (279.02) | (94,575,497) | 13,917,075 | (100.00) | (5,683,148) | 42,268,846 |
| Number of ordinary shares issued and fully paid for basic earnings per share (in | 889,981,552 | 889,981,552 | - | 889,981,552 | 889,981,553 | - | 889,981,554 | 889,981,552 |
| Basic earnings per 50 kobo share | (2.30) | 1.28 | (2.79) | (10.63) | 1.56 | (100.00) | (0.64) | 4.75 |



DOCUMENT TITLE: 2021 THIRD QUARTER MANAGEMENT ACCOUNT

DOCUMENT NO.: TIP-COM-MNG -0026

REV NO.: 00

THE INITIATES PLC

OTHER NATIONAL DISCLOSURES



DOCUMENT TITLE: 2021 THIRD QUARTER MANAGEMENT ACCOUNT

DOCUMENT NO.: TIP-COM-MNG -0026

REV NO.: 00

THE INITIATES PLC

STATEMENT OF VALUE ADDED FOR THE PERIOD ENDED 30TH SEPTEMBER 2021

| | ACTUAL Q3 2021 N | | HISTORICAL Q3 2020 N | | ACTUAL YTD 2021 N | | HISTORICAL YTD 2020 N | | 2020 N | | 2019 N | % |
|---|------------------------|---------|----------------------------|-----|-------------------------|-------|-----------------------------|-----|--------------|------|-------------|-----|
| Revenue from contracts with customers | 69,470,301 | | 120,291,237 | | 178,248,090 | | 366,964,937 | | 469,379,792 | | 550,218,779 | |
| Other income | 2,128,000 | | - | | 2,278,700 | | 295,428 | | 5,989,484 | | 30,140,845 | |
| | 71,598,301 | | 120,291,237 | | 180,526,790 | | 367,260,365 | | 475,369,276 | | 580,359,624 | |
| Less: Bought in materials and services | | | | | | | | | | | | |
| Imported | - | | - | | | | | | 2,961,971 | | 53,514,815 | |
| Local | 70,946,629 | | 88,429,747 | | 213,061,762 | | 289,566,325 | | 363,601,851 | | 317,160,479 | |
| Value added | 651,672 | 100 | 31,861,490 | 100 | (32,534,972) | 100 | 77,694,040 | 100 | 108,805,454 | | 209,684,330 | 100 |
| Applied as follows: | | | | | | | | | | | | |
| To pay employees' salaries wages and other benefits | 11,190,654 | 1,717 | 9,445,870 | 30 | 32,648,932 | (100) | 41,307,525 | 53 | 71,515,460 | 66 | 72,773,148 | 35 |
| To pay Government taxation | - | | 3,656,849 | 11 | - | | 4,453,464 | | 61,413,230 | 56 | 15,743,266 | 8 |
| To provide for enhancement of assets and expansion: | | | | | | | | | | | | |
| - deferred tax | - | | - | | | | | | 16,728,134 | 15 | 37,808,446 | 18 |
| - depreciation of fixed assets | 9,918,835 | 1,522 | 10,987,968 | 34 | 29,391,593 | (90) | 22,469,440 | 29 | 42,973,141 | 39 | 41,090,624 | 20 |
| - retained in the business | (20,457,817) | (3,139) | 7,770,803 | 24 | (94,575,497) | 291 | 9,463,611 | 12 | (83,824,511) | (77) | 42,268,846 | 20 |
| | 651,672 | 100 | 31,861,490 | 100 | (32,534,972) | 100 | 77,694,040 | 94 | 108,805,454 | 100 | 209,684,330 | 100 |

Note: "Value added" represents the additional wealth which the company has been able to create by its own and its employees' efforts. This statement shows the allocation of that wealth amongst employees, capital providers, government, and that retained for future creation of wealth.



DOCUMENT TITLE: 2021 THIRD QUARTER MANAGEMENT ACCOUNT

DOCUMENT NO.: TIP-COM-MNG -0026

REV NO.: 00

THE INITIATES PLC

FIVE YEARS FINANCIAL SUMMARY

| | 2020 N | 2019 N | 31 December 2018 N | 2017 N | 2016 N |
|---|----------------------|----------------------|--------------------------|----------------------|--------------------|
| Statement of Financial Position | | | | | |
| Assets employed | | | | | |
| Non-current Assets | 855,137,712 | 864,209,717 | 655,833,451 | 678,098,211 | 587,311,661 |
| Other non-current assets | 10,000,000 | - | - | - | - |
| Current Assets | 279,201,154 | 285,090,412 | 473,650,809 | 465,676,462 | 271,955,506 |
| Total Assets | 1,144,338,866 | 1,149,300,129 | 1,129,484,260 | 1,143,774,673 | 859,267,167 |
| Equity | | | | | |
| Issued capital | 444,990,776 | 444,990,776 | 444,990,776 | 444,990,776 | 444,990,776 |
| Share premium | 17,780,000 | 17,780,000 | 17,780,000 | 17,780,000 | 17,780,000 |
| Revaluation reserve | 303,473,535 | 303,473,535 | 82,210,528 | 83,410,528 | 83,410,528 |
| Retained earnings | 77,564,598 | 161,389,109 | 163,619,341 | 169,621,532 | 152,938,913 |
| | 843,808,909 | 927,633,420 | 708,600,645 | 715,802,836 | 699,120,217 |
| Liabilities | | | | | |
| Non-current liabilities | 108,914,292 | 92,186,159 | 54,377,713 | 29,276,182 | 46,533,814 |
| Current liabilities | 191,615,665 | 129,480,550 | 366,505,902 | 398,695,655 | 113,613,136 |
| Total liabilities and equity | 1,144,338,866 | 1,149,300,129 | 1,129,484,260 | 1,143,774,673 | 859,267,167 |
| Statement of Profit or Loss and Other Comprehensive Income | | | | | |
| Revenue | 469,379,791 | 550,218,779 | 700,798,753 | 664,901,943 | 648,144,614 |
| (Loss)/profit before taxation | (5,683,148) | 95,820,558 | 134,864,469 | 56,962,054 | 200,675,727 |
| Income tax expense | (78,141,363) | (53,551,712) | (43,884,152) | 8,511,955 | (65,052,877) |
| (Loss)/profit after taxation | (83,824,511) | 42,268,846 | 90,980,317 | 65,474,009 | 135,622,850 |
| Other Comprehensive income | | | | | |
| Revaluation surplus on property, plant and equipment | | 221,263,007 | - | - | - |
| Other comprehensive income for the year | - | 221,263,007 | - | - | - |
| Total comprehensive income for the year | (83,824,511) | 263,531,853 | 90,980,317 | 65,474,009 | 135,622,850 |
| (Loss)/basic earnings per share (kobo) | (9) | 5 | 62 | 9 | 16 |
| Net assets per share (kobo) | 95 | 104 | 80 | 80 | 79 |

(Loss)/basic earnings per share are calculated on the (loss)/profit after tax and the number of fully paid ordinary shares at the end of each year.

Net assets per share are based on the net assets and the number of fully paid ordinary shares at the end of each year.