



# **UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021**

**UACN PROPERTY DEVELOPMENT COMPANY PLC RC.321582**

UAC House, 1-5 Odunlami Street, Lagos.

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Directors: Mr. O. Oshin (Chairman), Mrs. D. Nicol-Omeruah (Ag. CEO), Mrs. F. Fadahunsi (CFO),  
Mr. K. Osilaja, Mr. F. Aiyesimoju, Mr. A. Falade

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**UACN Property Development Company Plc**  
**Unaudited Financial Statements**  
**For the Period Ended 31 March 2021**

**Consolidated Statement of Profit or Loss and Other  
Comprehensive Income for the period ended 31 March 2021**


		<b>The Group</b>	
		<b>3 months ended 31 Mar. '21 N'000</b>	<b>3 months ended 31 Mar. '20 N'000</b>
	<b>Notes</b>		
Revenue	3	72,438	239,741
Cost of sales	5	(53,741)	(162,365)
<b>Gross profit/(loss)</b>		<b>18,697</b>	<b>77,376</b>
Loss on disposal of investment properties	12	-	(15,000)
Selling and distribution expenses	5	(22,500)	(12,142)
Administrative expenses	5	(238,700)	(174,662)
Other operating income	4	29,461	84,981
<b>Operating profit/(loss)</b>		<b>(213,042)</b>	<b>(39,447)</b>
Finance income	6	2,618	1
Finance cost	6	(198,809)	(741,229)
Net finance cost		(196,191)	(741,228)
<b>Loss before impairment</b>		<b>(409,233)</b>	<b>(780,675)</b>
Impairment of assets of disposal group held for sale	24 (i)	-	(1,813,807)
<b>Loss before taxation</b>		<b>(409,233)</b>	<b>(2,594,482)</b>
Taxation	7	-	(887)
<b>Loss from continuing operations</b>		<b>(409,233)</b>	<b>(2,595,369)</b>
<b>Discontinued operations</b>			
Profit/(Loss) from discontinued operations	24	10,138	(52,873)
<b>Loss for the period</b>		<b>(399,095)</b>	<b>(2,648,242)</b>
<b>Other comprehensive income/(loss):</b>			
<i>Items not to be subsequently recycled to profit or loss:</i>			
Net changes in fair value of financial assets	14	13,341	-
Tax on other comprehensive income		-	-
<b>Total comprehensive loss for the period</b>		<b>(385,754)</b>	<b>(2,648,242)</b>
<b>Loss attributable to:</b>			
Equity holders of the parent		(420,155)	(2,645,440)
Non controlling interest		21,060	(2,802)
<b>Total Loss</b>		<b>(399,095)</b>	<b>(2,648,242)</b>
<b>Total comprehensive loss attributable to:</b>			
Equity holders of the parent		(406,814)	(2,645,440)
Non controlling interests		21,061	(2,802)
<b>Total comprehensive loss</b>		<b>(385,754)</b>	<b>(2,648,243)</b>
<b>Earnings per share for loss attributable to the equity holders of the group:</b>			
<b>Basic Loss Per Share (Kobo)</b>			
From continuing operations	9	(2)	(99)
From discontinued operations	9	0	(2)
From loss for the period		(2)	(101)
<b>Diluted Loss Per Share (Kobo)</b>			
From continuing operations	9	(2)	(99)
From discontinued operations	9	0	(2)
From loss for the period		(2)	(101)

**UACN Property Development Company Plc**  
**Unaudited Financial Statements**  
**For the Period Ended 31 March 2021**

**Consolidated Statement of Financial Position**  
**As at 31 March 2021**

	Notes	The Group	
		31 Mar. 2021	31 Dec. 2020
		N'000	N'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	9	52,084	31,474
Intangible assets	10	6,224	6,598
Investment properties	11	1,660,252	1,786,573
Investments in joint ventures	12	130,393	130,393
Equity instrument at fair value	14	747,115	733,774
Investments in subsidiaries	15	-	-
		2,596,068	2,688,812
<b>Current assets</b>			
Inventories	16	4,397,065	4,270,906
Trade and other receivables	17	3,966,023	4,244,933
Cash at bank and in hand	18	2,795,293	2,947,335
		11,158,381	11,463,174
Assets of disposal group classified as held for sale/distribution to owners	24 (ii)	8,254,319	8,140,686
<b>Total assets</b>		<b>22,008,768</b>	<b>22,292,672</b>
<b>Equity</b>			
Share capital		9,279,985	9,279,985
Share premium		8,971,551	8,971,551
Fair value reserve of financial assets at FVOCI		180,108	166,767
Revenue Reserve		(9,148,177)	(8,728,022)
<b>Equity attributable to equity holders of the Company</b>		<b>9,283,467</b>	<b>9,690,281</b>
Non controlling interest		(27,433)	(48,493)
<b>Total equity</b>		<b>9,256,034</b>	<b>9,641,788</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Interest bearing Loans and Borrowings	19	-	4,270,880
Deferred taxation liabilities		72,537	72,537
Deferred revenue	21	2,087	2,145
		74,624	4,345,562
<b>Current liabilities</b>			
Trade and other payables	20	5,818,869	5,726,427
Current income tax liabilities		117,785	119,688
Interest bearing Loans and Borrowings	19	5,421,746	1,151,620
Dividend Payable		253,680	253,680
Deferred revenue	21	104,713	107,288
		11,716,793	7,358,703
Liabilities of disposal group classified as held for sale/distribution to owners	24	961,316	946,620
<b>Total liabilities</b>		<b>12,752,733</b>	<b>12,650,884</b>
<b>Total equity and liabilities</b>		<b>22,008,768</b>	<b>22,292,672</b>

The unaudited financial statements were approved by the board of directors on 23 April 2021 and signed on its behalf by:

  
 \_\_\_\_\_  
 Wole Oshin  
 Chairman  
 FRC/2013/CIIN/00000003054

  
 \_\_\_\_\_  
 Deborah Nicol-Omeruah  
 Acting Chief Executive Officer  
 FRC/2021/003/00000022395

  
 \_\_\_\_\_  
 Folakemi Fadahunsi  
 Chief Financial Officer  
 FRC/2018/ICAN/00000018017

See notes to the consolidated financial statements.

**UACN Property Development Company Plc**  
**Unaudited Financial Statements**  
**For the Period Ended 31 March 2021**

**Consolidated Statement of Changes in Equity**  
**For the period ended 31 March 2021**

**The Group**  
**Attributable to owners of the Company**

	Share Capital N'000	Share Premium N'000	Revenue Reserve N'000	Fair value reserve of financial assets at FVOCI N'000	Total N'000	Non Controlling interest N'000	Total N'000
Balance at 1 January 2020	1,299,198	6,065,397	(5,014,475)	-	2,350,120	(178,288)	2,171,832
Loss for the period	-	-	(2,645,440)	-	(2,645,440)	(2,802)	(2,648,243)
<b>Balance at 31 March 2020</b>	<b>1,299,198</b>	<b>6,065,397</b>	<b>(7,659,915)</b>	<b>-</b>	<b>(295,320)</b>	<b>(181,090)</b>	<b>(476,410)</b>
Balance at 1 January 2021	9,279,985	8,971,551	(8,728,022)	166,767	9,690,281	(48,493)	9,641,788
Loss for the period	-	-	(420,155)	-	(420,155)	21,060	(399,095)
Net changes in fair value of financial assets through other comprehensive income	-	-	-	13,341	13,341	-	13,341
<b>Balance at 31 March 2021</b>	<b>9,279,985</b>	<b>8,971,551</b>	<b>(9,148,177)</b>	<b>180,108</b>	<b>9,283,468</b>	<b>(27,433)</b>	<b>9,256,035</b>

**Consolidated Statement of Cash Flows**  
**For the period ended 31 March 2021**

	<b>The Group</b>	
	<b>2021 March N'000</b>	<b>2020 March N'000</b>
<b>Cash flow from operating activities (Note 22)</b>		
Company Income Tax paid	156,392	41,926
VAT paid	(1,903)	-
	(91,342)	(13,256)
<b>Net Cash inflow from operating activities</b>	<b>63,147</b>	<b>28,670</b>
<b>Cash flow from investing activities</b>		
Proceeds from sale of investment property	-	75,000
Purchase of property, plant & equipment	(27,765)	(2,984)
Purchase of intangible asset	(329)	-
Proceeds from sale of property, plant and equipment	9,732	-
Interest received	2,618	1
<b>Net cash flow from investing activities</b>	<b>(15,744)</b>	<b>72,017</b>
<b>Cash flow from financing activities</b>		
Interest paid	(199,564)	(741,229)
<b>Net cash flow from financing activities</b>	<b>(199,564)</b>	<b>(741,229)</b>
Net increase/(decrease) in cash and cash equivalents	(152,161)	(640,542)
Net foreign exchange difference	119	(94)
Cash and cash equivalents at the beginning of the period	2,947,335	1,238,834
<b>Cash and cash equivalents at the end of the period (Note 18)</b>	<b>2,795,293</b>	<b>598,199</b>

# UACN Property Development Company Plc

## Unaudited Financial Statements

### For the Period Ended 31 March 2021

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#### 1.1 General information

UAC Property Development Company Plc ('the Company') and its subsidiaries (together 'the Group') is a company incorporated in the Nigeria. The Group has business with activities in the following principal sectors: real estate and hotel management. The address of the registered office is 1-5 Odunlami Street, Lagos.

The company is a public limited company and is listed on the Nigerian Stock Exchange.

#### 1.2 Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) **UACN Property Development Co 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.

#### 1.3 Management's Assessment of Internal Controls

The management of UACN Property Development Plc (UPDC) is responsible for establishing and maintaining adequate internal control over financial reporting. UPDC's internal control system was designed to provide reasonable assurance to the company's management and board of directors regarding the preparation and fair representation of published financial statements.

UPDC management assessed the effectiveness of the company's internal controls within the reporting period. Based on our assessment, we believe that as of 31 March 2021, the company's internal control is effective. We will continue to work on further strengthening this position.

## 2. Summary of significant accounting policies

### 2.1 Basis of preparation

The financial statements have been prepared in accordance with IAS 34. The financial statements have been prepared on a historical cost basis except for investment property, held for trading and available for sale financial instruments which are carried at fair value.

*(All amounts are in Naira thousands unless otherwise stated)*

### 2.2 Accounting Policies

The accounting policies adopted are consistent with those for the year ended 31 December, 2020.

### 2.3 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 expense. 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 consolidated financial statements for the year ended 31 December 2020.

### 2.4 Financial Risk Management

The group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance.

This interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the company's annual financial statements as at 31 December 2020. There have been no changes in the risk management structure since year end or in any risk management policy.



**UACN Property Development Company Plc**  
**Unaudited Financial Statements**  
**For the Period Ended 31 March 2021**

**3. Segment Analysis**

The chief operating decision-maker has been identified as the Executive Committee (Exco). Exco reviews the company's internal reporting in order to assess performance and allocate resources.

Nigeria is the Company's primary geographical segment as the operations of the Company are entirely carried out in Nigeria. As at March 31 2021, UPDC Plc operations comprised two main business segments which are Property development, sales/management and hospitality services. However, the latter has been classified as discontinued operation/ held for sale.

**Property development, sales & management** - UACN Property Development Plc's (UPDC) main business is the acquisition, development, sales and management of high quality serviced commercial and residential properties in the luxury, premium and classic segments of the real estate market in Nigeria. The company approaches property planning from the customers' perspective to create comfortable living/working environments.

**Hospitality services** - Festival Hotel, Conference Centre & Spa, the company's subsidiary is in the hospitality industry and leverages significantly on the success of its principal promoter UACN Property Development Company Plc. The hotel provides services such as sale of rooms, conference halls as well as food & beverages.

The following measures are reviewed by Exco:

- Revenue to third parties
- Earnings before interest and tax
- Profit before tax
- Net current assets
- Property, plant and equipment

	<b>Property development sales &amp; management</b>	<b>Hospitality services</b>	<b>Classified as Discontinued Operation/ Held for Sale</b>	<b>Total</b>
<b>31 March 2021</b>	N'000	N'000	N'000	N'000
Total Revenue	72,438	67,044	(67,044)	72,438
Intergroup revenue	-	-	-	-
Revenue to third parties	72,438	67,044	(67,044)	72,438
Earnings before interest and tax	(254,088)	10,138	(10,138)	(213,042)
Loss before tax	(450,279)	10,138	(10,138)	(409,233)
Net current assets	(684,733)	(684,718)	684,718	(684,733)
Property, plant and equipment	52,084	12,001,828	(12,001,828)	52,084

	<b>Property development sales &amp; management</b>	<b>Hospitality services</b>	<b>Classified as Discontinued Operation/ Held for Sale</b>	<b>Total</b>
<b>31 March 2020</b>	N'000	N'000	N'000	N'000
Total Revenue	239,741	272,890	(272,890)	239,741
Intergroup revenue	-	-	-	-
Revenue to third parties	239,741	272,890	(272,890)	239,741
Earnings before interest and tax	(39,447)	(52,873)	52,873	(39,447)
Loss before tax	(2,592,136)	(52,873)	52,873	(2,594,482)
Net current assets	4,104,471	(725,312)	725,312	4,104,471
Property, plant and equipment	31,474	11,943,485	(11,943,485)	31,474

<b>Entity wide information</b>	<b>31 Mar. 2021</b>	<b>31 Mar. 2020</b>
<b>Analysis of revenue by category:</b>	N'000	N'000
Sale of Property Stock	-	89,405
Share of James Pinnock Sale of Property Stock	-	45,390
Rental income & Management Fee on Rent	7,611	34,602
Project and Management Surcharge Income	-	70,344
<b>UACN Property Development Company Plc</b>	<b>7,611</b>	<b>239,741</b>
First Choice Facility Management Revenue	64,827	-
	<b>72,438</b>	<b>239,741</b>

	<b>31 Mar. 2021</b>	<b>31 Mar. 2020</b>
<b>Analysis of revenue by geographical location:</b>	N'000	N'000
Nigeria	72,438	239,741

	<b>31 Mar. 2021</b>	<b>31 Mar. 2020</b>
<b>Revenue</b>	N'000	N'000
Revenue from contract with customers	64,827	205,139
Rental income & Management Fee on Rent	7,611	34,602
	<b>72,438</b>	<b>239,741</b>

Analysis of revenue by category  
Sales of Goods - Sale of property stock  
Rendering of services - Management fees and service charge surcharge  
Rental Income



**UACN Property Development Company Plc**  
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<b>4. Other Operating Income</b>	<b>The Group</b>	
	<b>31 Mar. '21</b>	<b>31 Mar. '20</b>
	N'000	N'000
Sales commission received	-	40,569
Gain on disposal of PPE	6,286	2,184
Exchange gain	119	-
Recovery on facility management	16,199	11,939
Others	6,857	30,288
<b>Total other income</b>	<b>29,461</b>	<b>84,981</b>

<b>5 (i) Expenses by nature</b>	<b>The Group</b>	
	<b>31 Mar. '21</b>	<b>31 Mar. '20</b>
	N'000	N'000
Change in inventories of finished goods and other direct costs of inventories	-	52,674
Direct operating expenses for Investment Properties/ Vacant Apartments	60,747	17,860
Personnel expenses	106,286	93,309
Depreciation & Amortization	4,413	4,440
Exchange loss	-	94
Rents and Rates	2,203	-
Vehicles repairs, maintenance & fueling	191	66
Legal expenses	13,981	8,875
Auditors' remuneration	4,988	-
Directors' emoluments	180	2,319
Information Technology	5,478	3,302
Insurance	3,634	2,313
Marketing, advertising & communication	11,335	-
Professional fees	73,076	18,908
Printing and stationery	668	239
UACN management fee	-	2,041
Other expenses	27,541	142,731
	<b>314,941</b>	<b>349,169</b>

<b>5 (ii) Expenses by function</b>		
Cost of sales	53,741	162,365
Selling and distribution expenses	22,500	12,142
Administrative expenses	238,700	174,662
	<b>314,941</b>	<b>349,169</b>

<b>6. Net Finance Income/(Cost)</b>	<b>The Group</b>	
	<b>31 Mar. '21</b>	<b>31 Mar. '20</b>
	N'000	N'000
<b>Finance Income</b>	<b>2,618</b>	<b>1</b>
Interest on borrowings	(198,809)	(741,229)
Interest on bank overdraft	-	-
<b>Finance Costs</b>	<b>(198,809)</b>	<b>(741,229)</b>
<b>Net Finance Cost</b>	<b>(196,191)</b>	<b>(741,228)</b>

<b>7. Taxation</b>	<b>The Group</b>	
	<b>31 Mar. '21</b>	<b>31 Mar. '20</b>
	N'000	N'000
Current tax		
Minimum tax charge for the period	0	887
Capital Gain tax	-	-
<b>Total current tax charge</b>	<b>0</b>	<b>887</b>

Nigeria corporation tax is calculated at 30% (2020: 30%) of the estimated assessable profit for the year.

**UACN Property Development Company Plc**  
**Unaudited Financial Statements**  
**For the Period Ended 31 March 2021**

**8. Earnings Per Share**

*(a) Basic*

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the period excluding ordinary shares purchased by the company and held as treasury shares.

	<b>The Group</b>	
	<b>31 Mar. '21</b> N'000	<b>31 Mar. '20</b> N'000
Loss after tax for the year from discontinued operations	10,138	(52,873)
Loss attributable to ordinary equity shareholders (NGN'000)	(409,233)	(2,595,369)
<b>Basic earnings per share (Kobo)</b>	<b>(2)</b>	<b>(102)</b>
From discontinued operations	0	(2)
From continuing operations	(2)	(99)
<b>Diluted earnings per share (Kobo)</b>	<b>(2)</b>	<b>(102)</b>
From discontinued operations	0	(2)
From continuing operations	(2)	(99)

	<b>The Group</b>	
	<b>31 Mar. '21</b> Number ('000)	<b>31 Mar. '20</b> Number ('000)
Basic weighted average and Diluted weighted average number of shares	18,559,970	2,598,396
<b>Absolute number of shares</b>	<b>18,559,970</b>	<b>2,598,396</b>

*(b) Diluted*

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The group has no dilutive instruments.

**9. Property, plant and equipment**

**The Group**

	<b>Motor vehicles</b>	<b>Plant and Machinery</b>	<b>Furniture &amp; Fittings</b>	<b>Computer Equipment</b>	<b>Total</b>
<b>Cost</b>	N'000	N'000	N'000	N'000	N'000
At 1 January 2020	110,860	29,773	57,675	58,044	256,354
Addition	24,771	-	477	7,303	32,551
Disposals	(42,940)	-	(11,037)	(1,990)	(55,968)
<b>At 31 December 2020</b>	<b>92,691</b>	<b>29,773</b>	<b>47,116</b>	<b>63,357</b>	<b>232,937</b>
At 1 January 2021	92,691	29,773	47,116	63,357	232,937
Addition	24,725	-	-	3,040	27,765
Disposals	(53,964)	-	-	(767)	(54,730)
<b>At 31 March 2021</b>	<b>63,452</b>	<b>29,773</b>	<b>47,116</b>	<b>65,631</b>	<b>205,972</b>
<b>Accumulated depreciation and impairment</b>					
At 1 January 2020	93,399	29,774	55,571	54,755	233,499
Charge for the period	4,879	-	1,081	2,456	8,416
Disposals	(27,626)	-	(10,918)	(1,908)	(40,452)
<b>At 31 December 2020</b>	<b>70,652</b>	<b>29,774</b>	<b>45,734</b>	<b>55,302</b>	<b>201,463</b>
At 1 January 2021	70,652	29,774	45,734	55,302	201,463
Charge for the period	2,766	-	198	745	3,709
Disposals	(50,815)	-	-	(469)	(51,284)
<b>At 31 March 2021</b>	<b>22,603</b>	<b>29,774</b>	<b>45,933</b>	<b>55,578</b>	<b>153,888</b>
<b>Net book values</b>					
<b>At 31 March 2021</b>	<b>40,849</b>	<b>-</b>	<b>1,183</b>	<b>10,053</b>	<b>52,084</b>
<b>At 31 December 2020</b>	<b>22,038</b>	<b>-</b>	<b>1,381</b>	<b>8,055</b>	<b>31,474</b>

No Property, Plant and Equipment was pledged as security for any liability as at 31 March 2021 (2020: Nil)

**UACN Property Development Company Plc**  
**Unaudited Financial Statements**  
**For the Period Ended 31 March 2021**

**10. Intangible assets**

	<b>The Group</b>	<b>The Company</b>
	<b>Software</b>	<b>Software</b>
<b>Cost</b>	N'000	N'000
At 1 January 2020	292,358	292,358
Additions	3,239	3,239
<b>At 31 December 2020</b>	<b>295,597</b>	<b>292,358</b>
At 1 January 2021	295,597	292,358
Additions	329	-
<b>At 31 March 2021</b>	<b>295,926</b>	<b>292,358</b>

**Amortisation**

At 1 January 2020	278,841	278,841
Amortisation for the period	10,158	10,012
<b>At 31 December 2020</b>	<b>288,999</b>	<b>288,416</b>
At 1 January 2021	288,999	288,416
Amortisation for the period	703	483
<b>At 31 March 2021</b>	<b>289,702</b>	<b>288,899</b>

**Net book values**

<b>At 31 March 2021</b>	<b>6,224</b>	<b>3,459</b>
<b>At 31 December 2020</b>	<b>6,598</b>	<b>3,942</b>

No intangible asset was pledged as security for any liability as at 31 March 2021 (2020: Nil)

**11. Investment properties**

	<b>The Group</b>		
	<b>Freehold building</b>	<b>Leasehold building</b>	<b>Total investment properties</b>
<b>Fair value</b>	N'000	N'000	N'000
At 1 January 2020	190,000	2,191,502	<b>2,381,502</b>
Net loss from fair value adjustments on investment properties	(89,856)	(70,121)	<b>(159,977)</b>
Disposals	(70,000)	(364,952)	<b>(434,952)</b>
<b>At 31 December 2020</b>	<b>30,144</b>	<b>1,756,429</b>	<b>1,786,573</b>
At 1 January 2021	30,144	1,756,429	<b>1,786,573</b>
Transfer to properties under construction	-	(126,321)	<b>(126,321)</b>
<b>At 31 March 2021</b>	<b>30,144</b>	<b>1,630,108</b>	<b>1,660,252</b>

**Schedule of net gain/ (loss) on disposal**

	<b>The Group</b>	
	<b>31 Mar. '21</b>	<b>31 Mar. '20</b>
	N'000	N'000
Sales Proceed	-	186,452
Agency fees/incidental expenses	-	-
Net Sales Proceed	-	186,452
Carrying value of investment properties	-	(201,452)
	-	<b>(15,000)</b>

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**12. Investments in associates and equity accounted joint ventures**

The amounts recognised in the balance sheet are as follows:

	<b>The Group</b>	
	<b>31 Mar. '21</b>	<b>31 Dec. 2020</b>
	N'000	N'000
Associate	-	-
Joint ventures	129,589	130,393
	<b>129,589</b>	<b>130,393</b>

**13 (i). Investments in Associate**

Set out below is the associate of the group as at 1 January 2019 which has now been classified as Assets of disposal group classified as held for distribution to owners (see Note 25 (i)).

<b>Nature of investment in associate:</b>	<b>Country of incorporation</b>	<b>The Group</b>		<b>31 Mar. '21</b>	<b>31 Dec. 2020</b>	<b>Measurement method</b>
		<b>31 Mar. '21</b>	<b>31 Dec. 2020</b>			
		N'000	N'000	% ownership	% ownership	
UPDC REIT	Nigeria	-	-	0.0%	0.0%	Equity

The movement in the investment in associates during the year is stated below:

	<b>The Group</b>	
	<b>31 Mar. '21</b>	<b>31 Dec. 2020</b>
	N'000	N'000
At 1 January	-	20,017,860
Share of profit	-	584,617
Dividend received	-	(956,371)
Fair value loss	-	(12,638,216)
Reclassification to disposal group classified as held for sale/distribution to owners	-	(7,007,890)
	-	-

**13 (ii). Investments in Joint Ventures**

<b>Investment in Joint Ventures</b>	<b>The Group</b>		<b>31 Mar. '21</b>	<b>31 Dec. 2020</b>
	N'000	N'000		
UPDC Metro City Limited	-	-	60.0%	60.0%
First Festival Mall Limited	-	-	45.0%	45.0%
First Restoration Dev. Co. Limited	129,589	129,589	51.0%	40.0%
Transit Village Dev. Co. Ltd	-	-	40.0%	40.0%
	<b>129,589</b>	<b>129,589</b>		

The movement in the investment in joint ventures during the year is stated below:

	<b>The Group</b>	
	<b>31 Mar. '21</b>	<b>31 Dec. 2020</b>
	N'000	N'000
At 1 January	130,393	129,589
Share of profit of First Restoration Dev. Co. Limited	-	804
	<b>130,393</b>	<b>130,393</b>

**14. Equity instrument at fair value**

	<b>The Group</b>	
	<b>31 Mar. '21</b>	<b>31 Dec. 2020</b>
	N'000	N'000
Opening balance at 1 January	733,774	-
Net changes in fair value of financial assets	13,341	-
Reclassification of Investment in UPDC REIT	-	733,774
	<b>747,115</b>	<b>733,774</b>

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<b>15. Investments in subsidiaries</b> <b>Principal investments</b>	<b>The Company</b>		<b>% Shareholding</b>	
	<b>31 Mar. '21</b> N'000	<b>31 Dec. 2020</b> N'000	<b>31 Mar. '21</b> %	<b>31 Dec. 2020</b> %
<i>Festival Hotel, Conference Centre &amp; Spa</i> 2,082,500,000 Shares of =N=1.00 each	2,082,500	2,082,500	94.7%	94.7%
<i>Manor Gardens</i> 53,810,000 Ordinary Shares of =N=1.00 each	53,810	53,810	67.5%	67.5%
<i>First Choice Facility Management Ltd</i> 5,000,000 Ordinary Shares of =N=1.00 each	108,019	108,019	50.0%	
	<b>2,244,329</b>	<b>2,244,329</b>		
Impairment of investments	(2,136,310)	(2,136,310)		
	<b>108,019</b>	<b>108,019</b>		

Investments in subsidiaries are measured at cost. Investment in Festival Hotel is now classified as a discontinued operation.

<b>16 (i). Inventories</b>	<b>The Group</b>	
	<b>31 Mar. '21</b> N'000	<b>31 Dec. 2020</b> N'000
Non trade stock	-	162
Properties under construction - Note 16 (ii)	4,397,065	4,270,744
	<b>4,397,065</b>	<b>4,270,906</b>

All Inventory above are carried at lower of cost or net realisable value at all the periods reported.

<b>16 (ii). Properties under construction</b>	<b>The Group</b>	
	<b>31 Mar. '21</b> N'000	<b>31 Dec. 2020</b> N'000
<b>Cost</b>		
Balance 1 January	4,270,744	5,715,859
Additions	-	8,454
Reclassification from Investment Properties	126,321	-
Disposal	-	(1,052,100)
Impairment	-	(397,703)
Write back/Reallocation	-	(3,766)
<b>Balance</b>	<b>4,397,065</b>	<b>4,270,744</b>

<b>17. Trade and other receivables</b>	<b>The Group</b>	
	<b>31 Mar. '21</b> N'000	<b>31 Dec. 2020</b> N'000
Trade receivables	933,075	1,019,593
Less: Provision for impairment of trade receivables	(746,824)	(746,824)
Net trade receivables	<b>186,250</b>	<b>272,769</b>
Receivables from group companies (Note 23)	2,457,389	2,648,461
Other receivables	1,319,562	1,304,941
Advances to staff	2,822	18,763
	<b>3,966,023</b>	<b>4,244,933</b>

<b>Analysis of other receivables</b>		
Mobilization payments to contractors	740,788	740,788
Prepayments and accrued income	30,046	16,684
WHT Receivables	20,752	20,756
Unutilised WHT credit notes	96,908	96,908
VAT Receivables	152	227
Other Debtors	430,915	429,578
	<b>1,319,562</b>	<b>1,304,941</b>

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**18. Cash and cash equivalents**

	<b>The Group</b>	
	<b>31 Mar. '21</b>	<b>31 Dec. 2020</b>
	N'000	N'000
Cash at bank and in hand	1,355,751	861,926
Short term investment	1,441,946	2,087,814
Less: Impairment of Short term investments	(2,405)	(2,405)
<b>Cash and cash equivalents</b>	<b>2,795,293</b>	<b>2,947,335</b>

**19. Borrowings**

	<b>The Group</b>	
	<b>31 Mar. '21</b>	<b>31 Dec. 2020</b>
	N'000	N'000
<b>Current borrowings</b>		
UACN Bridge Finance	1,143,421	1,143,421
5-year bond*	4,278,325	8,199
	<b>5,421,746</b>	<b>1,151,620</b>
<b>Non-current borrowings</b>		
5-year bond*	-	4,270,880
	-	<b>4,270,880</b>
<b>Total borrowings</b>	<b>5,421,746</b>	<b>5,422,500</b>

\* A notice has been sent to the bond holders to call the 5-Year Corporate bond by April 2021. Hence the reclassification from non-current to current borrowings. This is in line with the bond agreement that it is callable after the third year.

*Movement in total borrowing during the year is as follows:*

	<b>The Group</b>	
	<b>31 Mar. '21</b>	<b>31 Dec. 2020</b>
	N'000	N'000
Balance as at 1 January	5,422,500	20,807,171
Interest accrued	198,809	1,512,946
Right issue conversion	-	(15,751,541)
Interest paid	(199,564)	(1,146,076)
<b>Balance</b>	<b>5,421,746</b>	<b>5,422,500</b>



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**20. Trade and other payables**

	<b>The Group</b>	
	<b>31 Mar. '21</b>	<b>31 Dec. 2020</b>
	N'000	N'000
Trade payables	1,291,874	1,368,393
Contract liabilities - Note 20 (i).	1,834,319	1,818,650
Amounts owed to other related parties (Note 23)	200,819	191,939
	<b>3,327,011</b>	<b>3,378,982</b>
VAT/WHT Payables	48,883	135,530
Other payables	653,384	523,872
Provisions/Accruals	1,789,590	1,688,043
<b>Total</b>	<b>5,818,869</b>	<b>5,726,427</b>

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 its fair value due to their short term maturity period and no significant discounts is expected on payments of the obligations.

**20 (i). Contract liabilities**

	<b>The Group</b>	
	<b>31 Mar. '21</b>	<b>31 Dec. 2020</b>
	N'000	N'000
Deposit by customers	1,834,319	1,818,650
	<b>1,834,319</b>	<b>1,818,650</b>

This represents advances received from customers in respect of sale of property stocks and facility management fees. This is a non-interest bearing liability.

**21. Deferred revenue**

Deferred revenue are rentals received in advance which are recognized in the income statement when earned.

	<b>The Group</b>	
	<b>31 Mar. '21</b>	<b>31 Dec. 2020</b>
	N'000	N'000
Within one year	104,713	107,288
Greater than one year	2,087	2,145
	<b>106,800</b>	<b>109,433</b>

The Group as lessor enters into operating leases for its investment properties under non-cancellable basis, as the lessee does not have the power to cancel the contract without the permission of the lessor. The tenure of the lease arrangements vary from 1 year to 2 years. The group as lessor does not have any lease arrangements under finance lease basis it does not typically transfer substantially all the risks and rewards incidental to ownership of leased assets to the lessee. All leased assets under operating leases as classified as Investment Properties and faired valued annually based on the group's accounting policy and in line with the requirements of IAS 40".

**22. Reconciliation of profit before tax to cash generated from operations**

	<b>The Group</b>	
	<b>31 Mar. '21</b>	<b>31 Mar. '20</b>
	N'000	N'000
Loss before tax	(409,233)	(2,594,482)
<i>Adjustment for non cash items:</i>		
Depreciation	3,709	859
Amortization of intangible asset	703	1,335
Impairment of assets of disposal group held for sale	-	1,813,807
Loss on disposal of investment properties	-	15,000
Profit on disposal of property, plant and equipment	(6,286)	(2,184)
Finance cost	198,809	741,229
Finance income	(2,618)	(1)
Exchange (gain)/ loss	(119)	94
	<b>(215,035)</b>	<b>(24,343)</b>
Changes in working capital:		
(Increase)/decrease in inventories	162	-
Decrease/(increase) in receivables	278,910	(107,523)
Increase/(decrease) in payables	92,355	173,792
<b>Net cash from/(used in) operations</b>	<b>156,392</b>	<b>41,926</b>



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**23. Related party transactions**

The ultimate parent and controlling party of the company is Custodian Investment Plc incorporated in Nigeria. There are other companies that are related to UPDC through common shareholdings.

The following transactions were carried out with related parties:

**(a) Sales of goods and services**

		<b>The Group</b>	
<b>Relationship</b>		<b>31 Mar. '21</b>	<b>31 Mar. '20</b>
		N'000	N'000
UAC of Nigeria Plc	Associate	5,664	6,042
MDS Logistics Plc	Sister Company	866	203
UPDC Metrocity Limited	Joint Venture	4,817	3,323
Pinnacle Apartment Dev. Ltd	Joint Venture	987	1,653
UPDC REIT	Associate	3,014	1,199

**(b) Purchases of goods and services**

		<b>The Group</b>	
<b>Relationship</b>		<b>31 Mar. '21</b>	<b>31 Mar. '20</b>
		N'000	N'000
UAC of Nigeria Plc	Associate	-	4,243

**(c) Period-end balances arising from sales/purchases of goods/services**

		<b>The Group</b>	
<b>Receivable:</b>		<b>31 Mar. '21</b>	<b>31 Dec. 2020</b>
		N'000	N'000
Balance - Gross		5,846,596	6,037,667
Provision for expected credit losses		(3,389,207)	(3,389,206)
<b>Balance</b>		<b>2,457,389</b>	<b>2,648,461</b>

**(c) Period-end balances arising from sales/purchases of goods/services**

		<b>The Group</b>	
<b>Receivable:</b>		<b>31 Mar. '21</b>	<b>31 Dec. 2020</b>
<b>Relationship</b>		N'000	N'000
UPDC Metrocity Limited	Joint Venture	1,934,646	2,025,467
First Festival Mall Limited	Joint Venture	2,614,513	2,614,513
First Restoration Dev. Co. Limited	Joint Venture	46,130	-
Calabar Golf Estate Limited	Joint Venture	645,739	643,856
Pinnacle Apartment Dev. Ltd/ Imani and Sons	JV Partner	214,751	363,015
Galaxy Mall Current Account	Joint Venture	74,034	74,034
Manor Gardens	Subsidiary	316,782	316,782
Impairment of Intercompany receivables - IFRS 9		(3,389,207)	(3,389,206)
		<b>2,457,389</b>	<b>2,648,461</b>

		<b>The Group</b>	
<b>Payable:</b>		<b>31 Mar. '21</b>	<b>31 Dec. 2020</b>
<b>Relationship</b>		N'000	N'000
UAC of Nigeria Plc.	Associate	7,810	5,913
UPDC REIT	Equity investment	61,382	65,774
MDS Logistics Ltd	Sister Company	1,790	1,790
James Pinnock	Joint Operation	129,822	117,562
First Restoration Dev. Co. Limited	Joint Venture	-	885
Spring Waters Nig Ltd.	Sister Company	15	15
		<b>200,819</b>	<b>191,939</b>

All trading balances will be settled in cash.

The related party transactions were carried out on commercial terms and conditions.

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**24. Disposal group held for sale and discontinued operations**

**Festival Hotel, Conference Centre & Spa**

The Board decided to sell its investment in Festival Hotel, Conference Centre & Spa in 2017. Efforts are on going to improve the performance of the Hotel. Consequently, UHL has been classified as a disposal group held for sale and as a discontinued operation in accordance with IFRS 5

*Exception to one year requirement:*

IFRS 5 requires that except for certain exceptions, the sale of a non-current asset or disposal group is expected to qualify for recognition as a completed sale within one year from the date of classification. However, during the period, there were certain factors considered to be beyond the control of management which have invariably extended the sale period beyond one year. Management however, remains committed to concluding the sale within a reasonable time frame.

*Analysis of the results of the discontinued operations is as follows:*

	<b>Festival Hotel</b>	
	<b>3 months 31 Mar. '21</b>	<b>3 months 31 Mar. '20</b>
	N'000	N'000
Revenue	67,044	272,890
Cost of sales	(9,328)	(90,465)
<b>Gross profit</b>	<b>57,716</b>	<b>182,425</b>
Other operating costs	(47,578)	(235,298)
<b>Operating profit</b>	<b>10,138</b>	<b>(52,873)</b>
Finance income	-	-
<b>Loss before taxation from discontinued operations</b>	<b>10,138</b>	<b>(52,873)</b>
Taxation	-	-
<b>Loss from discontinued operations</b>	<b>10,138</b>	<b>(52,873)</b>

*Analysis of the results of the disposal group held for sale and distribution to owners is as follows:*

	<b>Festival Hotel</b>	
	<b>31 Mar. 2021</b>	<b>31 Dec. 2020</b>
	N'000	N'000
<b>Assets</b>		
<b>Non-current assets:</b>		
Property, plant and equipment	12,001,828	11,943,485
Intangible assets	5,130	5,130
	<b>12,006,958</b>	<b>11,948,615</b>
<b>Current assets:</b>		
Inventories	32,795	48,951
Trade and other receivables	194,772	125,809
Cash and short-term deposits	49,031	46,548
	<b>276,598</b>	<b>221,308</b>
<b>Assets of disposal group classified as held for sale</b>	<b>12,283,556</b>	<b>12,169,923</b>
Less: Impairment of assets of disposal group held for sale	(4,029,237)	(4,029,237)
<b>Fair value of disposal group held for sale</b>	<b>8,254,319</b>	<b>8,140,686</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	961,316	946,620
<b>Liabilities of disposal group classified as held for sale</b>	<b>961,316</b>	<b>946,620</b>

Festival Hotel owe UPDC Plc N14 billion of which there is an impairment of N7.5 billion in UPDC's book.

**24 (i). Assets of disposal group classified as held for distribution to owners**

**UPDC Real Estate Investment Trust (UPDC REIT)**

	<b>31 Mar. '21</b>	<b>31 Mar. '20</b>
	N'000	N'000
Opening balance of Investment in UPDC REIT	-	7,007,890
Fair valuation at reporting date	-	(5,194,083)
<b>Fair value (gain)/loss*</b>	<b>-</b>	<b>1,813,807</b>

\*The fair value (gain)/ loss has been charged to the income statement.

**24 (ii). Assets of disposal group classified as held for sale/distribution to owners**

	<b>31 Mar. '21</b>	<b>31 Dec. 2020</b>
	N'000	N'000
Fair value assets at Festival Hotel, Conference Centre & Spa	8,254,319	8,140,686
Fair value assets at UPDC REIT	-	9,069,034
Unbundled UPDC REIT through the Share Premium*	-	(8,335,260)
Reclassification to Equity instrument at fair value	-	(733,774)
<b>Total</b>	<b>8,254,319</b>	<b>8,140,686</b>

## **25. Additional Disclosures**

### **Covid-19 Pandemic**

#### **Impact Review:**

The ongoing pandemic has had wide reaching implications on business activities globally. We have however put appropriate strategies in place to manage the impact on our people, operations, customers

- **People:** We adopted a "People First" approach, ensuring the safety of our staff and customers. Flexible working was adopted to minimize the risk of exposure to the virus, and we were able to establish minimum disruption to business operations while working from home.
- **Operations:** Our businesses were stress tested at varying levels. We have continued to focus on cost optimization, negotiating discounts on every expenditure and agreeing appropriate payment plans with contractors.
- **Strategy:** We have reviewed and analyzed internal data and conducted market research, and based on these, we have reviewed our products and service offerings to align with the market. We will focus our energies on products and service offerings which offer stable and consistent demand
- **Technology:** We embraced digital transformation to ensure continued paperless access to our files, seamless communication with our employees and customers through virtual meeting platforms; and continued access to our products and services via the available digital channels.

#### **Balance sheet analysis:**

- **Property, Plant and Equipment:** The Company's Property Plant and Equipment consists mainly Motor Vehicles, Furniture & Fittings and Computer Equipment. We do not envisage any negative impact on this class of asset.
- **Intangible Assets:** This class of asset includes software, which will not be negatively impacted by the effects of the pandemic.
- **Investment Properties:** There may be a slowdown in the sales of investment properties during the year. We have planned for this in our budget for the year.
- **Investment in Joint Ventures:** There may be a slowdown in sales of Joint Venture assets and recovery of receivables. We have planned for this in our budget for the year.
- **Inventories:** There may be a slowdown in sales of property stock. Our new developments will focus on affordable housing, which will help drive revenue for the year.
- **Trade and Other Receivables:** We will perform a quarterly analysis and review of the portfolio and the impact on the Company. We will also continue to embark on recovery drives. Any required adjustment will be reflected in the appropriate reporting period.
- **Asset of disposal group classified as held for sale is UPDC Hotel Limited.** The hospitality sector has been negatively impacted by the pandemic and resultant social distancing requirements. However, activities started picking up gradually in Q4 of 2020. We will continue to focus on cost management measures at the hotel, while we pursue the sale of the business.
- **Non-current liabilities:** The Company's bond coupon will fall due in April and October. The Company has put measures in place to ensure that these obligations are met as and when due. We have also notified bondholders of the intention to call the bond in April 2021.
- **Current liabilities:** We do not envisage any adverse impact on current liabilities.

## Shareholding Structure/Free Float Status

<b>UPDC Free Float Computation</b>				
Company Name:	<b>UACN PROPERTY DEVELOPMENT CO PLC</b>			
Board Listed:	MAIN BOARD			
Year End:	December			
Reporting Period:	Feb 5, 2021			
Share Price at end of reporting period:	N0.75			
<b>Shareholding Structure/Free Float Status</b>				
Description	Feb 5, 2021			
	Units	Percentage		
Issued Share Capital	18,559,969,936	100%		
<b>Substantial Shareholdings (5% and above)</b>				
CUSTODIAN INVESTMENT PLC.	9,465,584,668	51%		
UAC OF NIG PLC	7,953,143,897	42.85		
Total Substantial Shareholdings	17,418,728,565	93.85%		
<b>Directors' Shareholdings (direct and indirect), excluding directors with substantial interests</b>				
Mr. Folasope Aiyesimoju	-	-	-	-
Mrs. Deborah Nicol-Omeruah	-	-	-	-
Mr. Wole Oshin	-	-	-	-
Mr. Adeniyi Falade	-	-	-	-
Mrs. Folakemi Fadahunsi	-	-	-	-
Mr. Oyekunle Osilaja	-	-	-	-
Total Directors' Shareholdings	-	-		
<b>Other Influential Shareholdings</b>				
FIRST PCN/CRUSADER PENSIONS-PFA MAIN	216,154,500	1.16%		
Total Other Influential Shareholdings	216,154,500	1.16%		
<b>Free Float in Units and Percentage</b>	925,086,871	4.99%		
<b>Free Float in Value</b>	₦ 693,815,153.25			

### Declaration:

UPDC Plc, with a free float percentage of 4.99% as at 31 March 2021, is not compliant with the Nigerian Stock Exchange's free float requirements for companies listed on the Main Board.

The company is working on the plan to resolve this and as soon as this is implemented, it shall be communicated appropriately.