



Chams Plc records 82.2% growth in revenue for the Nine Months ended September 2014

Chams Plc, Nigeria's leading technology Solutions Company with capability in identity management, payment collections and transactions systems, recently announced its financial results for the Nine (9) month (9M) ended 30 September 2014.

The Group posted solid financial results across key parameters, as reflected in the following highlights:

- Robust growth in revenue, up by of 82.2% from N1.06 billion in the 9M-2013 to N1.94 billion in the corresponding period of 2014;
- Operating profit was N153.0 million for the period, compared with to N100.7 million in the prior period. This represented a 51.9% year-on-year increase;
- Profits after tax rose strongly by 114.1% to N86.8 million from a loss position of N614.6 million recorded in 9M-2013;
- Non-current assets grew by 45.9% to N2.9 billion, compared to N2.0 billion as at full year 2013; and
- Shareholders' funds improved by 14.9% from N4.7 billion at full year 2013 to N5.4 billion as at September 2014.

Speaking to the impressive results, the Group Managing Director, Mr. Demola Aladekomo, described the performance as the trend that stakeholders should expect over the next few quarters, especially on our topline. "Earlier this year, we mentioned that growth prospects are huge given the projects we are handling and many others that were being discussed by our clients at advanced stages. We are elated about the outcome thus far. We have been appointed by the National Identity Management Commission (NIMC) as a partner for the National Identity Database Project".

According to him, "our role in the project will include the design of the system, enrolment of Nigerians, production and delivery of cards as well as the deployment of card acceptance devices. We will also be responsible for maintaining these devices on an ongoing basis". "This further accentuates our ability to deliver on our promise to shareholders in the shortest possible time" he said.

In his words, the Group Deputy Managing Director, Mr. Femi Williams, said "another big project that is gaining traction is the CBN Biometric Project. We have deployed several finger print terminals to banks and the acceptance rate is very commendable. To get to this point, we have invested about N50 billion on the delivery of these IT projects and are determined to continue reaping the benefits of these investments in the coming years".

Group Financial Summary

Group Income Statement (Selected Items)

Parameter	Sep. 2014 N' Million	Sep. 2013 N' Million
Revenue	1,939	1,064
Gross Profit	1,140	348
Operating Profit	153	(493)
Profit/(Loss) Before Tax	35	(276)
Profit/(Loss) for the Year	87	(615)
Total Comp. Income/(Loss)	97	(607)

Group Financial Position (Selected Items)

Parameter	Sep. 2014 N' Million	Dec. 2013 N' Million
Current Assets	5,896	8,687
Non-Current Assets	2,885	2,032
Total Assets	8,781	10,719
Current Liabilities	3,340	6,041
Non-Current Liabilities	19	8
Net Assets	5,422	4,678

Chams Plc and its Subsidiary Companies
Statement of Profit or Loss and Other Comprehensive Income
For the 9 Months Ended 30 September 2014

	Group		Company	
	2014 N'000	2013 N'000	2014 N'000	2013 N'000
Revenue	1,939,435	1,064,648	1,432,900	848,688
Cost of sales	(799,441)	(716,163)	(612,800)	(605,816)
Gross profit	1,139,994	348,485	820,100	242,872
Other operating income	234,558	12,632	216,193	12,592
Administrative expenses	(1,221,599)	(853,744)	(944,594)	(527,460)
Profit from operations	152,954	(492,627)	91,699	(271,996)
Finance expenses	(66,112)	(122,002)	(64,406)	(118,413)
Profit before taxation	86,842	(614,629)	27,293	(390,409)
Tax expense	-	-	-	-
Profit for the year after taxation	86,842	(614,629)	27,293	(390,409)
Other Comprehensive Income:				
<u>Disposal</u>				
Profit/(Loss) on Asset Disposal	10,459	7,666	3,632	7,666
Rental Income			6,074	-
Total Other Comprehensive Income	10,459	7,666	9,706	7,666
Total Comprehensive Income	97,301	(606,963)	36,999	(382,743)

Chams Plc and its Subsidiary Companies
Consolidated Statement of Financial Position
For the 9 months Ended 30 September 2014

	Group		Company	
	Sept 2014	Dec. 2013	Sept 2014	Dec. 2013
	N'000	N'000	N'000	N'000
Assets				
Non-current assets				
Property, plant and equipment	2,541,940	1,682,203	1,101,456	1,164,419
Investment in subsidiaries	127,620	-	1,964,326	1,845,985
Investment project	117,124	151,236	123,414	150,936
Goodwill on acquisition	-	100,000	-	100,000
Intangible assets	98,703	98,703	98,703	98,703
	2,885,387	2,032,142	3,287,899	3,360,043
Current assets				
Inventories	1,451,469	935,909	781,674	240,491
Trade and other receivables	4,325,108	7,484,052	6,190,360	8,506,073
Deferred Tax Assets	-	129,126	1,298,956	98,645
Cash and cash equivalents	119,230	137,526	101,988	129,126
	5,895,806	8,686,613	8,372,977	8,974,335
Total assets	8,781,193	10,718,755	11,705,023	12,334,378
Liabilities				
Non-current liabilities				
Deferred tax liability	19,332	-	8,132	-
	19,332	-	8,132	-
Current liabilities				
Trade Creditors	289,382	2,913,960	967,889	1,720,603
Loans and borrowings	810,678	940,523	289,297	907,610
Deposit for shares	1,009,963	-	9,963	-
Other Creditors	849,050	1,660,377	1,817,951	1,023,522
Taxation	380,570	526,148	338,911	490,295
	3,339,642	6,041,008	3,424,011	4,142,030
Total liabilities	3,358,974	6,041,008	3,432,143	4,142,030
Net assets	5,422,219	4,677,747	8,272,880	8,192,348
Issued capital and reserves attributable to owners of the parent				
Share capital	2,348,030	2,348,030	2,348,030	2,348,030
Share premium	5,458,751	5,458,750	5,458,751	5,458,750
Capital redemption reserve	43,575	131,094	43,575	-
Retained earnings	(1,806,787)	(2,892,657)	422,524	385,568
	6,043,569	5,045,217	8,272,880	8,192,348
Non-controlling interest	(621,350)	(367,470)	-	-
Total equity	5,422,219	4,677,747	8,272,880	8,192,348

About Chams Plc:

Chams Plc (The Company) was incorporated as a limited liability on 19 September 1985, and became a Public Company on 4 September 2008. It has 4,696 million shares listed and traded on the Nigerian Stock Exchange. The principal activities of the company and its subsidiaries (The Group) include identity management, payment collections and transactional systems.

The company has the following subsidiaries:

- ChamsAccess Limited;
- ChamsMobile Limited;
- ChamsSwitch Limited; and
- CardCenter Limited.