

PZ CUSSONS NIGERIA PLC

Q2, 2020/21 UNAUDITED FINANCIAL STATEMENTS

(NINE MONTHS ENDED, 28TH FEBRUARY 2021)

PZ Cussons Nigeria Plc
Q3, 2020/21 unaudited financial statement(nine months ended 28 February 2021)

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PZ Cussons Nigeria Plc

Q3, 2020/21 unaudited financial statement(nine months ended 28 February 2021)

Corporate information

Board of Directors

Chief (Dr) Kolawole B. Jamodu, CFR	- Chairman, Non - Executive Director (Retired w.e.f 11 December, 2020)
Mr. Gbenga Oyeboode	- Chairman, Non - Executive Director (Appointed w.e.f 11 December, 2020)
Mr. L. Batagarawa	- Non - Executive Director (Retired w.e.f 11 December, 2020)
Mr. P. Usoro, SAN	- Non - Executive Director
Mrs. E. Ebi	- Independent Non-Executive Director
Mallam D. Muhammad	- Independent Non-Executive Director (Resigned w.e.f 31 January 2021)
Ms. J. Coker	- Executive Director
Mr G. Sotiropoulos	- Executive Director
Mr. Zuber Momoniat	- Executive Director
Mr. Panagiotis Katsis	- Managing Director / Chief Executive Officer

Company Secretary / Legal Adviser

Mrs Jacqueline Ezeokwelum

Registered Office

45/47 Town Planning Way
Ilujeju Industrial Estate
P.M.B. 21132
Ikeja

Registration Number

RC 693

Registrars

First Registrars and Investors Service Limited
Plot 2, Abebe Village Road
Iganmu Complex
P.M.B. 12692
Lagos.

Independent Auditors

Deloitte & Touche (Chartered Accountants)
Civic Towers,
Plot GA1, Ozumba Mbadiwe Avenue
Victoria Island, Lagos, Nigeria

PZ Cussons Nigeria Plc
Q3, 2020/21 unaudited financial statement(nine months ended 28 February 2021)

Results at glance

GROUP					
	2020-21	2020-21	2019-20	2019-20	% Increase/ (Decrease)
	3rd Qtr Ended 28 Feb 2021	9 mths Ended 28 Feb 2021	3rd Qtr Ended 28 Feb 2020	9 mths Ended 28 Feb 2020	
	N'000	N'000	N'000	N'000	
Revenue	22,601,507	59,980,934	20,795,901	54,743,034	9.6
Operating Profit	1,931,684	3,927,940	(2,366,497)	(3,866,200)	201.6
Profit/(Loss) Before Tax	476,571	1,504,889	(2,425,197)	(4,005,474)	137.6
Taxation	(280,922)	(488,306)		488,208	-
Profit/(Loss) for the period	195,649	1,016,583	(1,936,989)	(3,517,266)	128.9
Attributable to:					
Owners of the company	97,403	948,350	(1,719,831)	(3,305,297)	128.7
Non-controlling interests	98,246	68,233	(217,158)	(211,969)	(132.2)
	195,649	1,016,583	(1,936,989)	(3,517,266)	128.9
Earnings per share (Kobo)	5	26	(49)	(89)	

PZ Cussons Nigeria Plc

Q3, 2020/21 unaudited financial statement(nine months ended 28 February 2021)

FINANCIAL RATIOS	9 Months Ended 28 Feb 2021	9 Months Ended 28 Feb 2020	9 Months Ended 28 Feb 2019
Gross Margin	27%	15%	23%
Operating margin	7%	-7%	2%
Net Profit margin	1.7%	-6%	1%
Current Ratio	1.3	1.4	1.6
Quick Ratio (Acid test)	0.8	0.7	0.7
NWC	13,508.8	14,529.5	18,864.4
Accounts Receivable Turnover (Sales/Average AR)	7.9	4.8	5.5
Debtors Days	34.2	56.3	49.3
Inventory Turnover (CoGS/Ave Inventory)	1.8	1.8	1.6
Stock Days	146.2	150.0	115.9
EPS (N)	0.26	(0.89)	0.20

PZ Cussons Nigeria Plc

Q3, 2020/21 unaudited financial statement(nine months ended 28 February 2021)

Financial Highlights	3RD QTR ENDED 28 FEB 2021 N'000	3RD QTR ENDED 28 FEB 2020 N'000
Net Profit/loss	1,016,583	(3,517,266)
Networking capital	13,508,771	14,529,482
Capital Employed	88,783,555	79,712,332
Authorised share capital	2,000,000	2,000,000
Issued & Fully paid:	-	-
Share capital	1,985,238	1,985,238
Share premium	6,878,269	6,878,269
Other reserves	23,474,467	30,056,488
Shareholders Fund	35,179,488	41,799,575

PZ Cussons Nigeria Plc

Q3, 2020/21 unaudited financial statement(nine months ended 28 February 2021)


Consolidated and separate statement of profit or loss and other comprehensive income for the Third Quarter ended 28 February 2021


	The Group			The Company		
	Q3, 2020/21 Total N'000	Q3, 2019/20 Total N'000	% Change	Q3, 2020/21 Total N'000	Q3, 2019/20 Total N'000	% Change
Continuing operations						
Revenue	59,980,934	54,743,034	9.6	35,698,252	32,594,213	9.5
Cost of sales	(43,647,095)	(46,285,934)	(5.7)	(25,735,546)	(26,743,744)	(3.8)
Gross profit	16,333,839	8,457,100	93.1	9,962,706	5,850,469	70.3
Selling and distribution costs	(6,984,339)	(7,869,053)	(11.2)	(4,844,116)	(5,085,367)	(4.7)
Administrative expenses	(5,421,561)	(4,454,247)	21.7	(4,994,728)	(4,221,312)	18.3
Operating profit	3,927,940	(3,866,200)	201.6	123,861	(3,456,210)	103.6
Other income(Note 18)	2,089,125	140,818	1,383.6	2,194,553	246,247	791.2
Foreign exchange gain/(loss)	(4,596,445)	(127,090)	3,516.7	(1,365,914)	(64,787)	2,008.3
Interest income	153,638	262,032	(41.4)	271,201	293,744	(7.7)
Interest cost	(69,369)	(415,033)	(83.3)	(10,256)	(252,004)	(95.9)
Net finance cost	84,269	(153,001)	155.1	260,946	41,740	525.2
Profit/(Loss) before taxation	1,504,889	(4,005,474)	137.6	1,213,446	(3,233,010)	137.5
Taxation	(488,306)	488,208		(469,686)	563,281	
Profit/(Loss) after taxation	1,016,583	(3,517,266)	128.9	743,760	(2,669,729)	127.9
Attributable to:						
Equity holders of the parent	948,350	(3,305,297)	128.7	743,760	(2,669,729)	127.9
Non controlling interest	68,233	(211,969)	(132.2)			
Basic EPS (kobo)	26	(89)		19	(67)	
Diluted EPS (kobo)	26	(89)		19	(67)	


Consolidated and separate statement of financial position as at 28 February 2021

	Note	The Group		The Company	
		Q3, 2020/21	2019/20	Q3, 2020/21	2019/20
		N'000	N'000	N'000	N'000
Assets					
Non-current assets					
Property, plant and equipment	2a	24,490,370	26,190,242	23,085,999	24,628,863
Right-of-use assets	2b	132,271	275,042	98,832	209,724
Intangible Assets	2c	662,261	741,732	662,261	741,732
Investments in subsidiaries	3	-	-	504,406	504,406
Other long-term receivables	4	1,914,526	1,914,526	1,870,028	1,870,028
		27,199,428	29,121,542	26,221,526	27,954,753
Current assets					
Inventories	5	21,011,022	26,258,699	15,187,838	15,654,747
Trade and other receivables	6	13,013,629	10,065,571	10,803,513	6,136,175
Other assets	7	1,789,099	1,010,312	1,743,619	849,486
Deposits for imports	8	806,274	1,202,075	160,972	318,369
Cash and cash equivalents	9	24,964,101	10,792,938	17,593,944	8,573,322
		61,584,126	49,329,595	45,489,886	31,532,098
Total assets		88,783,555	78,451,137	71,711,411	59,486,850
Equity					
Ordinary share capital	10	1,985,238	1,985,238	1,985,238	1,985,238
Share premium		6,878,269	6,878,269	6,878,269	6,878,269
Retained earnings		23,474,467	22,923,165	15,380,016	15,033,304
Equity attributable to equity holders of the company		32,337,974	31,786,672	24,243,523	23,896,811
Non controlling interest		2,841,514	2,773,281	-	-
Total equity		35,179,488	34,559,953	24,243,523	23,896,811
Liabilities					
Non-current liabilities					
Deferred income	13	43,573	61,047	-	6,605
Lease liability	2b	57,636	119,847	43,301	91,887
Deferred taxation	15	5,411,808	5,368,688	6,937,900	6,852,605
Provisions	16	15,695	245,418	-	-
		5,528,711	5,795,000	6,981,201	6,951,097
Current liabilities					
Trade and other payables	12	46,832,777	37,200,556	39,874,001	28,037,464
Lease liability	2b	74,635	155,195	55,530	117,837
Deferred income	13	47,065	20,827	38,738	20,827
Current taxation payable	14	736,573	620,176	518,417	462,814
Provisions	16	384,305	99,430	-	-
		48,075,355	38,096,184	40,486,687	28,638,942
Total liabilities		53,604,067	43,891,184	47,467,888	35,590,039
Net equity and liabilities		88,783,555	78,451,137	71,711,411	59,486,850

The Second quarter(Q3, 2020/21) unaudited financial statements were approved and authorised for issue by the board of directors on 25 March 2021 and sign on its behalf by:


Mr. Panagiotis Katsis
Chief Executive officer
FRC/2020/003/00000021969


Mr. Zuber Momoni
Executive Director
FRC/2018/IODN/00000018772


Mr. Evans Eghosa Enabulele
Head, Financial Reporting & Accounting
FRC/2017/ICAN/00000017126

The notes on pages 9 to 17 are an integral part of these financial statements

PZ Cussons Nigeria Plc
Q3, 2020/21 unaudited financial statement(nine months ended 28 February 2021)

Consolidated and separate statement of changes in equity

	The Group					Total N'000
	Attributable to owners of the company					
	Share capital N'000	Share premium N'000	Retained earnings N'000	Non controlling interest N'000	Revaluation reserve	
At 1 June 2019	1,985,238	6,878,269	33,797,232	3,091,549	-	45,752,288
Adjustment on initial application of IFRIC 23	-	-	(3,517,328)	-	-	(3,517,328)
Adjusted balance at 1 June 2019	1,985,238	6,878,269	30,279,904	3,091,549	-	42,234,960
(Loss)/Profit for the year	-	-	(6,921,291)	(318,268)	-	(7,239,559)
Total comprehensive income for the year	-	-	(6,921,291)	(318,268)	-	(7,239,559)
Transactions with owners:						
Dividend paid relating to year ended 31 May 2019	-	-	(595,572)	-	-	(595,572)
Unclaimed dividend forfeited	-	-	160,124	-	-	160,124
Total transaction with owners	-	-	(435,448)	-	-	(435,448)
At 31 May 2020	1,985,238	6,878,269	22,923,165	2,773,281	-	34,559,954
At 1 June 2020	1,985,238	6,878,269	22,923,165	2,773,281	-	34,559,954
Profit for the period	-	-	948,350	68,233	-	1,016,583
Total comprehensive income for the period	-	-	948,350	68,233	-	1,016,583
Transactions with owners:						
Dividend paid relating to year ended 31 May 2020	-	-	(397,048)	-	-	(397,048)
Unclaimed dividend forfeited	-	-	-	-	-	-
Total transaction with owners	-	-	(397,048)	-	-	(397,048)
At 28 February 2021	1,985,238	6,878,269	23,474,467	2,841,514	-	35,179,488
At 1 June 2019	1,985,238	6,878,269	33,797,232	3,091,549	-	45,752,288
Profit for the period	-	-	(3,305,297)	(211,969)	-	(3,517,266)
Total comprehensive income for the period	-	-	(3,305,297)	(211,969)	-	(3,517,266)
Transactions with owners:						
Dividend paid relating to year ended 31 May 2019	-	-	(595,572)	-	-	(595,572)
Unclaimed dividend forfeited	-	-	160,124	-	-	160,124
Total transaction with owners	-	-	(435,447)	-	-	(435,447)
At 28 February 2020	1,985,238	6,878,269	30,056,488	2,879,580	-	41,799,575

PZ Cussons Nigeria Plc
Unaudited Statement of changes in equity
as at 28 February 2021

	Company					Total N'000
	Attributable to owners of the company					
	Share capital N'000	Share premium N'000	Retained earnings N'000	Non controlling interest N'000	Revaluation reserve	
At 1 June 2019	1,985,238	6,878,269	24,953,075	-	-	33,816,582
Adjustment on initial application of IFRIC 23	-	-	(3,517,328)	-	-	(3,517,328)
Adjusted balance at 1 June 2019	1,985,238	6,878,269	21,435,747	-	-	30,299,254
Loss for the year	-	-	(5,966,995)	-	-	(5,966,995)
Total comprehensive income for the year	-	-	(5,966,995)	-	-	(5,966,995)
Transactions with owners:						
Dividend paid relating to year ended 31 May 2019	-	-	(595,572)	-	-	(595,572)
Unclaimed dividend forfeited	-	-	160,124	-	-	160,124
Total transaction with owners	-	-	(435,448)	-	-	(435,448)
At 31 May 2020	1,985,238	6,878,269	15,033,305	-	-	23,896,812
At 1 June 2020	1,985,238	6,878,269	15,033,305	-	-	23,896,812
Profit for the year	-	-	743,760	-	-	743,760
Total comprehensive income for the year	-	-	743,760	-	-	743,760
Transactions with owners:						
Dividend paid relating to year ended 31 May 2020	-	-	(397,048)	-	-	(397,048)
Unclaimed dividend forfeited	-	-	-	-	-	-
Total transaction with owners	-	-	(397,048)	-	-	(397,048)
At 28 February 2021	1,985,238	6,878,269	15,380,016	-	-	24,243,523
At 1 June 2019	1,985,238	6,878,269	24,953,075	-	-	33,816,582
Loss for the year	-	-	(2,669,729)	-	-	(2,669,729)
Total comprehensive income for the year	-	-	(2,669,729)	-	-	(2,669,729)
Transactions with owners:						
Dividend paid relating to year ended 31 May 2019	-	-	(595,572)	-	-	(595,572)
Unclaimed dividend forfeited	-	-	160,124	-	-	160,124
Total transaction with owners	-	-	(435,447)	-	-	(435,447)
At 28 February 2020	1,985,238	6,878,269	21,847,899	-	-	30,711,406

PZ Cussons Nigeria Plc
Q3, 2020/21 unaudited financial statement(nine months ended 28 February 2021)

	The Group			The Company		
	Q3 2020/21 N'000	Q3 2019/20 N'000	Year End 2019/20 N'000	Q3 2020/21 N'000	Q3 2019/20 N'000	Year End 2019/20 N'000
Cash flows from operating activities						
Cash generated from operations	12,619,832	8,128,088	12,086,835	7,314,898	5,488,048	7,366,201
Taxation	(258,992)	(441)	(441)	(258,992)	(441)	(441)
Net cash flow generated from operating activities	12,360,839	8,127,648	12,086,394	7,055,905	5,487,608	7,365,760
Cash flows from investing activities						
Interest received	153,638	262,032	304,970	271,201	293,744	338,419
Loan receivables	-	-	(165,100)	-	-	1,415,576
Purchase of property, plant and equipment	(1,272)	(1,214,367)	(1,539,635)	(23,556)	(942,630)	(1,266,251)
Proceeds from sale of property, plant and equipment	2,124,375	-	1,500	2,124,375	-	1,500
Net cash used in investing activities	2,276,741	(952,334)	(1,398,265)	2,372,021	(648,886)	489,244
Cash flows from financing activities						
Interest Expense	(69,369)	(415,033)	(454,234)	(10,256)	(252,004)	(276,515)
Loan payables	-	-	(1,173,870)	-	-	(248,870)
Lease payment	-	-	(190,362)	-	-	(147,856)
Dividends paid to Company shareholders	(397,048)	(159,169)	(595,572)	(397,048)	(159,169)	(595,572)
Net cash flow used in financing activities	(466,417)	(574,202)	(2,414,038)	(407,304)	(411,173)	(1,268,813)
Net increase in cash, cash equivalents and bank overdrafts	14,171,163	6,601,111	8,274,091	9,020,623	4,427,548	6,586,191
Cash, cash equivalents and bank overdrafts at the beginning of the year	10,792,938	2,518,847	2,518,847	8,573,322	1,987,131	1,987,131
Cash, cash equivalents and bank overdrafts at the end of the year	24,964,101	9,119,958	10,792,938	17,593,944	6,414,679	8,573,322

PZ Cussons Nigeria Plc

Q3, 2020/21 unaudited financial statement(nine months ended 28 February 2021)

Notes to the consolidated and separate financial statements

1 General information

The Group

PZ Cussons Nigeria Plc is a Company incorporated in Nigeria on 4 December 1948 under the name of P.B. Nicholas and Company Limited. The name was changed to Alagbon Industries Limited in 1953 and to Associated Industries Limited in 1960. The Company became a public Company in 1972 and was granted a listing on the Nigerian Stock Exchange. The name was changed to Paterson Zochonis Industries Limited on 24 November 1976 and in compliance with the Companies and Allied Matters Act, it changed its name to Paterson Zochonis Industries Plc on 22 November 1990. On 21 September, 2006, the Company adopted its present name of PZ Cussons Nigeria Plc.

The principal activities of the group are the manufacture, distribution and sale of a wide range of consumer products and home appliances through owned depots. These products are leading brand names throughout the country in detergent, soap, cosmetics, refrigerators, freezers and air-conditioners. The group also distributes products of Nutricima Limited, Harefield Industrial Nigeria Limited and PZ Wilmar Food Limited.

The address of the registered office is 45/47 Town Planning Way, Ilupeju, Lagos.

The condensed interim consolidated and separate financial statements are presented in Nigerian Naira which is the functional currency of the primary economic environment in which the Group operates. The financial statements have been rounded to the nearest thousands.

These consolidated and separate financial statements comprises that of the group and the stand alone financial statements of the parent Company.

PZ Cussons Nigeria Plc

Q3, 2020/21 unaudited financial statement(nine months ended 28 February 2021)

Notes to the condensed interim financial statements

2a. Property, plant and equipment

The Group						
<u>Otr 3, 2020/21</u>						
Cost	Leasehold land and buildings	Plant and Machinery	Office furniture and fittings	Motor vehicles	Capital Work in progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000
At 1 June 2020	19,694,904	25,281,119	3,560,997	564,560	2,051,989	51,153,568
Additions					1,272	1,272
Reclassifications	2	594,102	48,970	-	(643,074)	-
At 28 February 2021	19,694,906	25,875,221	3,609,967	564,560	1,410,188	51,154,841
Depreciation						
At 1 June 2020	4,201,472	17,261,710	2,935,584	564,560	-	24,963,326
Charge for the year	276,445	1,167,797	256,903	-	-	1,701,145
At 28 February 2021	4,477,917	18,429,507	3,192,487	564,560	-	26,664,471
Net book values						
At 28 February 2021	15,216,989	7,445,714	417,480	-	1,410,188	24,490,370
<u>2019/20</u>						
Cost	Leasehold land and buildings	Plant and Machinery	Office furniture and fittings	Motor vehicles	Capital Work in progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000
At 1 June 2019	19,542,829	24,841,301	3,408,183	569,010	1,257,060	49,618,383
Additions					1,539,635	1,539,635
Transfers	152,075	439,818	152,814	-	(744,706)	-
Disposals	-	-	-	(4,450)	-	(4,450)
At 31 May 2020	19,694,904	25,281,119	3,560,997	564,560	2,051,989	51,153,568
Depreciation						
At 1 June 2019	3,840,414	15,341,101	2,526,997	569,010	-	22,277,522
Charge for the year	361,058	1,920,609	408,587	-	-	2,690,254
On Disposals	-	-	-	(4,450)	-	(4,450)
At 31 May 2020	4,201,472	17,261,710	2,935,584	564,560	-	24,963,326
Net book values						
At 31 May 2020	15,493,432	8,019,409	625,413	-	2,051,989	26,190,243
At 31 May 2019	15,702,415	9,500,200	881,186	-	1,257,060	27,340,861

PZ Cussons Nigeria Plc
Q3, 2020/21 unaudited financial statement(nine months ended 28 February 2021)

The Company						
Otr 3, 2020/21						
Cost	Leasehold land and buildings	Plant and Machinery	Office furniture and fittings	Motor vehicles	Capital Work in progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000
At 1 June 2020	19,025,340	23,629,427	3,294,321	481,111	1,831,091	48,261,290
Additions					23,556	23,556
Reclassifications	2	496,627	37,802	-	(534,431)	-
Disposals	-					-
At 28 February 2021	19,025,342	24,126,054	3,332,123	481,111	1,320,216	48,284,846
Depreciation						
At 1 June 2020	4,147,177	16,302,519	2,701,620	481,111	-	23,632,427
Charge for the year	263,018	1,051,619	251,783	-		1,566,420
Intercoy transfers						-
On disposals						-
At 28 February 2021	4,410,195	17,354,138	2,953,403	481,111	-	25,198,847
Net book values						
At 28 February 2021	14,615,147	6,771,916	378,720	-	1,320,216	23,085,999
2019/20						
Cost	Leasehold land and buildings	Plant and Machinery	fittings and IT equipment	Motor vehicles	Capital Work in progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000
At 1 June 2019	19,025,340	23,181,966	3,150,283	485,561	1,156,339	46,999,489
Additions	-	-	-	-	1,266,251	1,266,251
Reclassification		447,461	144,038		(591,499)	-
Disposals				(4,450)		(4,450)
At 31 May 2020	19,025,340	23,629,427	3,294,321	481,111	1,831,091	48,261,290
Depreciation						
At 1 June 2019	3,796,490	14,548,629	2,309,848	485,561	-	21,140,528
Charge for the year	350,687	1,753,890	391,772			2,496,349
On disposals				(4,450)		(4,450)
At 31 May 2020	4,147,177	16,302,519	2,701,620	481,111	-	23,632,427
Net book values						
At 31 May 2020	14,878,163	7,326,908	592,701	-	1,831,091	24,628,863
At 31 May 2019	15,228,850	8,633,337	840,435	-	1,156,339	25,858,961

Notes to the financial statements

2b. Right-of-use asset

	The Group			The Company		
	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000
Cost						
Opening Balance	465,404	322,485	-	357,580	254,680	-
Additions	-	142,919	-	-	102,900	-
Opening Balance	465,404	465,404	-	357,580	357,580	-
Accumulated Amortizations						
Opening Balance	190,362	-	-	147,856	-	-
Charge for the year	142,772	190,362	-	110,892	147,856	-
Closing charge	333,134	190,362	-	258,749	147,856	-
Carrying amount						
	132,271	275,042	-	98,832	209,724	-
Lease liability						
	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000
Opening balance	275,042	322,485	-	209,724	254,680	-
Additions	-	142,919	-	-	102,900	-
Payments	(142,772)	(190,362)	-	(110,892)	(147,856)	-
Closing charge	132,271	275,042	-	98,832	209,724	-
Non Current	57,636	119,847	-	43,301	91,887	-
Current	74,635	155,195	-	55,530	117,837	-
Total	132,271	275,042	-	98,832	209,724	-

The application of IFRS 16 to leases previously classified as operating leases under IAS 17 resulted in the recognition of right-of-use assets and lease liabilities. The Group has chosen to use the table above to set out to show the implementation of IFRS 16.

2c. Intangible asset

	The Group			The Company		
	Q2, 2020/21 N'000	2019/20 N'000	2018/19 N'000	Q2, 2020/21 N'000	2019/20 N'000	2018/19 N'000
Cost						
Opening Balance	1,059,618	1,059,618	1,059,618	1,059,618	1,059,618	1,059,618
Additions	-	-	-	-	-	-
Opening Balance	1,059,618	1,059,618	1,059,618	1,059,618	1,059,618	1,059,618
Accumulated Amortizations						
Opening Balance	317,886	211,924	105,962	317,886	211,924	105,962
Charge for the year	79,471	105,962	105,962	79,471	105,962	105,962
Closing charge	397,357	317,886	211,924	397,357	317,886	211,924
Carrying amount						
	662,261	741,733	847,694	662,261	741,733	847,694

All intangible assets are non-current. The intangible assets of the Group have finite useful life and are amortised over 10 years in line with its accounting policy. The intangible assets represents cost of Enterprise Resource programme package (SAP) deployed.

3. Investments in subsidiaries

The Company	The Company		
	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000
At 31 August	504,406	504,406	504,406
Additions	-	-	-
Total	504,406	504,406	504,406

There are no restrictions in transfer of funds within the entities in the group

Principal investments

	Investment Amount N'000	Proportion of shares held		Proportion of shares held by NCI	
		%	%	%	%
HPZ Limited	504,406	74.99	-	25.01	-
Total	504,406	74.99	-	25.01	-

4. Other long term receivables

Non-current other receivables of N1.91 Billion (2019: N1.99 Billion) represent Prepayments over 12 months, exports rebates receivable and Negotiable Duty Credit Certificates(now called export credit certificates) due from the Government in respect of exports sales made in the past. These were reclassified from current assets to Long-term assets. In 2018, the advances were made to HPZ distributors to aid the development of their businesses specifically tied to the marketing and sales of HPZ products.

	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000
Advances to HPZ Distributors	-	-	-	-	-	-
Prepayments over 1 year	-	-	29,861	-	-	29,861
Export rebates receivables & Export credit certificates	1,914,526	1,914,526	1,960,609	1,870,028	1,870,028	1,915,572
Total	1,914,526	1,914,526	1,990,470	1,870,028	1,870,028	1,945,433

Export grants are accrued for at the rate of 15% of the invoiced value. The weighted eligibility criteria has 4 bands: 15%, 10%, 7.5% and 5%. Approval of the grant is subject to meeting the threshold for the following eligibility criteria: local value added, local content, employment (Nigerians), priority sector, export growth and capital investment.

5. Inventories

	The Group			The Company		
	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000
Raw materials and consumables	6,860,348	8,629,003	9,085,772	7,096,451	6,249,569	9,027,018
Finished goods and goods for resale	6,625,375	7,811,192	11,361,457	4,415,154	5,151,788	6,097,145
Engineering spares and other stocks	2,460,886	2,785,674	2,918,618	2,289,199	2,536,303	2,766,878
Goods in transit	5,064,613	7,032,830	5,233,209	1,377,034	1,717,087	1,277,595
Total	21,011,022	26,258,699	28,599,056	15,187,838	15,654,747	19,168,436

6a. Trade and other receivables

	Group			Company		
	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000
Receivables due within one year:						
Trade receivables	8,269,737	6,908,872	10,845,936	3,940,550	3,099,446	5,654,404
Less: provision for impairment of trade receivables	(1,454,295)	(1,370,296)	(1,233,054)	(1,173,755)	(1,109,437)	(871,275)
Net trade receivables	6,815,442	5,538,576	9,612,882	2,766,795	1,990,009	4,783,129
Receivables from subsidiary companies	-	-	-	2,242,500	-	1,584,419
Receivables from related party companies	4,280,233	2,940,331	3,989,569	4,280,233	2,940,331	3,989,569
WHT credit note receivable	765,525	456,773	552,108	551,731	262,341	439,074
Other receivables	1,152,430	1,129,891	1,011,227	962,254	943,494	696,885
Total	13,013,629	10,065,571	15,165,786	10,803,513	6,136,175	11,493,076

Notes to the financial statements

6c. Trade and other receivables continued

	The Group			The Company		
	Q2, 2020/21 N'000	2019/20 N'000	2018/19 N'000	Q2, 2020/21 N'000	2019/20 N'000	2018/19 N'000
Movements in the provision for impairment of trade receivables are as follows:						
Opening	(1,370,296)	(1,233,054)	(1,126,844)	(1,109,437)	(871,275)	(772,301)
Provision for receivables impairment	(83,999)	(137,242)	(106,210)	(64,317)	(238,162)	(98,974)
Receivables written off during the year	-	-	-	-	-	-
Closing	(1,454,295)	(1,370,296)	(1,233,054)	(1,173,755)	(1,109,437)	(871,275)

All trade receivables are denominated in Nigerian Naira.

The credit risk of customers is assessed at a subsidiary and group level, taking into account their financial positions, past experiences and other factors. Individual customer credit limits are imposed based on these factors.

The credit period taken on sales ranges from 30 to 90 days due to the differing nature of trade receivables in the group's segments.

7. Other current assets

	The Group			The Company		
	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000
Prepayments	303,382	19,833	123,663	297,984	19,833	123,663
Advance to Distributors & Suppliers	1,485,717	990,479	1,146,340	1,445,635	829,653	796,340
	1,789,099	1,010,312	1,270,003	1,743,619	849,486	920,003

8. Deposits for imports

	The Group			The Company		
	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000
Deliverable Forwards	-	668,100	-	-	266,045	-
Deposits for Letters of credits	806,274	533,975	2,204,023	160,972	52,324	1,590,536
	806,274	1,202,075	2,204,023	160,972	318,369	1,590,536

Deliverable forwards and Deposit for letters of credit represents committed cash no longer available for another purpose other than that for which it has been designated for. They represent naira deposits for foreign currencies purchased for funding of letters of credit and forwards; all related to settlement of invoices emanating from importation of raw materials, spare parts and machinery.

9. Cash and cash equivalents

	The Group			The Company		
	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000
Cash at bank and in hand	24,964,101	10,792,938	2,518,847	17,593,944	8,573,322	1,987,131
Bank Overdrafts	-	-	-	-	-	-
Cash and cash equivalents	24,964,101	10,792,938	2,518,847	17,593,944	8,573,322	1,987,131

There are no short-term borrowing as at 28 February 2021. There were no assets pledged as security for borrowing.

Notes to the financial statements

10. Ordinary share capital

Group and company	Q3, 2020/21	
	Number in thousands	Amount N'000
Authorised:		
Ordinary shares of 50k each	4,000,000	2,000,000
Total authorised share capital	4,000,000	2,000,000
Allotted, called up and fully paid:		
Ordinary shares of 50k each	3,970,478	1,985,238
Total called up share capital	3,970,478	1,985,238

Group and company	Full Year 2019/2020	
	Number in thousands	Amount N'000
Authorised:		
Ordinary shares of 50k each	4,000,000	2,000,000
Total authorised share capital	4,000,000	2,000,000
Allotted, called up and fully paid:		
Ordinary shares of 50k each	3,970,478	1,985,238
Total called up share capital	3,970,478	1,985,238

11. Related party transactions

Group and company

The group and company are controlled by PZ Cussons (Holdings) Limited, incorporated in the UK, which owns 73.27% (2018: 73.27%) of the group and company's shares. The remaining 26.73% (2018: 26.73%) of the shares are widely held. The group's ultimate parent is PZ Cussons (Holdings) Limited (incorporated in the UK).

All intercompany trading balances are settled in cash. There was no provision for doubtful related party receivables at 28 February 2021 (31 May 2020: Nil) and no charges to the income statement in respect of doubtful related party receivables for the years then ended.

The company controls a subsidiary call HPZ Ltd which is domiciled in Nigeria. These are detailed in note 3.

12 Trade and other payables

	Group			Company		
	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000
Trade payables	10,999,386	1,977,658	3,546,519	4,502,731	1,740,422	2,640,268
Unclaimed Dividend	1,860,703	1,860,703	1,966,545	1,860,703	1,860,703	1,966,545
Accruals	5,629,784	4,096,190	3,176,166	3,545,885	2,398,200	2,343,155
Amounts owed to subsidiaries	0	-	-	6,086,398	4,452,649	6,186,173
Amounts owed to related parties	26,109,745	27,883,726	18,913,525	21,681,449	16,455,286	11,272,353
Sundry creditors	2,233,159	1,382,279	1,740,673	2,196,835	1,130,205	1,427,307
Total	46,832,777	37,200,556	29,343,428	39,874,001	28,037,465	25,835,801
	Days	Days	Days	Days	Days	Days
Average credit period taken for trade purchases	90	90	90	90	90	90

Trade and other payables comprise amounts outstanding for trade purchases and ongoing costs. The Directors consider the carrying amount of trade and other payables to approximate their fair value.

13 Deferred Income

	Group			Company		
	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000
		1,656,984				
Advance from customers	51,899	54,442	-	-	-	-
Rent received in advance	38,738	27,432	-	38,738	27,432	-
	90,638	81,874	-	38,738	27,432	-

Deferred income relates to income received from customers for which goods are yet to be supplied and rent received from third parties on warehouses belonging to PZ Cussons Nigeria Plc.

	Group			Company		
	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000
Non-Current	43,573	61,047	-	-	6,605	-
Current	47,065	20,827	-	38,738	20,827	-
	90,638	81,874	-	38,738	27,432	-

Notes to the financial statements

14. Taxation

Current tax payable	Group			Company		
	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000	Q3, 2020/21 N'000	2019/20 N'000	2018/19 N'000
At 1 June	620,176	192,993	457,818	462,814	192,993	457,708
Effect on initial application of IFRIC 23 - prior year	-	219,833	-	-	219,833	-
Effect on initial application of IFRIC 23 - current year	-	14,241	-	-	14,241	-
Charge for the year	445,186	384,035	(6,384)	384,391	226,673	(6,384)
WHT Utilised during the year	(69,796)	(178,671)	(101,999)	(69,796)	(178,671)	(101,889)
Payment during the year	(258,992)	(441)	-	(258,992)	(441)	(156,442)
Payment during the year(ECC)	-	(11,814)	(156,442)	-	(11,814)	-
Closing balance	736,573	620,176	192,993	518,417	462,814	192,993

15. Deferred taxation

The Group

	Property plant and equipment N'000	Provisions N'000	Total N'000
At 1 June 2019	347,347	2,867,466	3,214,813
Charge to income statement	-	2,153,875	2,153,875
At 31 May 2020	347,347	5,021,341	5,368,688
Adjustments	-	-	-
Charge to income statement	43,120	-	43,120
At 28 February 2021	390,467	5,021,341	5,411,808

The Company

	Property plant and equipment N'000	Provisions N'000	Total N'000
At 1 June 2019	3,116,626	1,104,804	4,221,430
Charge to income statement	-	2,631,175	2,631,175
At 31 May 2020	3,116,626	3,735,979	6,852,605
Adjustments	-	-	-
Charge to income statement	85,295	-	85,295
At 28 February 2021	3,201,921	3,735,979	6,937,900

Certain deferred tax assets and liabilities have been offset in accordance with IAS 12 'Income taxes'. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	The Group N'000	The Company N'000
Deferred tax assets	(1,526,092)	-
Deferred tax liabilities	6,937,900	6,937,900
	5,411,808	6,937,900

Group and company

At the statement of financial position date, the group and the company have no unused tax losses available for offset against future profits. There was no offset of deferred tax assets and deferred tax liabilities.

16. Provisions

Warranty provisions	The Group		
	Q3, 2020/21 N'000	Full Year 2020 N'000	Full Year 2019 N'000
Openin Balance	344,848	259,348	187,896
Charged to the income statement	384,305	344,848	183,028
Utilised in the year	(329,153)	(259,348)	(111,576)
Closing Balance	400,000	344,848	259,348
The ageing of the provisions are as follows:	400,000	344,848	259,348
Within 12 months	384,305	99,430	183,028
Greater than 12 months	15,695	245,418	76,320
Total	400,000	344,848	259,348

Warranty provisions

The group generally offers 1- to 3-year warranties for its electrical products and components. Directors estimates the related provision for future warranty claims based on historical warranty claim information, as well as recent trends that might suggest

Factors that could impact the estimated claim information include the success of the group's productivity and quality initiatives, as well as parts and labour costs.

Notes to the financial statements

17 Cash generated from operating activities

	Group			Company		
	Q3, 2020/21 N'000	Q3 2019/20 N'000	Year End 2019/20 N'000	Q3, 2020/21 N'000	Q3 2019/20 N'000	Year End 2019/20 N'000
Cash flows from operating activities						
Profit before taxation	1,504,889	(4,005,474)	(7,984,735)	1,213,446	(3,233,010)	(6,392,401)
Adjustment to reconcile net income to cash provided:						
Depreciation	1,701,145	1,843,660	2,880,616	1,566,420	1,704,314	2,644,205
Amortization charge	79,471	79,471	105,962	79,471	79,471	105,962
(Profit)/loss on disposal of fixed assets	(1,742,449)	-	(1,500)	(1,742,449)	-	(1,500)
Unclaimed dividend forfeited	-	-	-	-	-	-
Interest expense	69,369	415,033	454,234	10,256	252,004	276,515
Interest income	(153,638)	(262,032)	(304,970)	(271,201)	(293,744)	(338,419)
	1,458,787	(1,929,342)	(4,850,394)	855,943	(1,490,965)	(3,705,638)
Changes in assets and liabilities						
(Increase)/decrease in trade and other receivables	(2,948,059)	(387,716)	5,265,316	(4,667,338)	2,018,103	3,941,327
Decrease/(increase) in other assets	(778,787)	77,121	259,691	(894,133)	(402,958)	70,517
Decrease in deposit for imports	395,801	1,859,045	1,001,948	157,397	1,334,030	1,272,167
Decrease/(increase) in inventories	5,247,677	4,375,312	2,340,358	466,909	5,322,716	3,513,689
Increase/(decrease) in trade, other payables and provisions	9,244,413	4,133,669	8,069,916	11,396,121	(1,292,877)	2,274,139
Cash flows from operating activities	12,619,832	8,128,088	12,086,835	7,314,898	5,488,048	7,366,201

18 Events after reporting date

18.1 Covid 19 impact

On 11 March 2020, the World Health Organization declared the Coronavirus (COVID-19) outbreak to be a pandemic in recognition of its rapid spread across the globe, with about 150 countries affected. Many governments, including the Nigerian government, are taking increasingly stringent measures to contain the spread of the virus. Currently, there is a significant increase in economic uncertainty which is evidenced by increase in exchange rates.

Consequently, for the Company's 30 November 2020 financial statements, there is no impact on the recognition and measurement of assets and liabilities. Due to the uncertainties of the outcome of current events, the Company cannot reasonably estimate the impact these events will have on the Company's financial position, result of operations and cash flows in the future.

18.2 Ikoyi Properties

Until 12 December 1991, Lagos State was the capital territory of Nigeria; and at that time certain lands was under the control/ownership of a Federal Government of Nigeria. When country's capital was moved to Abuja, the land in question reverted ostensibly to the control of Lagos state in line with the Land Use Act of 1978. The State authority then transferred the lands to various private landowners. Three properties in Ikoyi belonging to PZ Cussons Nigeria Plc falls within this portion of land.

However, in July 2020 subsequent to year end, the Federal government asserted that they never transferred ownership of the land to the state authorities at that time when the capital moved to Abuja and accordingly laid claim to continued ownership. Occupiers of the properties are alleged to be squatters in the originating summons filed at the High Court by Nurudeen & Co. Nigeria Limited (who by an affidavit annexed to the summons claims that they were appointed as Agent of the Federal Government of Nigeria by a letter of instruction from the office of the Attorney General of the Federation dated 24 August 2017 filed an action). The properties of PZ Cussons Nigeria Plc in the affected areas are valued at approximately at N4.1 Billion.

The Company has title/certificates of occupancy to the affected land, which provides prima facie evidence of ownership, however there is no precedence to estimate the outcome of the matter.

18.3 Board changes

Company recently notified the public of the retirement of its Board Chairman - Chief Kola Jamodu . He retired as Non-Executive Director and Chairman of the Board effective 11 December 2020. Mr. Gbenga Oyeboade have been appointed as Non-Executive Director and Chairman of the Board effective 11 December 2020. Also, Mr. L. Batagarawa have also retired from the Board effective 11 December 2020 while Mallam Dahiru Muhammad resigned effective 31 January 2021.

Except as disclosed above, there are no other significant events after the reporting period which could have a material effect on the financial position of the Company as at 28 February 2021, and its financial performance for the year then ended, that have not been adequately provided for or disclosed in these financial statements

18.4 Other income - Profit from sale of factory premises situated at Ikorodu, Lagos State

PZ Cussons Nigeria Plc held an extraordinary general meeting on Thursday, 24 September 2020 in respect of sale of factory premises situated within plot 20A Ikorodu Industrial Scheme, Ikorodu, Lagos to Friesland Campina Wamco Nigeria Plc. The sale was approved at the meeting. The portion of the land sold to Friesland Campina Wamco Nigeria PLC is approximately 67,733.235 square metres. The company received the sum of N2.124 billion as consideration for the sales resulting in profit on disposal of N1.949 billion subject to a capital gains tax of N207 million. This transaction have been recognised in the financial statement as at 28 February 2021.

20 Securities Trading Policy

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

Notes to the financial statements

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Free Float Computation

Shareholding Structure/Free Float Status

Description	28-Feb-21		28-Feb-20	
	Unit	Percentage	Unit	Percentage
Issued Share Capital	3,970,477,000	100%	3,970,477,000	100%
Substantial Shareholdings (5% and above)				
PZ Cussons(Holdings) Limited, UK	2,909,565,546	73.28%	2,909,565,546	73.28%
		0.00%		0.00%
		0.00%		0.00%
		0.00%		0.00%
Total Substantial Shareholdings	2,909,565,546	73.28%	2,909,565,546	73.28%
Directors' Shareholdings (direct and indirect), excluding directors with substantial interests				
Chief Kolawale Jamodu	3,566,880	0.09%	3,566,880	0.09%
Mr. L. Batagarawa	20,706	0.00%	20,706	0.00%
Ms. Joyce Coker	3,889	0.00%	3,889	0.00%
Paul Usoro	1,000,000	0.03%	1,000,000	0.03%
		0.00%		0.00%
		0.00%		0.00%
Total Directors' Shareholdings	4,591,475	0.12%	4,591,475	0.12%
Other Influential Shareholdings				
		0.00%		0.00%
		0.00%		0.00%
Total Other Influential Shareholdings	0	0.00%	0	0.00%
Free Float in Units and Percentage	1,056,319,979	26.60%	1,056,319,979	26.60%
Free Float in Value	₦ 5,598,495,888.70		₦ 4,753,439,905.50	

Declaration:

- (A) PZ Cussons Nigeria Plc with a free float percentage of 26.6% as at 28 Feb 2021, is compliant with The Exchange's free float requirements for companies listed on the Main Board.
- (B) PZ Cussons Nig Plc with a free float value of ₦4,753,439,905.50 as at 28 Feb 2020, is compliant with The Exchange's free float requirements for companies listed on the Main Board.