



Chams Plc

**Unaudited Consolidated and Separate Financial Statements
For the Six Month Ended 30 June 2022**

Chams Plc
Unaudited Consolidated and Seperate Financial Statements for the Six Month ended 30th June 2022

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Chams Plc and Its Subsidiaries
Unaudited Consolidated and Separate Statement of Profit or Loss and other Comprehensive Income
for the period ended 30th June , 2022

	Notes	GROUP			COMPANY		
		Unaudited 2022 Jan-June N' 000	Unaudited 2021 Jan-June N' 000	Audited 2021 N' 000	Unaudited 2022 Jan-June N' 000	Unaudited 2021 Jan-June N' 000	Audited 2021 N' 000
Revenue	1	2,107,318	1,629,921	3,324,752	51,359	246,105	283,396
Cost of Sales	2	(1,632,855)	(1,168,750)	(2,579,071)	(41,856)	(151,403)	(219,263)
Gross Profit		474,464	461,171	745,682	9,503	94,701	64,133
Other operating Income	3	106,444	39,188	373,371	95,756	31,571	131,844
Administrative Expenses	4	(518,751)	(507,264)	(1,516,800)	(108,845)	(234,765)	(207,143)
Operating Profit/(Loss)		62,156	(6,904)	(397,747)	(3,586)	(108,493)	(11,166)
Finance expense	5	(73,204)	(80,328)	(171,696)	(46,601)	(45,820)	(101,082)
Finance Income		31,921	4,435	76,416	6,509	4,435	14,316
Profit/(Loss) before Taxation		20,872	(82,797)	(493,027)	(43,678)	(149,878)	(97,932)
Taxation credit/ (expense)		(6)	(6)	133,110			133,150
Profit/(Loss) after Taxation		20,866	(82,803)	(359,916)	(43,678)	(149,878)	35,218
Loss/ profit attributable to :							
Owners of the parent		17,391		(299,972)			35,218
Non- Controlling Interest		3,475		(59,944)			
		20,866		(359,916)			35,218
Basic (Loss) / earnings per share (kobo)		0.37		(6.39)			0.75
Diluted (Loss)/ earnings per share (Kobo)		0.37		- 6.39			0.75
Other Comprehensive Income/ Loss							
Revaluation surplus on property, plant and equipment				3,672,611			
Loss on investment securities at fair value through other comprehensive income				(7,173)			
Other Comprehensive Income/ Loss		-	-	3,665,438	-	-	
Total Comprehensive Income		20,866	(82,803)	3,305,522	(43,678)	(149,878)	35,218
Profit/Loss for the period attributable to :							
Owners of the company	14(a)	17,892	(70,972)	2,398,113	(43,678)	(149,878)	35,218
Non controlling interest		2,975	(11,831)	1,267,325			
		20,866	(82,803)	3,665,438	(43,678)	(149,878)	35,218
Total comprehensive income attributable to:							
Owners of Parent		13,245	(70,972)	2,098,141	(43,678)	(149,878)	35,218
Non controlling interest		7,622	(11,831)	1,207,382	-		
		20,866	(82,803)	3,305,523	(43,678)	(149,878)	35,218

Chams Plc and Its Subsidiary Companies
Unaudited Consolidated and Separate Statement of Financial Position
for the period ended June 30 , 2022

	NOTES	Chams Group Unaudited JUNE 2022 N'000	Chams Group Unaudited JUNE 2021 N'000	Chams Group Audited 2021 N'000	Chams Plc Unaudited JUNE 2022 N'000	Chams Plc Unaudited JUNE 2021 N'000	Chams Plc Audited 2021 N'000
Assets							
Non-current assets							
Right of Use of Asset				21,900			
Property, plant and equipment	6	2,252,145	2,410,284	2,261,538	1,742,595	1,819,176	1,768,373
Investment Project			6,110	460		6,110	460
Deposit for Investment							
Available for Sale financial Assets							
Intangible Asset	7	5,281,795	865,659	5,235,776	1,132		
Investment in Subsidiaries				-	3,548,164	2,525,127	3,548,164
Investment in associates		75,000		74,898	75,000		74,898
Investment in Joint Ventures		17,375	100,000	17,375		100,000	
Investment securities at fair value through other Comprehensive Income		92,827		92,827	92,827		92,827
		7,719,142	3,382,053	7,704,775	5,459,718	4,450,413	5,484,722
CURRENT ASSETS							
Inventory & Work In Progress	8	212,736	174,572	233,145	282		
Trade and other receivable	9	1,986,724	2,085,675	966,716	623,237	891,201	724,242
Due from related Parties					274,040		
Short term investment		14,578					
Prepayments	12	138,627			5,446		
Cash and Cash Equivalent	15	2,891,429	2,852,424	2,920,711	28,286	179,426	44,363
		5,244,093	5,112,671	4,120,572	931,290	1,070,627	768,605
Total Assets		12,963,235	8,494,724	11,825,346	6,391,008	5,521,040	6,253,327
Liabilities							
Non -current liabilities							
Lease liabilities		10,680		10,680			
Long Term Loan	11	1,199,998		1,196,547	981,046		962,706
Deferred Tax/ Income					-	-	-
		1,210,678	-	1,207,227	981,046	-	962,706
Current liabilities							
Trade and other Payable	10	6,751,884	5,283,600	5,683,864	1,091,805	1,136,048	1,331,536
Loan & Borrowing			1,298,770	28,121		976,444	
Deposit for Shares	13	60,352	259,933				
Deferred Income		34,838	1,664	61,789			
Due to Related Party					428,173		
Taxation		142,362	304,450	109,709	66,335	208,382	76,696
		6,989,435	7,148,415	5,883,484	1,586,314	2,320,873	1,408,232
Total liabilities		8,200,113	7,148,415	7,090,711	2,567,360	2,320,873	2,370,938
NET ASSETS		4,763,122	1,346,309	4,734,636	3,823,649	3,200,167	3,882,389

Chams Plc
Unaudited Consolidated and Separate Financial Statements for the period ended June 30, 2022

Statement of Financial Position (Continued)
As at June 30, 2022

		Chams Group Unaudited JUNE 2022 N'000	Chams Group Unaudited JUNE 2021 N'000	Chams Group Audited 2021 N'000	Chams Plc Unaudited JUNE 2022 N'000	Chams Plc Unaudited JUNE 2021 N'000	Chams Plc Audited 2021 N'000
Issued capital and reserves attributable to owners of the parent							
Share Capital		2,348,030	2,348,030	2,348,030	2,348,030	2,348,030	2,348,030
Share Premium		35,008	35,008	35,008	35,008	35,008	35,008
Revaluation Reserve		3,887,450	1,482,164	3,887,450	1,463,364	959,065	1,463,364
Capital Reserve		145,522	145,522	145,522			-
Retained Earnings	14(b)	(2,866,681)	(2,659,465)	(2,887,547)	(15,580)	(141,936)	43,160
Fairvalue Reserve		(7,173)		(7,173)	(7,173)		(7,173)
Equity Attributable to Owners of the Parent		3,542,156	1,351,259	3,521,290	3,823,649	3,200,167	3,882,389
Non-Controlling Interest		1,220,966		1,213,344			
TOTAL EQUITY		4,763,122	1,351,259	4,734,634	3,823,649	3,200,167	3,882,389

The Financial statements on Pages 2 to 5 were approved for issue by the Board of Directors on June 30, 2022 and signed on its behalf by :



Gavin H. Young
 Managing Director
 FRC/2020/003/00000020885



Ifeoma N. Obasanya
 Ag. Chief Financial Officer

Chams Plc
Unaudited Consolidated and Separate Statement of Equity
For the period ended June 30, 2022

Group	Issued Share capital	Share Premium	Revaluation Reserve	Retained Earnings	Capital Reserve	Fairvalue Reserve	Non-controlling Interest	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance as at 1st January 2021	2,348,030	35,009	1,482,164	(2,587,574)	145,522		5,963	1,429,114
Profit /(Loss) for the Period	-			(299,972)			(59,944)	(359,916)
Other Comprehensive Income	-	-		-				-
Fairvalue loss in the year						(7,173)		(7,173)
Revaluation gain on intangible asset			2,405,286				1,267,325	3,672,611
Total Comprehensive Profit	-	-	2,405,286	(299,972)	-	(7,173)	1,207,381	3,305,522
Transactions with owners recorded directly in equity:	-	-		-				-
Balance Adjustment on Beginning Balance Equity				-				-
Dividend				-				-
Balance as at 31 December 2021	2,348,030	35,009	3,887,450	(2,887,547)	145,522	(7,173)	1,213,344	4,734,635

Group	Issued Share capital	Share Premium	Revaluation Reserve	Retained Earnings	Capital Reserve	Fairvalue Reserve	Non-controlling Interest	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance as at 1st January 2022	2,348,030	35,009	3,887,450	(2,887,547)	145,522	(7,173)	1,213,344	4,734,635
Profit /(Loss) for the Period	-			20,866			7,622	28,487
Other Comprehensive Income	-	-		-				-
Fairvalue loss in the year								-
Revaluation gain on intangible asset								-
Total Comprehensive income	-	-	-	20,866	-	-	7,622	28,487
Transactions with owners recorded directly in equity:	-	-		-				-
Balance Adjustment on Beginning Balance Equity	-	-	-	-	-	-	-	-
				-				-
Balance as at June 30, 2022	2,348,030	35,009	3,887,450	(2,866,681)	145,522	(7,173)	1,220,966	4,763,122

Chams Plc
Unaudited Consolidated and Separate Statement of Equity
For the period ended June 30, 2022

Company	Issued Share capital	Share Premium	Revaluation Reserve	Retained Earnings	Fairvalue Reserve	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Balance as at 1st January 2021	2,348,030	35,008	959,065	7,942		3,350,046
Profit /(Loss) for the Period	-			35,217		35,217
Other Comprehensive Income	-	-				-
Fairvalue loss in the year					(7,173)	(7,173)
Revaluation gain on intangible asset			504,299			504,299
Total Comprehensive Profit	-	-	504,299	35,217	(7,173)	532,343
Transactions with owners recorded directly in equity:	-	-				-
Balance Adjustment on Beginning Balance Equity						-
Dividend						-
Balance as at 31 December 2021	2,348,030	35,008	1,463,364	43,160	(7,173)	3,882,388

Company	Issued Share capital	Share Premium	Revaluation Reserve	Retained Earnings	Fairvalue Reserve	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Balance as at 1st January 2022	2,348,030	35,008	1,463,364	43,160	(7,173)	3,882,389
Profit /(Loss) for the Period	-			(43,678)		(43,678)
Other Comprehensive Income	-	-				-
Fairvalue loss in the year						-
Revaluation gain on intangible asset						-
Total Comprehensive income	-	-	-	(43,678)	-	(43,678)
Transactions with owners recorded directly in equity:	-	-		(15,062)		(15,062)
Balance Adjustment on Beginning Balance Equity	-	-	-	(15,062)	-	(15,062)
						-
Balance as at June 30, 2022	2,348,030	35,008	1,463,364	(15,580)	(7,173)	3,823,649

**UNAUDITED CONSOLIDATED AND SEPARATE
STATEMENT OF CASHFLOWS AS AT JUNE 30, 2022**

	Group		Company	
	2022 Unaudited N'000	2021 Audited N'000	2022 Unaudited N'000	2021 Audited N'000
Cash flows from operating activities				
(Loss)/profit after tax	20,866	(359,916)	(43,678)	35,217
Adjustment for:				
Depreciation of property, plant and equipment	(15,668)	116,653	(26,330)	56,810
Depreciation of right-of-use-assets		9,900		
Amortisation of intangible assets		1,332		1,132
Impairment charge/(write back) on financial a		169,573		(224,580)
Write off trade and other receivables		(1,779,099)		(1,300,242)
Impairment charge on property,plant and equ		86,324		20,230
Other adjustment to the property,plant and eq		(4,744)		
Profit on disposal of property,		(10,240)		(9,583)
Dividend income		0		0
Interest		(76,416)		(14,316)
Finance cost	41,284	171,696	(40,092)	101,082
Deferred tax liabilities		(590)		(7)
Tax expense	6	(133,110)		(133,150)
	46,489	(1,808,637)	(110,100)	(1,467,408)
Changes in operating assets and liabilities				
Inventories	(12,652)	(33,456)		0
Trade and other receivables	(1,815,256)	2,461,580	931,230	1,468,888
Deferred income		(57,553)		
Trade and other payables	793,391	773,393	(732,415)	418,849
Tax paid	69,889	(44,071)	(66,335)	(11,110)
Withholding tax credit notes		(24,063)		
Net	(918,139)	1,267,193	22,379	409,219
operating activities	(897,273)	907,277	(21,299)	444,436
Cash flows from investing activities				
Purchase of right-of-use assets		(31,800)		
Proceeds from sale of				
property,plant and equipment	1,743	17,287	1,743	9,618
Purchase of property,plant and equipment	40,174	(32,666)		(2,497)
Acquisition of intangible assets	(524,958)	(854,564)		
Additions to investment in subsidiaries		0		(537,569)
Additions to investment in associates		(74,898)	(102)	(74,898)
Investment in Joint Ventures		(17,375)		
Interest income		76,416		14,316
Net cash used in investing activities	(483,041)	(917,600)	1,641	(591,030)
Cash flows from financing activities				
Proceeds from loans and borrowings	(7,909)	119,848	6,509	
Repayment of loans and borrowings	226,535	(209,769)	(46,601)	(114,820)
Proceeds from shares issued during the year		0		
Contribution from non-controlling interest	1,220,966	1,207,381		
Lease liabilities		10,680		
Interest paid	(41,284)	(171,696)		(101,082)
Net cash from/(used in) financing activities	1,398,308	956,444	(40,092)	(215,902)
Cash equivalents	(2,872)	1,306,037	(16,072)	(397,712)
Cash and cash equivalents at 1st January,2022	2,894,301	1,588,264	44,358	442,070
Cash and cash equivalents at June 30, 2022	2,891,429	2,894,301	28,286	44,358

Chams Plc and Its Subsidiaries
NOTES TO UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
for the period ended June 30, 2022

	N '000
1 Revenue	
Verification. Data Management	51,359
Printer Solutions and Access	1,235,024
Card personalisation & Printing	75,384
Payment Systems Solutions	529,565
Agency banking, mobile money operation	215,988
	<u>2,107,318</u>
Intercompany Sales	-
	<u>2,107,318</u>
2 COST OF SALES	
Verification. Data Management	(41,856)
Printer Solutions and Access	(966,087)
Card personalisation & Printing	(16,528)
Payment Systems Solutions	(508,272)
Agency banking, mobile money operation	(100,112)
	<u>(1,632,855)</u>
3 OTHER INCOME	
Verification. Data Management	1,300
Printer Solutions and Access	2
Card personalisation & Printing	3,299
Payment Systems Solutions	101,843
Agency banking, mobile money operation	-
	<u>106,444</u>
4 ADMINISTRATIVE EXPENSES	
Verification. Data Management	(108,845)
Printer Solutions and Access	(150,448)
Card personalisation & Printing	(82,692)
Payment Systems Solutions	(102,708)
Agency banking, mobile money operation	(74,058)
	<u>(518,751)</u>
5 FINANCE EXPENSE/INCOME	
Verification. Data Management	(46,601)
Printer Solutions and Access	(8,564)
Card personalisation & Printing	(10,235)
Payment Systems Solutions	(7,804)
Agency banking, mobile money operation	-
	<u>(73,204)</u>
Finance Income	
Interest on Fixed Deposit	31,920
Net	<u>(41,284)</u>

**NOTES TO UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
for the period ended June 30, 2022 (Continued)**

6	PROPERTY, PLANT & EQUIPMENT	
	Verification. Data Management	1,742,595
	Printer Solutions and Access	18,481
	Card personalisation & Printing	466,998.85
	Payment Systems Solutions	15,770.11
	Agency banking, mobile money operation	8,300.18
		<u>2,252,145</u>
7	Intangible Asset	
	Verification. Data Management	1,132
	Printer Solutions and Access	6,983
	Card personalisation & Printing	453
	Payment Systems Solutions	4,076,029
	Agency banking, mobile money operation	1,197,198
		<u>5,281,795</u>
8	INVENTORIES/ WORK IN PROGRESS	
	Verification. Data Management	282
	Printer Solutions and Access	68,290
	Card personalisation & Printing	128,060
	Payment Systems Solutions	16,104
	Agency banking, mobile money operation	-
		<u>212,736</u>
9	RECEIVABLES	
	TRADE & OTHER RECEIVABLES	
	Verification. Data Management	623,237
	Printer Solutions and Access	1,090,072
	Card personalisation & Printing	153,401
	Payment Systems Solutions	72,264
	Agency banking, mobile money operation	47,750
		<u>1,986,724</u>
10	Trade & Other Payables	
	Verification. Data Management	1,420,715
	Printer Solutions and Access	898,769
	Card personalisation & Printing	2,207,635
	Payment Systems Solutions	136,000
	Agency banking, mobile money operation	131,954
	Other Payables and accruals	1,956,811
		<u>6,751,884</u>
11	Longterm Loan	
	Verification. Data Management	981,046
	Printer Solutions and Access	109,959
	Card personalisation & Printing	108,993
	Payment Systems Solutions	-
	Agency banking, mobile money operation	-
		<u>1,199,998</u>
12	Prepayments	
	Verification. Data Management	5,446
	Printer Solutions and Access	133,181
	Card personalisation & Printing	-
	Payment Systems Solutions	-
	Agency banking, mobile money operation	-
		<u>138,627</u>
13	Deposit for Share	
	Card Centre	5,000
	Cham Switch	55,352
	ChamsMobile	-
		<u>60,352</u>

14	Non Controlling Interest	
(i)	Non Controlling Interest B/F	1,213,344
	Profit Attributable to NCI	7,622
	Total NCI	<u><u>1,220,966</u></u>
(ii)	Parent	
	Retained Earnings	
	Attributable to the Parent B/F	(2,887,547)
	Attributable to the Parent for the Period	20,866
	Total Retained Earnings for the Group	<u><u>(2,866,681)</u></u>

**NOTES TO UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
for the period ended June 30, 2022 (Continued)**

15	Cash and Cash Equivalents	
	Verification, Data Management	28,286
	Printer Solutions and Access	154,669
	Card personalisation & Printing	3,884
	Payment Systems Solutions	1,631,172
	Agency banking, mobile money operation	1,073,418
		<u><u>2,891,429</u></u>

1 General Information

Chams Plc (The Company) was incorporated as a limited liability Company on 10 September 1985 and became a public Company on 4 September 2008. The Company was listed on the floor of the Nigerian Stock Exchange on 8 September 2008. The principal activities of Chams Plc and its subsidiaries (The Group) include identity management, payment collections and transactional systems. The Company's registered office is located at 8, Louis Solomon Close, Victoria Island, Lagos.

2 Basis of Preparation

These unaudited interim financial statements for the Six months ended June 30, 2022 have been prepared in accordance with IAS 34. 'Interim financial reporting'. The interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2021, which have been in accordance with IFRS.

3 Significant accounting policies

The accounting policies adopted are consistent with those of the previous financial year

4 Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2021

5 Revenue recognition

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of the revenue can be measured reliably. Revenue is the fair value of the consideration received net of taxes and discounts. Revenue from sales of goods is recognised when delivery has taken place and transfer of risks and reward of ownership has been completed. Revenue from service rendered is recognised immediately the service is completed and a service delivery form is issued. When services are provided in phases, revenue is recognised on completion of each phase of the project.

6 Property, plant and equipment

Items of property, plant and equipment are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognised within provisions.

7 Cash and Cash equivalent

Cash and Cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less. For the purpose of the statement of Cashflows bank overdrafts are shown within loans and borrowings in current liabilities on the consolidated statement of financial position.

Security Trading Policy

The Board and Directors has approved a Securities Trading Policy which prescribes a code of behaviour for Directors, management of the company, external advisers and other related persons in possession of market related information.

The code prohibits these persons from dealing in the company's securities during closed periods in accordance with the Provisions of the Investments and Securities Act and post listing Rules of the Nigerian Stock Exchange. All insiders are notified of closed periods through written or electronic communication from the Company Secretary. The Securities Trading Policy is available on the Company website.