LEASING PLC

2021 Annual Report

www.c-ileasing.com

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C & I Leasing Plc 2021 **Annual** Report & Account

Notice of Annual General Meeting

NOTICE OF THE 31ST ANNUAL GENERAL MEETING OF C&I LEASING PLC

NOTICE IS HEREBY GIVEN that the 31st Annual General Meeting of members of C & I Leasing Plc will hold by proxy on Thursday 20th of October 2022 by 1.00 pm prompt at C&I Leasing Plc Office, No. 2 C&I Leasing Drive, off Bisola Durosinmi-Etti Lekki Phase 1 Lagos, to transact the following businesses:

ORDINARY BUSINESS

1. To receive the audited financial statements for the year ended 31st December 2021 together with the reports of the Directors, Independent Auditors, and the Audit Committee thereon.
2. To elect and re-elect retiring Directors.
3. To ratify the appointment of Ernst & Young as the External Auditors to the company from the date of this Annual General Meeting to the date of the 2022 Annual General Meeting.
4. To authorize the Directors to fix the remuneration of the Auditors.
5. To elect Shareholder-members of the Statutory Audit Committee for the ensuing year.
6. To disclose the remuneration of managers of the company.

NOTES

1. ELECTION AND RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Section 285 of the Companies and Allied Matters Act 2020, at the Annual General Meeting in every subsequent year one-third of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest one third shall retire from office.

The Board of Directors, being satisfied with the performances of Mr. Omotunde Alao-Olaifa and Mr. Babatunde Edun, having presented themselves for re-election, propose that they be re-elected as Directors of the company.

Pursuant to Section 274(1) of the Companies and Allied Matters Act 2020, the Board of Directors shall have the power to appoint new directors to fill any casual vacancy arising out of death, resignation, retirement, or removal of a Director.

The Board of Directors proposes the approval of the appointment of Ugoji Lenin Ugoji as the Group Managing Director/CEO of the Company to replace the retired GMD/CEO, Mr. Andrew Otike-Odibi, with effect from 1st January 2022.

The profiles of all the Directors are contained in the annual report.

2. PROXY

A shareholder who is unable or does not wish to attend the AGM is entitled to appoint a proxy to exercise all or any of his/her rights to attend and to speak and vote on his/her behalf at the meeting. Shareholders are advised to select their proxies from the list of individuals listed below.

Dr Samuel Maduka Onyishi
Mr. Ugoji Lenin Ugoji
Mr. Chukwuemeka Ndu
Mr. Omotunde Alao-Olaifa
Mr. Babatunde Edun
Alhaji Sadiq Adamu
Mrs. Florence Okoli
Mr. Tom Achoda
Mr. Oluyemi Abaolu-Johnson
Comrade S.B Adenrele
Mr. Fred Oduyemi
Mrs. Christie Vincent-Uwalaka
Mr. Clement Ikwegbue

Notice of Annual **General Meeting** (Continued)

Mr. Moses Igbrude
Chief Timothy Adesiyan
Alhaji Wasiu Adebayo

A Proxy Form that may be used to make such an appointment shall accompany this notice of meeting and can be downloaded on the Company's website at www.c-ileasing.com. All executed instruments of proxy should be deposited at the office of the Registrar, Cordros Registrars Limited, 21 Norman Williams Street, Ikoyi, Lagos State, or via email to cordrosregistrars@cordros.com not later than 48 hours before the time fixed for the meeting. The Company has made arrangements, at its cost, for the stamping of duly completed and signed proxy forms submitted to the Company's Registrars within the stipulated time.

3. LIVE STREAMING OF THE AGM

The AGM will be streamed live online to enable Shareholders and other Stakeholders who will not be able to attend the meeting physically to follow the proceedings. The link for the AGM streaming will be made available on the Company's website at www.c-ileasing.com.

6. UNCLAIMED DIVIDEND

Some dividend warrants and share certificates have remained unclaimed or are yet to be presented for payment or returned to the Company for revalidation. A list of the unclaimed dividends will be circulated together with the annual report. Affected shareholders are advised to contact the Registrar, Cordros Registrars Limited at 21 Norman Williams Street, Ikoyi, Lagos State.

7. CLOSURE OF REGISTER

In compliance with section 114 of the Companies and Allied Matters Act 2020 and post-listing rules of Nigerian Exchange Limited, the register will be closed from Monday, 3rd October 2022 to Wednesday, 5th October 2022, both days inclusive, to enable the Registrar to update the record of members.

8. AUDIT COMMITTEE

A shareholder may nominate another shareholder as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary of the Company at least 21 days before the date of the Annual General Meeting.

The Audit Committee comprises three shareholders and two Directors. Nominees for the Audit Committee should have basic financial literacy and should be able to read and appreciate financial statements. All nominations should be accompanied by a copy of the nominee's curriculum vitae.

9. SHAREHOLDERS' QUESTIONS

Shareholders are entitled to ask questions not only at the Annual General Meeting but before the date of the meeting on any matter contained in the Annual Report and Financial Statements. Such questions should be sent to the Company Secretary on or before 14th October 2022.

10. FURTHER INFORMATION

A copy of this notice and the annual report can be found and downloaded on the Company's website at www.c-ileasing.com and at the Company's Registrar's website at www.cordros.com

Dated this 29th day of July 2022

BY ORDER OF THE BOARD

G. MBANUGO UDENZE – FRC/2014/NBA/00000008124 For: MBANUGO UDENZE & CO. COMPANY SECRETARY

MISSION, VISION & VALUE STATEMENTS

OUR MISSION

To provide customers with quality leasing and ancillary service solutions to meet their unique needs, supported by appropriate technology, in accordance with world-class systems and procedures.

OUR VISION

To become through innovation, the leasing and ancillary service company of choice for any discerning Lessee in West Africa.

OUR VALUES

Fairness
We believe in fairness and this is evident in all we do. Fairness in relationship with our employees, clients and our suppliers. Fairness in every transaction we undertake.

Integrity
We believe in the highest standards and will uphold the best ethical practices in all our business transactions. We believe that there is no substitute to the truth – we will keep to our commitments and will always keep our word.

Responsibility
C&I leasing Plc is a responsible corporate citizen. As an organization, we take due cognizance of the environment whilst doing business and contribute appropriately towards promoting the health, welfare and economic empowerment of our host communities.

Excellence
We are committed to excellence and this is evident in all we do. Our products and services are designed to be exceptional. We know that our continued success relies on exceeding the expectations of our customers, so we work hard to achieve that.

Safety
C&I Leasing Plc is committed to a safe and healthy environment for all of its employees, customers and visitors.

C & I LEASING AT A GLANCE

C & I Leasing

C & I Leasing Plc is still the foremost brand in finance leasing and business logistics support in Nigeria. However, we have evolved to be a leading provider of critical business support services for several multinational and corporate organizations.

C & I Leasing:
C & I Leasing PLC was incorporated in 1990 as a limited liability company, licensed by the Central Bank of Nigeria to offer operating and finance leases and other ancillary services.

Leasafric Ghana:
Leasafric is a subsidiary of C & I Leasing Plc, based in Ghana. It is the largest Leasing company in Ghana and provides professional leases option for individual and corporate bodies.

Epic International FZE:
Epic International FZE, Ras Al Khaimah, U.A.E is currently engaged in the ownership and charter of vessels to companies; primarily its parent company, C & I Leasing Plc. Over the years, the company has enjoyed consistent growth and business expansion that has allowed for it to evolve from a single line business to a multi-line business with interest in key economic sectors in Nigeria.

C&I MARINE
C & I Marine is a division of C & I Leasing, providing onshore and offshore terminal services including berthing and escort, mooring support, line and hose handling, pollution control, floating and self- elevating platforms.

C & I FLEET MANAGEMENT/HERTZ RENT-A- CAR
We are the sole franchisee and operator of the popular Hertz-Rent-A- Car brand in Nigeria. The company currently manages over a thousand vehicles and professional chauffeurs; offering pick-up and drop off, airport shuttle and daily rentals services.

CITRACKS
Citrans telematics solution (CITRACKS) is a Nigeria Communication Commission (NCC) licensed provider of unique fleet management solutions to suit various business needs.

C & I OUTSOURCING
C & I Outsourcing is a licensed provider of manpower recruitment, training, personnel outsourcing and human resource consultancy services.

THE SDS TRAINING SERVICE
The SDS training services is a division of C & I Leasing PLC. This service was established in 2011 as a direct response to increase capacity development for over 4200 outsourced employees as part of a continuing professional development program.

Geographical Locations:

We have operational offices in the following locations:
Nigeria –
Lagos | Abuja | Port Harcourt | Enugu | Calabar
Benin
Ghana - Accra
United Arab Emirate, UAE - Ras Al Khaimah

Highlight of 2021 Results

For The Year Ended 31 December 2021 In Thousands Of Naira	**Group**		**Company**	
	2021	2020	2021	2020
Gross Earnings	18,041,980	19,416,685	15,166,097	14,709,508
Profit continuing operation before Tax	541,897	490,128	198,529	419,332
Income Tax	(510,617)	(168,890)	(394,820)	(149,269)
Profit from discontinued Operations	-	-	-	-
Profit after \tax	**31,280**	**321,238**	**(196,291)**	**270,063**
Profit attribured to:				
Owners of the Parent	(24,431)	310,508	**(196,291)**	270,063
Non-controlling interests	55,711	10,730	-	-
	31,280	**321,238**	**(196,291)**	**270,063**

1990 - C & I Leasing Plc was incorporated in 1990 as a limited liability company. It was licensed by the Central Bank of Nigeria to offer operating and finance leases and other ancillary services. The company commenced full operations in 1991.

1994 - LEASAFRIC Ghana Limited - a subsidiary of C & I Leasing Plc-, the operators of Switch Car Rentals was incorporated in March 1992 and commenced business in April 1994. The Bank of Ghana subsequently licensed it in August 1994 as a non-bank financial institution to carry out the business of finance leasing as its principal business. The company has since then been running an Asset Finance business using the technique of finance leasing as a leading brand in the industry. LEASAFRIC is also into staff outsourcing, staff busing and tracking services. Switch Car Rental Services is a distinct sub-brand designed to provide car rental services to corporate organizations and individuals in Ghana. It was launched in 2018.

1997 - C & I Leasing Plc, concluded a major restructuring and diversification to a public company with its shares listed on the official list of the Nigerian Stock Exchange as the only leasing and rental services company

2010- Our journey into the maritime sector as a service provider for the Oil and Gas industry started with the acquisition of 4 boats through the C & I Petrotech Marine Joint Venture, Over the years, the business has culminated in the ownership of over 20 vessels consisting of crew boats, pilot boats, tug boats, patrol boats and platform support vessels for providing services such as line and hose handling, berthing and escort services, mooring support, fire-fighting, pollution control, security and floating and self-elevating platforms. C & I Leasing Plc concluded the buyout of Petrotech in 2018.

Today
C & I Leasing Plc has enjoyed consistent growth over the years and has expanded its scope of business to cover major sectors of the Nigerian Economy, the West Coast of Africa and the UAE.

Chairman's Statement

Dr. Samuel Maduka
ONYISHI
Chairman C & I Leasing Plc

Our highly esteemed Shareholders, my colleagues on the Board, distinguished Guests and Observers, Gentlemen of the press, Ladies and Gentlemen, it is my pleasure to welcome you to the 31st Annual General Meeting of our company; C&I Leasing Plc and to present to you the Annual Report and Financial Statements of your company for the year ended 31st December 2021.

GLOBAL ECONOMY

The year 2021 ushered in the lingering impact of the corona virus pandemic on the global economy which hampered market confidence and triggered economic slowdown in the year 2020. However, the rollout of vaccines and oil production cuts by OPEC and non-OPEC members led to some markets showing signs of recovery as well as sustaining the price of crude early in the first quarter of 2021.

During the Q2 2021, the World bank projected a 5.6% expansion in the global economy against a backdrop of expected strong rebounds from few major economies despite the continuous grapple for recovery of many emerging and developing economies from the COVID-19 pandemic, and its aftermath. Within the same period, global oil prices surged more than 45%. For the first time in the past couple of years, closing at about $80/barrel at the end of the first half of 2021.

By Q3 2021 amidst volatile inflation, it became obvious that the global economy would likely not return to pre-coronavirus levels until 2022, although the rate of recovery was projected to differ across countries; as while some were envisaged to recover in 2022 others were projected to take as much as four years to attain this level. The quarter also witnessed the rapid spread of the new highly infectious Delta coronavirus variant in the summer.

The global economy was projected to grow by 6% in 2021, however, a major risk to this growth in late 2021 and early 2022 is the rapid spread of the COVID-19 Omicron variant which triggered another round of

Chairman's Statement (Continued)

restrictions across countries.

DOMESTIC ECONOMY

The year 2020 closed out with a response by the Nigerian government which was critical and timely to alleviate the impact of the recession on the economy. These reform efforts included policy options to reduce inflation, protect the poor and vulnerable and support economic recovery. Some of these were the signing of the long-anticipated Finance Bill and the signing of the African Continental Free Trade Agreement (AfCFTA).

By Q1 2021, the Nigerian economy grew 0.51% year on year, slightly faster than a 0.11% growth in Q4 2020. The upturn came chiefly on the back of the non-oil sector, with the services sector being the main driver amid the partial easing of social distancing measures signalling the government's renewed focus on growth, and diversifying the economy further. The oil sector, meanwhile, remained downbeat as activity fell pronouncedly. Lower output was the main element as prices for the 'black gold' rose.

Turning to Q3, conditions appeared dip somewhat. Although during the quarter, authorities joined forces with Cameroon to combat the dire security situation in both countries due to separatist agitations, and the government's recent investment push is projected to further spur economic activity. However, high inflation, tight FX liquidity, security issues and uncertainty regarding COVID-19 pandemic cloud the outlook.

OUR OPERATING RESULTS

The dip in oil prices and the economic effect of the pandemic in no small measure affected the profitability of many companies with the leasing industry not excluded. A substantial number of corporations and companies grappled with the aftermath of the pandemic, and the threats imbued by the mutating variants of the virus. A consequential impact of this on our business was the retained downward negotiation of rates from some of our clientele both in the marine, and fleet business from 2020.

Despite the lingering nadir in the economy, C&I Leasing Group continued to weather the storm by proactively adjusting to change, seeking and adapting to new diversification initiatives, implementing tight budgetary controls and leveraging on technology in providing novel digital solutions to facilitate clients' businesses across our various business lines. Management has continued to exhibit ingenuity in seeking viable innovation, and are currently implementing various strategies that will return the Company to an increased profitability and likewise improve shareholder's return.

During the year under review, all our core business lines: Fleet Management, Outsourcing and Marine Services remained sustainable while demonstrating a high degree of resilience rising incredibly to the challenging clime by seeking innovative novel technology solution to propagate our business and revenue against the odds powered by our recently launched E-business drive and initiative. Technology solutions birthed in the year under review includes the Skill Central e-learning platform which was launched by the Outsourcing business; 360 Fleet Solution, an end-to-end automated fleet management system, and vehicle monitoring initiative launched by the Fleet Management business, and a digitalized marine vessel management solution launched by the Marine business which is also on the verge of being commercialized. The OCS Integrated Services Nigeria Limited (the new joint venture between OCS Services DMCC and C & I Leasing Plc.) launched in the previous year is also being steered in the right direction and the business remains optimistic that this synergy will continue to flourish and have a positive overall impact on the Marine and Personnel Outsourcing business. Meanwhile, the Fleet Management business has continued to achieve operational efficiency by servicing clients' needs and reducing downtime.

In the spirit of continuous improvement, we worked on repositioning the Getajob.ng platform launched last year. A remarkable increase in visibility across a wide demography on the digital space was achieved. This drive is aimed at reinforcing the Company's over 20-year presence/experience in the Human Resources (HR) space and further positioning the outsourcing business in the right trajectory as well as proactively solving the problem of employment, and talent mismatch in the country.

Despite these laudable efforts, the gross earnings of the Group declined by 7% from N19.4 billion in 2020 to N 18.2 billion in 2021 due to the straggling impact of the pandemic, while that of the Company slightly declined by 3% from N14.7 billion in 2020 to N15.16 billion in 2021.While the profit before tax for the Group increased by 9.5% from N490 million profit in 2020 to N542 million in 2021, the Company's profit before tax declined by 52% from N419.3 million in 2020 to a loss of N198.5 million in 2021. Similarly, the Group's profit after tax fell by 90% from N321million profit recorded in 2020 to N31.2 million profit in 2021, while the Company declined by 173% from N270 million profit in 2020 to a N196 million loss in 2021.

The Group's total assets grew by 4% from N55.9 billion in 2020 to N58.1billion in 2021 while that of the Company grew by 8% from N44.5 billion in 2020 to N48 billion in 2021. The Group shareholders' fund declined slightly by 3% from N13.4 billion in 2020 to N13.8 billion in 2021 in the same vein the company's shareholders' fund declined by 11% from N6.9 billion in 2020 to N6.2 billion in 2021.

The Company continues to unearth, and drive new solutions by leveraging technology to improve the efficiency of operations and business acquisition. Despite the harsh and extremely volatile economy, C&I Leasing Group closed with a profit after tax of N31.2 million during the year 2021. As challenging as 2021 was, we are buoyed by the prospect of a fruitful 2022 ahead.

DIVIDEND AND CAPITALIZATION

The Board of Directors is proposing no dividend payment for the period due to the low financial performance of the Company during the year.

BOARD DEVELOPMENT

I will also take this opportunity to inform our distinguished shareholders about the recent changes on the Board of the Company that took place between the last Annual General Meeting till date. On 31st December 2021, Mr. Andrew Otike-Odibi retired from the Board of the Company and from his office as Managing Director/ Chief Executive Officer after five years of serving at the helm of affairs of the Company and eighteen years of excellent service and contributions to the growth of the Company in various leadership capacities. Mr. Ugoji Lenin Ugoji, who was initially appointed as the Chief Operations Officer and Deputy Group Managing Director replaced Mr. Otike-Odibi in January 2022.

Mr. Ugoji Lenin Ugoji brings to the group a mix of passion, and competence for asset financing and investment management, which he garnered in about two decades in the banking and financial sector, inclusive of at least ten valuable years in the leasing industry.

In the same vein, the Board approved the appointments of two other seasoned professionals to strengthen the leadership team of the company; Mrs. Adetutu Sanni was appointed as the Group Chief Commercial & Strategy Officer while Mr. Muyiwa Oshomoji assumed the role of Chief Marketing Officer (Marine) business development team.

THE WAY AHEAD

The global economy was projected to grow by 6% in 2021, a major risk to this growth in early 2022 is the rapid spread of the COVID-19 Omicron variant which may likely trigger another round of restrictions across

Chairman's Statement (Continued)

countries. In 2022, the global economy is expected to expand by 4.9%. However, the Omicron vaccines coverage, and government stimulus are factors that will influence the trajectory of the global economy in 2022. The Omicron variant and the reactions of countries, particularly the advanced countries, global growth for 2022 may likely fall short of the IMF's projection of 4.9%. The Euro area was projected to rebound in 2022 to 4.6% growth. This recovery is anticipated against a backdrop of pent-up demand and higher household incomes. China's economy was projected to tick up to 5.7% in 2022.

The operating domestic and global macroeconomic environment in 2022 will be challenging for myriad reasons including the unpredictable pandemic, threat of war between Russia and Ukraine as well as the culminating sanctions from the western world. Nevertheless, as a visionary group with sound corporate governance structure, our resolve is to cushion these headwinds by remaining laser focused whilst we continually consolidate past achievements and continue to seek opportunities to expand our operations and markets frontiers. To this effect, the Board has laid down a solid foundation for growth, expansion, and diversification, which is already yielding results as we remain focused on improving the overall wellbeing of the company with initiatives that makes the Company lead within our market space.

In 2022, as an organization we are focused on the all-round improvement of the business and the delivery of a sterling and sustainable performance that enhances optimal returns to shareholders. The Group has identified expanding medical, and sales process outsourcing services, digital offerings such as online training and "after-lease" services to a broader client base as some of the opportunities arising from the COVID-19 pandemic fallout. Your company is buoyed with short to long term plans to cushion any negative headwinds of 2022.We shall continue our focus on leveraging technology to improve the efficiency of operations and business acquisition based on five pillars: data & analytics, automation, optimizing infrastructure, legacy modernization, and cybersecurity. Cost management is also key to our short-term plans as we continue to thrive under the unprecedented business clime and seeking opportunities to expand into new frontiers.

In conclusion, although 2021 was quite a challenging one for our Company, the collective efforts of all Staff, Management, Audit Committee, and the Board despite the harsh economic clime have kept us going even stronger s a formidable team and Company. I am, therefore, very thankful to our shareholders for their support and encouragement; our customers for their unflinching loyalty; our staff and Management whose passion and commitment have sustained our very good performance over the years; and our Board, whose vision and exemplary leadership ensure that our Company does not wane in the pursuit of its mission and objectives.

Ladies and gentlemen, I welcome you to the 2022 financial year with an unwavering assurance of a continued improved performance of our Company.

Thank you and God bless you all.

Dr Samuel Maduka Onyishi

Board of Directors

Dr. Samuel Maduka Onyishi

Chairman

Dr Samuel Maduka Onyishi has a degree in Social Works and Community from the University of Nigeria, Nsukka. He also holds a Master's degree in Entrepreneurship from the Institute for Transformative Thought and Learning in the Doctoral Research Centre of the University of Arizona, Phoenix, in the United States and founded the transportation company – Peace Mass Transit Limited (PMT) in 1996. He joined the Board of C & I Leasing Plc. in 2020

Mr. Chukwuemeka Ndu

Vice Chairman

Mr. Chukwuemeka Ndu, a Chartered Accountant and Group Vice Chairman of C & I Leasing Plc. Until June 2000, he was the Chairman of the Equipment Leasing Association of Nigeria (ELAN). Mr. Ndu has served as the Chairman of the Shipping and Marine Services Sub-Committee of the National Consultative Forum set up by the Nigerian National Petroleum Corporation (National Content Division) to promote indigenous content in the Nigerian oil & gas industry.

Mr. Andrew Otike-Odibi

Managing Director / CEO

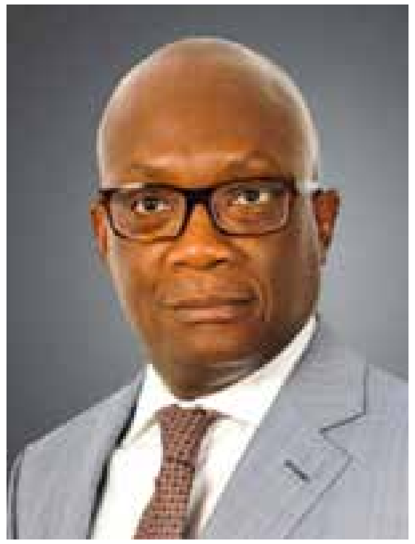
Mr. Andrew Otike-Odibi is a Chartered Accountant and the Managing Director of C & I Leasing Plc. He joined C & I Leasing Plc in 1998 as a Senior Manager, and was appointed to the Board in 2007. Prior to joining C & I Leasing, Mr. Otike-Odibi was a Branch Manager at Diamond bank Plc. He holds a B.Sc and an MBA from the University of Benin. He was appointed Managing Director of C & I Leasing Plc. in 2016.

Board of Directors

Mr. Omotunde Olao-Olaifa

Non-Executive Director

Mr. Omotunde Alao-Olaifa has extensive experience across the corporate spectrum which includes Capital Raising, Deal Structuring, Acquisition, Project Financing as well as asset Management. He holds a degree in Political Science from the University of Ibadan and an MBA from Pan Atlantic University (Lagos Business School). He represents Leadway Assurance Company Limited on the Board as a Non-Executive Director.



Mr. Babatunde Edun

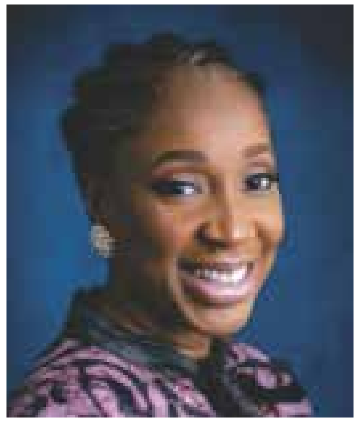
Non-Executive Director

Mr Babatunde Edun is a serial entrepreneur with demonstrated expertise in the Telecommunication, Logistics, and Distributed Power Industries. He has an immense capacity for developing start-ups, and has built several businesses of scale. Mr. Edun is a member of the Institute of Directors (IoD), the Lagos Polo and Ikoyi clubs and serves on the PTA Executive of the Saint Saviour's School Ikoyi, Lagos. He attended King's College Lagos, the University of Lagos, and the Lagos Business School. He sits on the boards of Prudential Mortgage Bank, Biswal Limited, Tranos Contracting Limited, Accat (Nigeria) Ltd, Exchange Telecommunications Limited and the Iluburin Development Project Company Limited.

ALHAJI SADIQ ABUBAKAR ADAMU

(Non-Executive Director – Awaiting regulatory approval)

Alhaji Abubakar Adamu is the former General Counsel, ExxonMobil Affiliated Companies in Nigeria, Executive Director, Mobil Producing Nigeria Unlimited, Executive Director Esso Exploration & Producing Nigeria Limited, Executive Director Esso Exploration & Producing (Offshore East) Limited and Director Lagos Court of International Arbitration. He is an alumnus of Bayero University. He has a Master of Laws degree from Harvard University Law School in the United States, and a postgraduate certificate in advance negotiation from Oxford University College of Petroleum and Energy Resources.



MRS FLORENCE OKOLI

(Non-Executive Director – Awaiting regulatory approval)

Mrs. Florence Okoli has over 20 years of multi-industry cross functional experience spanning energy, telecommunications and advisory services. She is an alumna of Harvard Business School and University of Lagos. She previously worked with Arthur Anderson, MTN Nigeria Communication, Mobil Producing Nigeria Unlimited and Shell Petroleum Development Company. She is presently the Ex-ecutive Director (Commercial) of Eraskorp Nigeria Limited.

MR. OLUYEMI ABAOLU-JOHNSON

(Non-Executive Di-rector – Awaiting regulatory approval)

Mr. Oluyemi Abaolu-Johnson is a seasoned accountant with vast experience in auditing, tax, finance and risk management. He has continued to support many multinational companies and public sector entities with their processes. Abaolu-Johnson who at various times worked at Access Bank Plc., Standard Trust Bank Plc., Nigerian Breweries Plc., Deloitte Nigeria, Price Waterhouse Coopers amongst others, is an associate of the Institute of Chartered Accountants of Nigeria. He is currently the Chief Executive Officer of BVS Professional Services.

MR. TOM OKO ACHODA

(Non-Executive Director – Awaiting regulatory approval)

Mr. Tom Oko Achoda holds a Bachelor's degree in Economics, with broad experience and special interest in Business income, and process streamlining. He is an alumnus of the University of South Wales, and the University of Port Harcourt, respectively. He has attended several training, and has worked in both the public and private sectors, with the latter including United Bank for Africa Plc., Standard Trust Bank Plc. and NAL Bank Plc. He is presently the Chief Executive Officer of Treasure Capitals and Trusts Limited

DIRECTORS RETIRING BY ROTATION

In accordance with the provisions of Section 285(1) of the Companies and Allied Matters Act, 2020, the Director to retire by rotation at this annual general meeting is Mr. Omotunde Alao-Olaifa, and he, being eligible, offers himself for re-election.

THE REPORT OF THE Directors

The Directors have the pleasure of presenting their report on the affairs of C & I Leasing Plc and its subsidiaries, together with the financial statements and auditors' report for the year ended 31st December, 2020.

LEGAL FORM

C & I Leasing Plc was incorporated in 1990 as a limited liability Company and licensed by the Central Bank of Nigeria to provide transportation logistics solutions in the form of car and marine rental, fleet management as well as human resources solutions. Within the last 30 years, C & I Leasing Plc has grown on a compound annual average basis of 44% over the past 5 years to become a diversified, leasing and business service conglomerate providing support services to various indigenous and multinational blue-chip organizations within the shores of Nigeria, Ghana, and the United Arab Emirates. C & I Leasing Plc. remains the only leasing Company listed on the Nigeria Stock Exchange (NSE) till date.

OUR RESPONSE TO COVID-19

Internal campaigns to sensitize staff, and provide on-the-go reports of the COVID-19 situation and the importance of keeping in step with approved health guidelines and preventive measures for the benefit of self and others is an ongoing effort. We went further to partner with primary health centres through our HMO service for C&I staff to get vaccinated. This is still ongoing. This is also a continuous effort backed by our core values of Fairness, Integrity, Responsibility, Excellence and Safety.

In summary, we maintained our three (3) in C&I Leasing's response to COVID-19:

1. Building trust with all stakeholders
2. Making data-driven decisions
3. Effective collaboration

MAJOR MILESTONES IN THE YEAR

2020 was an eventful year that which presented both challenges and opportunities for the Company. Despite this, some notable achievements were recorded:

Birth of E-Business and Corporate Strategy Unit

Following a critical analysis of the operating environment and having an eye for a results-driven agenda, the Company established a Corporate Strategy Unit effective 1st January 2020, which is responsible for aligning business strategy with overall targets, objectives, and goals. The unit played to its strength in research and business intelligence with regular feeds and updates to Management to ensure set targets are proactively reviewed daily, weekly, monthly, and annually.

In consolidating all digitization efforts, the 'E-Business' Unit was also birthed in the first quarter of 2020 (Q1 2020). All technology-focused businesses and initiatives under the Group are tunnelled through this well-planned technical architecture to provide additional value to clients and prospects in the business ecosystem we operate in. Indeed, the E-Business unit is primed to be a strategic driver and enabler for faster, efficient, and impactful service delivery.

In intensifying the E-Business drive, the Skill Central e-learning platform was launched by the Outsourcing business to take advantage of the obvious opportunities in the online learning space. The Business Process Outsourcing (BPO) model also gained more prominence in the Outsourcing business and we are growing this niche to cement our position as the preferred business partner for Business Process Outsourcing needs in West Africa.

360 Fleet Solution, an end-to-end automated fleet management system and vehicle monitoring initiative was launched by the Fleet Management business within the review period. This fully automated service is gaining uptake among existing and new clients who

appreciate a truly seamless experience in managing their fleet of vehicles. The Marine business has not been left out of this technological transformation agenda. A digitalized marine vessel management solution was developed and is being finetuned for deployment.

During the second half of the year (Q2), the Company embarked on a N7 billion bond issuance exercise, which is currently being marketed to various financiers, subject to regulatory approvals. The Company is positive that the funds raised will enhance the quality of its capital structure as well as aid the Group's strategy for funding thereby eliminating any form of funding mismatch.

Remote Working despite the COVID-19 Pandemic

In the first quarter of the financial year, the company introduced a Remote Work Policy in keeping with the nation-wide lock down orders issued by the federal government. Without missing a beat, the IT team was able to provide needed support to majority of staff who had to work remotely during that period. Business operations went on smoothly without any significant downtime throughout the review period. Post lockdown, the Remote Work Policy remained an option for approved staff to carry out their duties with increased productivity and work-life balance in mind. The benefits are still being seen across operations.

Launch of C&I Hub

The C&I hub was launched in the fourth quarter (Q4) of the year with a mission to provide conducive, smart workspaces to the teeming public. This initiative is steered by the Facilities unit and it stemmed from the company's rapid response to the dynamic business environment propelled by the work from home business model a resultant impact of the pandemic. The birth of this initiative has allowed for a more efficient use of the company's under-utilised office space.

PRINCIPAL ACTIVITIES

C & I Leasing provides transportation logistics solutions in the form of vehicle and marine rental, fleet management and telematics solutions with a strong foot hold in human resource solutions. These business support services are provided along three major business lines: Fleet Management, Personnel Outsourcing and Marine Services.

Fleet Management

The business provides fleet management services to a wide range of clients across several sectors of the economy. They include, but not limited the following: banking, fast moving consumer goods (FMCGs), telecommunications, non-governmental organizations (NGOs), and healthcare, etc.

The fleet management service cascades into either long or short-term rental of vehicles. Short term rentals are serviced under the Hertz franchise- a business managed by C&I Leasing Plc for close to two decades. Hertz is the leading car rental brand around the globe. The long-term vehicle rental business is operated through the fleet management brand – C & I Fleet Management. The Company currently manages over 1,300 vehicles which are providing services to various clients across the country.

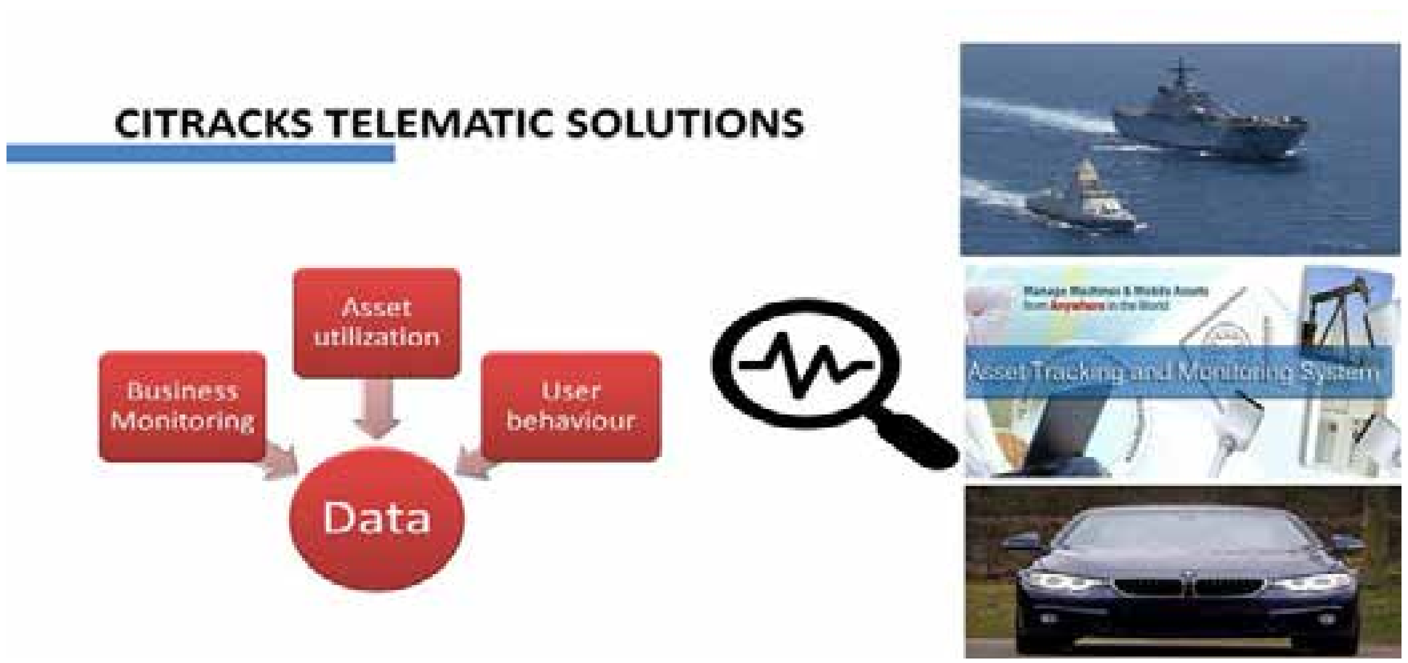
THE REPORT OF THE
Directors (Continued)

Our fleet management business is committed to providing superior transportation and mobility solutions driven by technology, to its ever-increasing customers. The business has enjoyed organic growth over the years, and has become a visible brand in the industry.

CITRACKS

Citrans Telematic Solutions (Citracks) uses Information Technology for remote communication on assets, and provides businesses with Telematics Solutions supported by Artificial Intelligence, and in accordance with world class innovation and procedures. To drive this service wholistically, we strategically partner with two renowned technology companies who are leaders in tracking and fuel monitoring services.

For vehicles, heavy equipment, and generator tracking, Citracks works with Galooli, a leader in vehicle tracking and fuel monitoring services. In the Citracks-Galooli partnership, clients are provided with AI-powered Software as a Service (SaaS) solutions that enable them to make data-driven decisions through full-coverage of stationary and mobile assets operations, on a single smart integrated platform.



For the marine segment of the telematics business, Citracks partners with Nautical Control Services (NCS), on an Electronic Fuel Management System (EFMS) product called Fueltrax, to monitor fuel data across vessels, and to ultimately improve performance of marine operations. This is geared towards reducing the challenges of marine vessel owners, and charterers in the oil and gas industry (International Oil Companies {IOCs} and others). In addition to reducing fuel costs, the EFMS helps maintain fuel security as well as lower asset maintenance requirements.

We continue to seek opportunities for expansion and growth for this business as technology trends and customer needs evolve globally

Personnel Outsourcing

This business provides services in personnel management, human resource outsourcing, business process outsourcing, e–business, consultancy, personnel evaluation, and training as well as manpower development. These services are provided to various clients by deploying different cadre of personnel ranging from highly-skilled to semi-skilled and unskilled workforce. Hence, our clients can focus on their core businesses while we provide a well-equipped support team from point of initiation to completion. Additionally, we have integrated the medical process outsourcing, sales process outsourcing, and business automation into the business process outsourcing model, for long-term growth service delivery.

Our focus in 2021 was to deploy innovative technology for the purpose of improving customer experience and efficient service delivery. Our E- recruitment platform -GETAJOBNG- which we launched in the fourth quarter (Q4) of 2019 continued to grow, despite the adverse impact of the pandemic on the expected traction in our customer base in the first (Q1) and second (Q2) quarters of the year. The business is poised to continue leveraging current, and emerging technology to introduce more digital services such as learning management services, payroll services and more. We have also diversified beyond personnel outsourcing into business process outsourcing; a service that is already enjoying the patronage of clients in the telecommunication and financial services sectors with prospects from the FMCG and Agriculture sectors. We have integrated the Business Process Outsourcing that houses the medical process outsourcing, sales process outsourcing and business automation. We have obtained several certifications to run the e-business arm of the unit. We continue to maintain our current personnel outsourcing portfolio, and it remains vibrant, growing with our long-term clients as we continue to offer them best in class service. To strengthen the e-business arm of the unit, we have obtained several certifications - both local and international, in line with approved standards. With the certifications, and a highly experienced and diverse faculty, we have been successful at deploying relevant e-learning programs to those who are looking to upskill themselves for better career prospects under the skill-central platform. In rendering services to clients looking to match vacancies with the right candidates, "GETAJOBNG," the online recruitment portal and job application/search website is gaining grounds with intense marketing effort and delivering on its mandate to connect employable candidates of the right quality to our clients and other interested corporate bodies at short notice. We intend to improve the skills and quality of an average job seeker by providing basic training to prepare them to meet employer expectations. In the near to long term, this

THE REPORT OF THE
Directors (Continued)

should mitigate rising unemployment rates in the Nigerian economy, and the frustration of employers who continually complain of poor quality of employable candidates. We believe this approach will improve the clients' recruitment experience, improve the rate at which vacancies are being filled, bridge the gap between recruiters and candidates and by extension, enhance income streams for the business.

Marine Services

Our marine business offers a wide range of services to both onshore and offshore terminals; taking advantage of the opportunities created by the Nigerian Oil and Gas Industry Development Act for indigenous companies. With efficiency and safety as its watchword, the business has built a strong reputation in the industry, gradually
positioning itself as a leading Nigerian content player in the offshore marine vessel space. Our journey into the Maritime sector as a service provider for the Oil and Gas sector started through the C & I Petrotech Marine Joint Venture (JV) in 2010 with six vessels. As of July 2018, we took full ownership through the buy-out of the remaining 27.5% minority stake in the JV. During that eight-year period until the present, the business has developed significant technical and operational capacity, and owns/manages several vessels to carry out an array of services in the maritime subsector of the oil and gas industry. These services include line and hose handling, terminal support and berthing services, security patrol and escort services, mooring support, firefighting, pollution control services, offshore installation supply services, anchor handling services for mooring large tankers during offtake operations, as well as floating and self-elevating platforms services for supporting shallow water operations.

As a result of the COVID-19 pandemic, and drop in oil prices, a widespread downward negotiation deduction in rates by our international oil companies (IOC) clientele base was recorded. However, by the end of the year we were successful at signing on more contracts as well as getting on board series of spot jobs.

Amidst the hostile business operational clime witnessed during the year, the business took on new initiatives leveraging on technology, such as its vessel technical management service and vessel management software. The unit is positive these initiatives upon crystallization will bolster its revenue.

OUR SUBSIDIARY COMPANIES

The C & I Leasing Group of companies comprises of the following subsidiaries - Leasafric Ghana Limited (70.89% owned) and Epic International FZE (100% owned).

Leasafric Ghana Limited

Leasafric, incorporated in 1992, commenced operations in 1994 when it was licensed by the Bank of Ghana as a non-bank financial institution to carry on finance leasing as its principal business, and other ancillary services. It is the largest leasing Company in Ghana with a 40% market share. During the 2020 financial year, the subsidiary through her SWITCH Car Rental Services and Leasing Offers, and under the leadership of a newly appointed Managing Director, provided fleet management solutions to her ever- increasing customers- both walk-in and online. Leasafric currently has a fleet size of about 1,000 vehicles spread across Ghana. Its operations are supported by appropriate technology to ensure cost efficient service is always delivered. The Company also provides personnel outsourcing services and intends to take advantage of the growth opportunities in the oil and gas sector in Ghana.

To gain access to capital for growth, increase visibility, stimulate liquidity, and promote transparency and efficiency, we are considering listing the shares of the business on the Ghana Stock Exchange. The options are currently being reviewed by the directors. The business is also considering issuance of a long-term

bond for business expansion at a cost-effective rate during the year.

The company was recently granted approval for Bond by the Bank of Ghana for a period of 5 years, although on hold due to the current nature of the market.

We have also obtained Permit from the Petroleum Commission to enable us actively participate in the oil & gas space. This Permit is in Conjunction with a local partner. We now have a Joint Venture with SALIDEL for the purpose of contract execution and meeting up with Local Content requirements.

It is pertinent to report that we have not lost any of our major contracts but are engaging both existing and prospective ones with a view to maximizing returns.

Epic International FZE

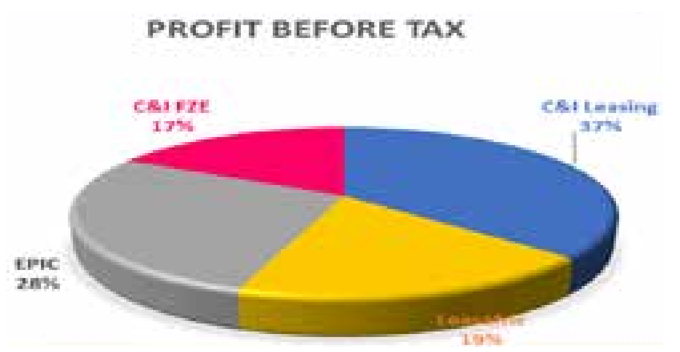
This asset-based subsidiary was incorporated in 2011 as a free trade zone establishment in United Arab Emirates and licensed to trade in ships and boats, their spare parts, components, and automobile assets. It commenced operations fully in 2014 with four vessels. The vessels are chartered through C & I Leasing Plc by various international oil companies. This arrangement has expanded and helped grow the fleet size of C & I Leasing.

OPERATING RESULTS AT A GLANCE

Gross earnings of the group from continuing operations declined from N19.4 billion in 2020 to N18 billion in 2021. Similarly, profit on continuing operations after income tax fell to N31.2 million in 2021 from N321 million in 2020.

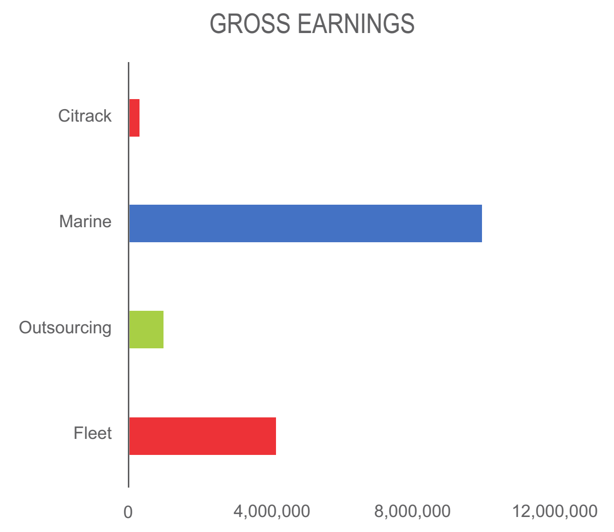
Highlights of the Group's operating results for the year under review are as follows:

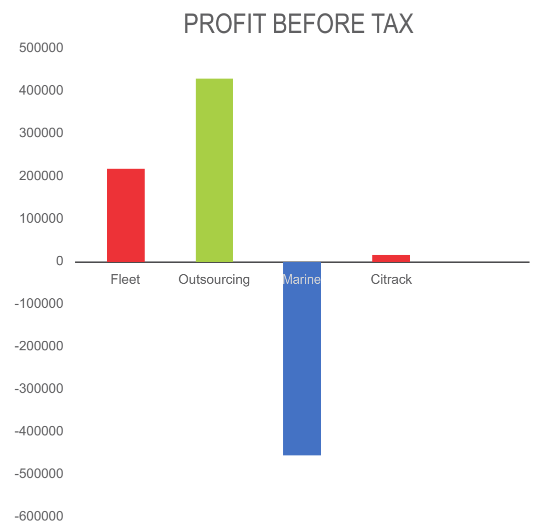
Group's position – December 2021



THE REPORT OF THE
Directors (Continued)

Company's position – December 2021





FINANCIAL PERFORMANCE AND BUSINESS REVIEW

During the year, the economy continued to show signs of recovery from recession, thereby creating a favourable environment for the Company to achieve better results. We focused on increased visibility and rebranding, detailed process reviews and automation initiatives, some of which are still ongoing. We intend to implement the learning outcomes from the process reviews to position the company as the foremost, biggest, and most preferred within the logistics, transportation, telematics, and outsourcing service space with enviable results in all areas of endeavour.

Total assets for the Group grew by 4% to N58.1 billion in 2021 from N55.9 billion in 2020 while shareholders' fund grew by 2.9% from N13.4 billion in 2020 to N13.8 billion in 2021. Likewise, the total liabilities of the Group also declined by 4% from N42.5 billion in 2020 to N44.2 billion in 2021.

For the Company, total assets grew from N44.4 billion in 2020 to N48 billion in 2021 while shareholders' fund declined to N6.2 billion in 2021 from N6.97 billion in 2020. In the same vein the total liabilities increased to N41.8 billion in 2021 from N37.5billion in 2020.

During the year, C & I Leasing Plc received rating reports from both Agusto & Co and Global Credit Rating- GCR as follows:

Agusto & Co:

Rating: Bbb-

Outlook: Stable

Global Credit Rating (GCR):

Short term: A3

Long term: BBB

Outlook: Negative

These were investment grade ratings with the long-term business growth potential considered as strong by both agencies.

OUTLOOK FOR 2022 AND BEYOND

Despite the challenges we faced from the pandemic, and its impact in the oil industry where we have significant investments, we remain intently focused on our strategy for the long term. While understanding that the negative impact of the pandemic will remain in the economy, and by extension the company - beyond 2021- the company is looking at the long term. This has led to a critical review of our internal needs, challenges, and medium-term opportunities. The review has therefore led to the company making some additions to its leadership team. The new additions to our leadership team was a deliberate action - among several other planned actions, to fortify and prepare us for further delivery of sustainable value for all our stakeholders". To take on the new roles are Mr. Ugoji Lenin Ugoji who came in as the Chief Operations Officer cum Deputy Managing Director, Mrs. Adetutu Sanni who assumed the role of Chief Commercial cum Strategy Officer and Mr Muyiwa Oshomoji who will be leading the Marine business development team as the Chief Marketing Officer.

Amidst unpredictable monetary, fiscal, other government policies, high interest rate, likely devaluation of the naira, high cost of doing business as well as the straggling pandemic, we will continue to seek opportunities for growth, and business expansion aimed at improving the profitability of the business and returns on investments to shareholders. Our business shall continue to provide services to our customers with minimal disruption in a safe environment, supported by effective IT solutions. The aim of the company to ensure operational efficiency remains a priority.

As a popular financing tool, leasing provides an important leverage in modern business. Its flexible nature allows it to compete favorably against traditional finance sources such as bank loans, bonds, etc. The leasing industry is expected to blossom, owing to various initiatives of government aimed at supporting the economy, and the increasing relevance of leasing to capital formation.

1. Focus on agriculture will create an extensive market for the leasing business as a whole range of equipment would be required across the agriculture value chain, from planting, harvesting, processing and storage to distribution.
2. Special focus on infrastructure will unlock business opportunities for the leasing industry as specialized and general equipment would be needed to support construction projects (rail, roads, power, and housing etc.)
3. The manufacturing sector including the micro, small and medium enterprises (MSMEs) present significant opportunities for leasing, as the demand for assets for productive ventures is expected to continually increase.
4. Another emerging business opportunity lies in the healthcare and education sectors with appreciable in-roads being made in providing school buses as well as ambulance contracts.

We aim to exert determined efforts to retain undisputed leadership within our market space by optimizing cost across all businesses, increasing operational efficiency, improving on the attitude and culture of our people, aligning our strategies to our goals, and ensuring profit maximization in all our core activities.

DIVIDEND

The dividend history is as shown in the table below. In respect of the current year, the Directors propose no dividend shall be paid due to low financial performance of the Group.

THE REPORT OF THE
Directors (Continued)

In late 2020, C & I Leasing Plc announced the sale the Abraaj's $10m convertible loan stock, managed by Neoma Funds to Peace Mass Transit Limited. Upon conversion, Peace Mass Transit Limited will become the largest shareholder in C&I Leasing Plc.

C & I LEASING PLC DIVIDEND HISTORY

C&I LEASING PLC SHARE CAPITAL HISTORY				
Financial Year End	**Share Capital History**	**Final / Interim**	**Amount Declared (N)**	**Amount Paid (Kobo)**
12-Dec-97	4	Final	23,964,627.10	10
12-Dec-98	5	Final	18,000,000.00	15
01-Dec-99	6	Final	24,000,000.00	10
12-Dec-00	7	Interim	12,000,000.00	5
31-Jan-01	8	Final	24,000,000.00	10
31-Jan-02	9	Final	36,170,935.65	15
31-Jan-03	10	Final	36,000,000.00	15
31-Jan-04	11	Final	40,000,000.00	10
31-Jan-05	12	Final	60,000,000.00	10
31-Jan-06	13	Interim	30,000,000.00	5
31-Jan-06	14	Final	60,000,000.00	10
31-Jan-07	15	Final	80,029,700.00	5
31-Jan-08	16	Interim	96,035,640.00	6
31-Jan-08	17	Final	95,792,821.80	6
31-Jan-09	18	Final	191,585,643.60	12
31-Jan-10	19	Final	42,000,000.00	2
31-Jan-12	20	Final	37,328,059.00	2
31-Dec-13	21	Final	64,680,400.00	4
31-Dec-14	22	Final	129,360,800.00	8
31-Dec-15	23	Final	64,680,400.00	4
31-Dec-18	24	Final	104,381,437.50	7.5
31-Dec-19	25	Final	278,350,500.00	20
31-Dec-20	26	Final	88,457,250.00	5
31-Dec-21	27	Final	-	-

CORPORATE GOVERNANCE FRAMEWORK

At C & I Leasing Plc, we are committed to promoting good corporate governance along with best practices in accordance with applicable laws and regulations in Nigeria, and the requirements of the Nigerian Stock Exchange. This is in compliance with the Code of Corporate Governance in Nigeria. In the conduct of our business, we understand that sound corporate governance practices are a must for continued existence and corporate success. The Company complied substantially with major corporate governance principles during the year under review.

THE BOARD OF DIRECTORS

Board Composition

The Board of Directors consists of nine members, chosen based on their in-depth professional background, expertise, business experience and integrity. The alignment of their unique skills is in tune with the Company's objectives and strategic goals. The Board members are responsible for the oversight of the business and of the Company's risks while evaluating and directing the implementation of controls and procedures including maintenance of sound internal control systems to safeguard shareholders' investments and the Company's assets. They are responsible also for providing good leadership and steering the Company in achieving its long-term goals.

Responsibilities of the Board

The directors owe to the Company the fiduciary duty of loyalty and care. They have continued to carry these out with utmost diligence and in the best interest of the Company, its shareholders, and other stakeholders. The Board meets regularly to perform its stewardship and oversight functions, primary of which are:

1. Review of the Company's goals as well as the strategy for achieving these goals.
2. Review and approval of the Company's financial objectives, plans, actions and significant allocation and expenditure.
3. Review and approval of the annual, half-yearly and quarterly financial statements, as well as annual report and reports to shareholders
4. Ensuring the integrity of the Group's accounting financial reporting systems by establishing mechanisms for monitoring risk, financial controls, and compliance with applicable laws.
5. Review of the performance of, necessity for, and composition of Board Committees and senior management members, as well as approval of the remuneration of the Chairman, Non-Executive Directors and Management.

Record of Directors Attendance at Meeting:

The Board of Directors hold periodic meetings to decide on policy matters and to direct the affairs of the Company, review its operations, finances and formulate growth strategy. The Board agenda and reports are provided ahead of meetings, to enable the Board to make timely and informed decisions.

The Board of Directors held its meetings on the following dates: January 14, 2021, March 29, 2021, April 27, 2021, July 29, 2021, August 24, 2021, September 8, 2021, October 28, 2021 and January 28, 2022. The table below shows the frequency of meetings and Directors' attendance at these meetings during the year under review:

THE REPORT OF THE
Directors
(Continued)

ATTENDANCE FOR BOARD OF DIRECTORS MEETING	NO. OF MEETINGS ATTENDED/NO. OF MEETINGS HELD
DR. SAMUEL MADUKA ONYISHI	8/8
MR CHUKWUEMEKA E. NDU	8/8
MR ANDREW OTIKE-ODIBI	8/8
MR OMOTUNDE ALAO-OLAIFA	8/8
MR. BABATUNDE EDUN	7/8
ALHAJI SADIQ ADAMU	7/8
MRS FLORENCE OKOLI	8/8
MR. TOM ACHODA	8/8
MR. YEMI ABAOLU-JOHNSON	8/8

COMMITTEES

The Board also performs some of its functions through Board Committees in conformity with the Code of Best Practice in Corporate Governance, which allows for deeper attention to specific issues for the Board. The delegation of these functions does not in any way derogate from the discharge by members of their duties and responsibilities. The committees are as follows:

1. Board Operations Committee:

The Board Operations Committee comprises six members, made up of two Executive Directors and four Non-Executive Directors.

The Committee performs oversight functions relating to strategic operational issues and met on April 15, 2021, July 22, 2021, October 20, 2021 and January 26, 2021. Details of members' attendance at the meetings during the year are shown below

ATTENDANCE FOR BOARD OPERATIONS COMMITTEE MEETINGS	POSITION	NO. OF MEETINGS ATTENDED/ NO. OF MEETINGS HELD
MR CHUKWUEMEKA E. NDU	CHAIRMAN	4/4
MR ANDREW OTIKE-ODIBI	MEMBER	4/4
MR. BABATUNDE EDUN	MEMBER	4/4
ALHAJI SADIQ ADAMU	MEMBER	4/4
MRS FLORENCE OKOLI	MEMBER	4/4
MR. TOM ACHODA	MEMBER	4/4

2. Board Risk Committee:

This Committee is tasked with the responsibility of setting and reviewing the Company's risk management process. The coverage of supervision includes the following: Credit Risk, Reputational Risk, Operations Risk, Technology Risk, Market Risk, Liquidity Risk and other pervasive risks as may be

posed by the events in the industry at any point in time. The committee gives recommendations to the Board Operations Committee, the Board of Directors (where necessary) and the Audit Committee on how to mitigate the Company's significant risk. The Board Risk Committee also assesses the adequacy and effectiveness of the Company's management of the risk and compliance function of the Company.

Their functions include, but are not limited to the following:

1. Review of the effectiveness and competence of the Group's risk management procedures and controls for new products and services and make recommendations for approval to the Board and management.

2. Review of the Company's risk management policy framework, quality and strategy.

3. Oversight of management's process for the identification of significant risks across the Company and the capability of prevention, detection and reporting mechanisms.

4. Review of the level of compliance with applicable laws and regulatory requirements which may impact on the Company's risk profile.

5. Review of periodic regulatory compliance and statutory reports, changes in the economic and business environment, emerging trends and other factors relevant to the Company's risk profile.

The Board Risk Committee is made up of four members, comprising one Executive Director and three Non-executive Directors. The Committee met on April 6, 2021, July 19, 2021, October 18, 2021 and January 24, 2022 A record of their attendance at meetings for the year is as detailed below.

ATTENDANCE FOR BOARD RISK COMMITTEE MEETINGS	POSITION	NO. OF MEETINGS ATTENDED/ NO. OF MEETINGS HELD
MR. OLUYEMI ABAOLU-JOHNSON	CHAIRMAN	4/4
MR ANDREW OTIKE-ODIBI	MEMBER	4/4
MR OMOTUNDE ALAO-OLAIFA	MEMBER	3/4
MR. TOM ACHODA	MEMBER	4/4

6. Audit Committee

In accordance with Section 359(3) of the Companies and Allied Matters Act of Nigeria, the Company has an Audit Committee comprising five members made up of two representatives of the Board of Directors nominated by the Board and three representatives of the shareholders elected at the Annual General Meeting for a tenure of one year till the conclusion of the 2020 AGM. Their role is to oversee internal and external audit, compliance with regulatory requirement, accounting and financial reporting systems of the Group. The members have the appropriate qualifications and background to effectively carry out the committee's responsibilities.

Their statutory functions are as follows:

1. ascertain whether the accounting and reporting policies of the Company follow legal requirements and agreed ethical practices.

2. review the effectiveness of the Company's system of accounting and internal control.

3. review the scope and planning of audit requirements.

4. review the finding on management letters in conjunction with the external auditors and responsible departments.

THE REPORT OF THE
Directors (Continued)

5. authorize the internal auditors to carry out investigation into any of the activities of the Company which may be of concern to the committee.

6. make recommendations to the Board as regards the competence of the external and internal auditors, their remuneration and terms of engagement or removal.

The Committee met on March 26, 2021, April 24, 2021, July 19, 2021, October 18, 2021 and January 24, 2022. Details of the members' attendance during meetings held in the year are:

ATTENDANCE FOR AUDIT COMMITTEE MEETINGS	POSITION	NO. OF MEETINGS ATTENDED/NO. OF MEETINGS HELD
COMRADE SULEIMAN ADERENLE	CHAIRMAN (SHAREHOLDER MEMBER)	5/5
MR FEMI ODUYEMI	SHAREHOLDER MEMBER	5/5
SHAREHOLDER MEMBER	SHAREHOLDER MEMBER	5/5
MR OMOTUNDE ALAO-OLAIFA	DIRECTOR	4/5
MR. OLUYEMI ABAOLU-JOHNSON	DIRECTOR	5/5

7. Nomination, Remuneration and Corporate Governance Committee

This Committee is responsible for the approval of human resources matters, identification and nomination of candidates for appointment to the Board and Board governance issues such as annual evaluation of the performance of the Managing Director and the Board, induction and continuous education, approval of promotion of top management staff, corporate governance, succession planning, conflict of interest situations and compliance with legal and regulatory provisions. The Committee is also responsible for the oversight of strategic people issues, including employee retention, equality and diversity as well as other significant employee relations matters. The committee is made up of five Non-executive Directors only.

The Committee met on January 12, 2021, April 13, 2021, July 31, 2021, August 13, 2021, September 3, 2021, October 20, 2021, December 3, 2021 and January 26, 2021. Details of members' attendance at the meetings during the year are as shown below:

ATTENDANCE FOR NOMINATING REMUNERATION & CORPORATE GOVERNANCE COMMITTEE MEETINGS	POSITION	NO. OF MEETINGS ATTENDED/NO. OF MEETINGS HELD
ALHAJI SADIQ ADAMU	CHAIRMAN	8/8
MR CHUKWUEMEKA NDU	MEMBER	8/8
MRS. FLORENCE OKOLI	MEMBER	8/8
MR. OLUYEMI ABAOLU-JOHNSON	MEMBER	8/8

STATEMENT IN RESPECT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for the preparation of the financial statements that give a true and fair view of the financial position of the Company as of 31st December 2021, and the results of its operations, cash flows and changes in equity for the year ended, in compliance with the International Financial Reporting Standards ("IFRS") and in the manner required by the Companies and Allied Matters Act of Nigeria, 2020 and the Financial Reporting Council of Nigeria Act, 2011.

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

1. Keeping proper accounting records that disclose reasonable accuracy of the financial position of the Company and comply with the requirements of the Companies and Allied Matters Act 2020.

2. Establishing adequate internal controls to safeguard its assets, prevent and detect fraud and other irregularities; and

3. Preparing its financial statements using suitable accounting policies supported by reasonable, and prudent judgments and estimates which are consistently applied.

The Directors are of the opinion that the financial statements give a true and fair view of the situation of the Company, of its financial position and of its profit or loss. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements. Adequate systems of internal financial control as the Directors determine, is necessary to ensure that the financial statements are free from material misstatement whether due to fraud or error.

Nothing has come to the attention of the Directors to indicate that the Company will not remain a going concern in the year ahead.

DIRECTORS DECLARATION

The directors declare that none of them have:

1. ever been convicted of an offence resulting from dishonesty, fraud, or embezzlement.

2. ever been declared bankrupt or sequestrated in any jurisdiction; at any time being a party to a scheme of arrangement or made any other form of compromise with their creditors.

3. ever been found guilty in disciplinary proceedings by an employer or regulatory body, due to dishonest activities.

4. ever been involved in any receiverships, compulsory liquidations, or creditors' voluntary liquidations.

5. ever been barred from entry into a profession or occupation; or

6. ever been convicted in any jurisdiction for any criminal offence under any Nigerian legislation.

THE REPORT OF THE
Directors (Continued)

SHAREHOLDING STRUCTURE.
The analysis of shareholding in the Company as of December 31, 2021 was as follows;

LIST OF SUBSTANTIAL INTEREST IN SHARES AS OF 31 DECEMBER, 2021

Shareholder	Number of shares held	% of Shareholding
PMT GLOBAL INVESTMENTS NIG LTD	209,806,920	26.84%
CIL ACQUICO LIMITED	154,455,747	19.76%
PETRA PROPERTIES LTD	40,304,265	5.16%
GRAND TOTAL	404,566,932	51.76%

Other than the individuals/entities disclosed in the table above, no other individual(s) or entity hold(s) 5% and above of the issued and fully paid shares of the Company and this has been confirmed by the Company's Registrars.

C & I LEASING PLC. DIRECTORS SHAREHOLDING AS OF CLOSE OF BUSINESS 31 DECEMBER 2020.

C & I LEASING PLC DIRECTORS SHAREHOLDING AS OF CLOSE OF BUSINESS 31 DECEMBER 2020

S/No.	NAMES	% TOTAL OUTSTANDING	TOTAL (DEC 2020)	SHAREHOLDING DIRECT (DEC 2020)	SHAREHOLDING INDIRECT (DEC 2020)	INDIRECT HOLDER
1	OKOLO H.C. (CHAIRMAN)	0.00%	-	-		
2	NDU CHUKWUEMEKA E. - (VICE-CHAIRMAN)	8.49%	66,329,264	24,999	66,304,265	PETRA PROPERTIES
5	KHOLI JACOB	0.00%	-	-	-	AUREOS WEST AFRICA FUND LLC
6	UGBOMA PATRICK SULE	2.57%	20,104,166	20,104,166		
3	OMOTUNDE ALAO-OLAIFA	4.48%	35,000,088	-	35,000,088	LEADWAY ASSURANCE CO. LTD
4	LARRY OLUGBENGA ADEMESO	2.78%	11,227,427		11,227,427	CUSTODIAN AND ALLIED INSUR.
7	OTIKE-ODIBI ANDREW - (MANAGING DIRECTOR)	1.30%	10,150,000	10,150,000		
8	ALEX MBAKOGU	0.09%	714,583	714,583		
9	BABATUNDE EDUN	0.24%	1,867,074	1,867,074		
	DIRECTORS TOTAL		145,392,602	32,860,822	112,531,780	
	% OF TOTAL		18.60%	4.20%	14.40%	
	TOTAL OUTSTANDING SHARES		781,646,167	781,646,167	781,646,167	

C & I LEASING PLC. DIRECTORS SHAREHOLDING AS OF CLOSE OF BUSINESS 31 DECEMBER 2021.

C & I LEASING PLC DIRECTORS SHAREHOLDING AS OF CLOSE OF BUSINESS 31 DECEMBER 2021

S/No.	NAMES	% TOTAL OUTSTANDING	TOTAL (DEC 2021)	SHAREHOLDING DIRECT (DEC 2021)	SHAREHOLDING INDIRECT (DEC 2021)	INDIRECT HOLDER
1	SAMUEL MADUKA ONYISHI (CHAIRMAN)	26.84%	209,806,920	-	209,806,920	PMT GLOBAL INVESTMENTS NIG LTD
2	NDU CHUKWUEMEKA E. - (VICE-CHAIRMAN)	5.20%	40,663,831	359,566	40,304,265	PETRA PROPERTIES
3	OMOTUNDE ALAO-OLAIFA	4.48%	35,000,088	-	35,000,088	LEADWAY ASSURANCE CO. LTD
4	OTIKE-ODIBI ANDREW - (MANAGING DIRECTOR)	1.36%	10,625,044	10,625,044	-	
5	UGOJI LENIN UGOJI	0.00%	-	-	-	
6	BABATUNDE EDUN	0.00%	-	-	-	
7	SADIQ ABUBAKAR ADAMU	0.00%	-	-	-	
8	FLORENCE OKOLI	0.00%	-	-	-	
9	TOM OKO ACHODA	0.00%		-	-	
10	OLUYEMI PETER ABAOLU-JOHNSON	0.00%	-	-	-	
	DIRECTORS TOTAL		296,095,883	10,984,610	285,111,273	
	% OF TOTAL		37.88%	1.41%	36.48%	
	TOTAL OUTSTANDING SHARES		781,646,167	781,646,167	781,646,167	

Directors' Remuneration

The Company ensures that remuneration paid to its directors complies with the provisions of the codes of corporate governance issued by its regulators. In compliance with Section 34(5) of the Code of Corporate Governance for Public Companies as issued by the Securities and Exchange Commission, the Company makes disclosure of the remuneration paid to its directors as follows:

Type of Package	Description	Timing
Basic Salary	Part of gross salary package for Executive Directors only. - Reflects the in competitive salary package and the extent to which the Company's object have been met for the financial year.	Paid during the financial year
13th month salary	Part of gross salary package for Executive Directors only. Reflects the industry's competitive salary package and the extent to which the Company's objectives have been met for the financial year.	Paid last month of the financial year
Director fees	Paid annually on the day of the Annual General Meeting ('AGM') to Non-Executive Directors only.	Paid annually on the day of the AGM.
Sitting allowances	Allowances paid to Non-Executive Directors only for attending Board and Board Committee Meetings.	Paid after each Meeting.

THE REPORT OF THE

Directors (Continued)

SHAREHOLDING STRUCTURE AS AT DECEMBER 31, 2021

C & I LEASING PLC RANGE ANALYSIS AS OF CLOSE OF BUSINESS 31 DECEMBER 2021

Range	No Of Holders	Percentage	Unit	Percentage
1 - 10000	14,542	89.49	28,188,714	3.61
10001 - 50000	1,338	8.24	28,402,765	3.63
50001 - 100000	141	0.88	10,022,168	1.28
100001 - 500000	178	1.08	35,969,934	4.60
500001 - 1000000	15	0.09	10,342,898	1.32
1000001 - 5000000	19	0.11	34,361,747	4.40
5000001 - 10000000	5	0.03	36,757,395	4.70
10000001 - 50000000	12	0.07	253,638,945	32.45
50000001 - 100000000	-	-	-	-
10000001 - 500000000	2	0.01	343,961,601	44
Grand Total	**16,252**	**100**	**781,646,167**	**100**

C & I LEASING PLC RANGE ANALYSIS AS OF CLOSE OF BUSINESS 31 DECEMBER 2020

Range	No Of Holders	Percentage	Unit	Percentage
1 - 10000	14,645	89.08	28,571,075	3.66
10001 - 50000	1,381	8.40	29,392,535	3.76
50001 - 100000	161	0.98	11,499,067	1.47
100001 - 500000	190	1.16	37,776,884	4.83
500001 - 1000000	23	0.14	16,721,933	2.14
1000001 - 5000000	19	0.12	34,907,727	4.47
5000001 - 10000000	7	0.04	51,727,295	6.62
10000001 - 50000000	12	0.07	234,001,464	29.94
50000001 - 100000000	1	0.01	66,304,265	8.48
10000001 - 500000000	2	0.01	270,743,922	34.64
Grand Total	**16,441**	**100**	**781,646,167**	**100**

C & I Leasing Plc
2021 Annual Report & Account

POST BALANCE SHEET EVENTS

There were no significant events after the balance sheet date that could affect the reported amount of assets and liabilities as of balance sheet date.

HUMAN RESOURCES

The Human Resources team has always been charged with the general wellness of the entire staff of C & I Leasing Plc, this includes corporate wellness, financial wellness, physical, mental and overall health care, among others.

Skills and Competencies

An extensive staff audit of all the roles in the organisation was carried out to critically examine job responsibilities and update job descriptions to ensure we have the right employees, doing the right jobs at the right time, as well as ensure there are successors in case of exits, for business continuity. Strategies for ensuring these gaps are closed are the upskilling of existing hires with diverse training interventions and hiring people with the required skills. This task was strategically carried out to cover the next three years which is our short-term goal. Works are ongoing for longer foresights and our long term goal.

Settlement of corporate disputes through Collective Bargaining Agreements (CBA)

The Marine CBA was concluded and the outcome was the harmonisation of salary to similar elements. Still on CBA, we also Signed off another CBA with Merchant Navy (Officers' Union for the Marine business).

Change management

The team Commenced change management following the new leadership in the organisation.

Employee Wellbeing

In terms of our health insurance, an additional Health management organisation (HMO) was introduced to give members of staff options to choose from for maximum employee experience and satisfaction of our health insurance benefit.

Drivers' Performance Management

For our road champions, we introduced a new parameter to better monitor our chauffeur's performance through the financial year by ensuring that they are properly inducted into the system, and that their appraisals were carried out and Concluded company-wide.

Culture Drive

Following an already existing and identified culture gap in the organisation, the HR team were charged with the responsibility of driving a company-wide engagement of the entire C&I leasing staff, to create awareness of the current culture journey. We identified organisations we intend to Mirror in terms of their cultural definitions. These companies include Stanbic IBTC, Guinness Nigeria Plc, Sterling Bank, because of their culture of performance, mentorship and best place to work practices.

Employee Communication

The Company places considerable value on employee engagement and has continued the practice of keeping employees informed on relevant issues through timely electronic communication (via mails,
intranet and other electronic channels and employee events or forums. For business continuity amidst COVID -19 pandemic restriction, majority of staff continued to Work from Home (WFH) to curb the spread of the virus. With this, most meetings, forums, and events including the weekly PEP Talks and other employee-focused events were held successfully via virtual modes (Microsoft Teams and Zoom).

THE REPORT OF THE
Directors (Continued)

Health, Safety & Environment

Safeguarding the health and safety of employees, customers and visitors of C&I LEASING PLC is a fundamental concern for all levels of management. The primary objective of our HSE program is to identify and eliminate all health, safety, and environmental hazards.

The passion, professionalism, and commitment of our safety and security team to reducing risk, protecting people and the environment and to saving lives are impressive. We are proud to lead a team dedicated to upholding the core principle that everybody, no matter their job, deserves a safe working environment. Our Safety and Security team played a significant role in supporting the company's effort to tackle the COVID-19 pandemic. Colleagues working together across our organization nationwide have been key in delivering support, reassurance, protection and enforcement where required.

Considering the pandemic in the year under review, the management of C&I leasing through the health and safety unit and corporate communications, designed a sensitization program to improve the overall safety culture of staff and visitors and help define behaviour in public places. Increased attention was placed on helping staff and visitors alike prevent the spread of the COVID-19 virus through clear cut communication on posters and signages, mails, intranet, and all mobile platforms. In entrenching the safety culture, trainings, safety inductions, emergency drills, safety inspection and safety audits were carried out regularly while observing all COVID-19 safety protocols.

Some of our key achievements includes, leading and engaging with other units to improve workplace health and safety; providing an effective regulatory framework; securing effective management and control of risk; reducing the likelihood of low-frequency, high-impact catastrophic incidents; enabling improvement through efficient and effective delivery. These were achieved through various well-coordinated programs and activities of the unit.

During the year 2020 we keenly re-strategized for the future in a bid to not only ensure that we remain relevant in an ever-changing world of work, but that our activities speak directly to the vision of the company. The unit will pay more attention to achieving the following;

1. Improved Inter-agency collaboration with security outfits and other law enforcement agencies.

2. Secure a sustainable financial future for Safety and Security operations by improving performance through data, relevant certifications and the use of Information Technology

3. Continue to focus our activity on tackling ill health as part of the Heath and Work program

4. Do more on staff engagement through trainings, meetings, learning from incidents (LFI), other forms of proactive and effective engagements.

5. Engender more cordial relationship with our clients and customers by sharing learning that can influence workplace health safety and security performance.

C&I Leasing Plc is ESG compliant and possesses the required criteria. Environmental, Social and Governance (ESG) criteria are a set of standards for a company's operations that socially conscious investors use to screen potential investments. Environmental criteria consider how a company performs as a steward of nature. Social criteria examine how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights.

Information Technology
Digital Transformation
The Company places priority on its Digital first approach to tools and business processes.

The Information Technology (IT) Group is aligned and committed to an immediate realization of business value through technology. In alignment to the vision, IT is executing its plan to digitally transform the business using technology as an enabler.

The anchor of our transformation journey is under five (5) pillars which is reflective of the digital products rolled out in Outsourcing, Marine, Fleet management & C&I Finance.

Five Pillars
1. Data and Analytics
2. Automation
3. Optimizing Infrastructure
4. Legacy Modernization
5. Cyber Security

Standardization, Regulatory Compliance & Cyber Security

The Company places considerable value on the law of the land and adherence to empowered regulatory standards, global standards, and best practice.

This is demonstrated by adhering to ISO 9001 recommendation for our business process, Information Technology Infrastructure Library (ITIL) for Service management, agile methodology for our Project delivery and modern cyber security tools.

Standards from National Information Technology Development Agency (NITDA), Central Bank of Nigeria (CBN), SEC, NSE, and Nigerian Maritime Administration and Safety Agency (NIMASA) are integral in our product and business process planning.

Business Continuity & Disaster Recovery
At the heart of the company's operation, we have shown resilience in coping with unexpected service failure or mandatory changes in the mode of operation in times of emergency or a pandemic like the world experienced in 2020.

Backup/restore strategy and cloud services have been deployed to support borderless work and an agile workforce.

Corporate Strategy Unit
C & I Leasing Plc has created a Corporate Strategy unit effective 1st January 2020 to ensure sustainability into the future as she enters her fourth decade of existence.

The unit is charged with formulation and tracking of organizational strategies at the corporate, business, and functional levels and to ensure strategy execution to meet her corporate values and objectives as well as meet customers' and other stakeholders' expectations.

In meeting customers' expectations through our value propositions, the overarching corporate strategy will be cascaded through the strategies of the business units down to functions within the units.

By conducting periodic and regular environmental scans, the Unit will provide market and macroeconomic intelligence and insights that will guide strategic decision making by the organization both at corporate executive level as well as at unit managerial levels. In addition, regular customer engagements will provide insights into the company's various products and services in terms of customer perception, acceptance, status, and prospects.

The Corporate Strategy unit will work in synergy with the support units as well as the Business units in executing its mandate. A robust relationship with the IT, FINCON, Treasury, Audit Risk and Compliance (ARC- formally Internal Audit), Human Resources as well as HSES is critical to the successful discharge of the unit's duties.

THE REPORT OF THE
Directors (Continued)

Supply Chain Management

Our supply chain management (SCM) unit has evolved from the traditional purchasing and procurement function to a robust and integrated unit poised to give a very strong business support to the entire operations of C&I Leasing Plc.

Our vision is to transform the supply chain management of our organization into a world class system to become a safety valve with a view to providing a strong competitive edge in the industry.

The supply chain activities cover all head office functions, remote offices across Nigeria as well as the huge Marine operation. The SCM unit is tailor-made to support the unique nature of different business units within the group.

Rather than operating in silos, supply chain management of C & I Leasing Plc connects the entire business together [internal/external stakeholders], managing cashflow, instituting quality business processes, efficient inventory management system, fast logistics, efficient communications and information flow, and transparent reporting system to ensure value creation across operations. Suppliers are turned to business partners to render meritorious services to delight our customers and our honourable shareholders.

The Supply chain management unit is very important because it increases competitiveness and customer satisfaction and thus plays an integral part in C&I Leasing Plc's success which means we get value for our money. At C & I Leasing, we give attention to transparency in operations, stakeholders alignment and clarity of roles to enhance efficient business processes resulting to a reduced operational cost – both tangible and intangible.

To strongly support the cost optimization drive of the organization especially amidst the turbulent economic environment, the structure of SCM is designed to strike the right balance between strategic and operational functions with strategic function being managed on category basis viz:

1. General supplies/services: Focuses on all non-production activities and selling, general and administrative expenses including head office purchases, services, and fuel. The coverage cuts across all our operating locations in Nigeria with order consolidation as a key working model.

2. Fleet Management: Focuses on providing vehicles to clients, taking charge of operations, including vehicle maintenance. The current supply chain design is tailored to ensure we always get commensurate value for money especially in the fleet management category.

3. Marine Operations: Operation is in the Niger Delta which forms the biggest business within C&I Leasing Group. Its uniqueness means a customized supply chain design is required to support the operation which is exactly what is now operational.

The operational aspect of C&I Leasing's supply chain management integrates the logistics functions with warehousing, managed by well-trained and experienced professionals. Our warehouses are in two major catchment areas in the country, namely Lagos and Abuja, Port Harcourt, and the southern regions.

We are therefore, committed to continuous improvement as we focus on massive future business expansion.

AUDIT, RISK AND COMPLIANCE (ARC)

C & I Leasing Plc has a well-established internal control system for identifying, managing, and monitoring risk.

These are designed to provide reasonable assurance that the risks facing the business are being controlled. The corporate internal audit function of the Company plays a key role in providing an objective view, and continuing assessment of effectiveness of internal control systems in the business. The system of internal controls is implemented and monitored by appropriately trained personnel and their duties and reporting lines are clearly defined. The reports of the internal Audit are reviewed by the Audit Committee. Internal Audit functions according to a risk-based audit plan approved once a year by the audit committee.

They also perform periodic ad-hoc audits on some certain aspects of the Company which is complemented by the annual audit exercise conducted by the external auditors.

ANTI-MONEY LAUNDERING

C & I Leasing Plc is committed to establishing exemplary anti-money laundering practices and ensuring that the Company is not used as a conduit for money laundering or other illicit business. The Group has adopted procedures emanating from the Money Laundering (Prohibition) Act, 2011 (MLPA), as well as the Central Bank of Nigeria Anti-Money Laundering/ Combating the Financing of Terrorism (AML/CFT) Regulation. It also complies with and implements the requirements of all domestic and international laws and regulations on anti-money laundering with a view to instituting efficient procedures and contributing to the global efforts against money laundering and terrorist financing. The Group's firm commitment to make contributions aimed at combating money laundering and terrorist funding is driven by its desire to uphold the integrity of the financial systems, to protect its reputation and to safeguard the interests of all its stakeholders.

WHISTLEBLOWING POLICY

C & I Leasing Plc conducts its business on the principles of fairness, honesty, openness, decency, integrity, and respect in line with its core values (F.I.R.E.S-Fairness, Integrity, Responsibility, Excellence and Safety). The Group is committed to the highest standards and supports ethical behaviour by helping to foster and maintain an environment where employees and other stakeholders can act appropriately, without fear of reprisal. In ensuring a high ethical standard in all its business activities, the Company has established a code of ethics that set out the standard of conduct expected in the management of its businesses across the Group. Hence, the Whistleblowing Policy and Procedure provides a channel for the Group`s employees and other relevant stakeholders to raise concerns about workplace malpractices, in a confidential manner in

THE REPORT OF THE
Directors (Continued)

compliance with the Securities Exchange Commission's (SEC) Corporate Governance guidelines.

COMPLAINTS MANAGEMENT POLICY

The Complaint Management Policy of C & I Leasing Plc is in compliance with the Securities and Exchange Rule on complaints management by public companies which became effective in 2015.

CODE OF CONDUCT ON SECURITIES TRADING:

The company has adopted a Conflict-of-Interest Policy in compliance with the provisions of the Nigerian Stock Exchange Rules and other sister rules on the prohibition of insider dealings. The Directors have also complied with the policy and the provisions of the NSE Rules.

CORPORATE SOCIAL RESPONSIBIITY

Scholarship for beneficiaries in schools across various regions.

C& I Leasing Plc continues to sponsor our beneficiaries in schools in Abuja, Lagos, and Rivers state. Some of the beneficiaries are seen all smiles in the photos below:

The list of children Sponsored by C&I Leasing Plc

SN	NAME	CLASS	SCHOOL
1.	MORGAN WOGU	BASIC 3	PERISSOS CHARIS INTERNATIONAL SCHOOL
2.	ARIOLU BLESSING	SS3	MEVED/ MODEL INTERNATIONAL SCHOOL OGINIGBA PH
3.	MIRACLE WELI	SS2	MEVED/MODEL SCHOOL INTERNATIONAL SCHOOL
4.	SHALLOM BONIFACE	SS2	GOVERNMENT SCIENCE SECONDARY SCHOOL
5.	ARIOLU LIGHT	SS1	HOME OF WISDOM INTERNATIONAL SCHOOL
6.	ODUM JESSY OMASIRICHI	SS1	QUEENS BERRY INTERNATIONAL SCHOOL
7.	ACHOR-AMADI CHIMEKA MALVIN	JSS3	LINTEL INTERNATIONAL SCHOOL
8.	UGUKA TOCHUKWU	BETHESDA CHILD SUPPORT AGENCY	N/A
9.	JOSHUA GODSTIME	BETHESDA CHILD SUPPORT AGENCY	N/A
10.	TEMIYEOLUWA FOLORUNSHO	BETHESDA CHILD SUPPORT AGENCY	N/A
11.	OJOKOTABITHA	BETHESDA CHILD SUPPORT AGENCY	N/A

C&I leasing continues to contribute to youth empowerment and employability by supporting its host communities in training, skill acquisition, and provision of internship opportunities for skilled graduates, unskilled workers, and cadets in its marine operations. We also contribute to Youth Empowerment & Employability through NYWWSC & Internship

INDEPENDENT AUDITORS

A resolution will be proposed at the Annual General Meeting to authorize the Directors to fix the remuneration of the auditors, Ernst & Young Global Limited (Chartered Accountants).

Dated July 29, 2022

By Order of the Board

MBANUGO UDENZE & CO.
(COMPANY SECRETARY)

LEASING PLC

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Off Bisola Durosinmi Etti Drive,
Off Admiralty Way, Lekki Phase 1, Lagos

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AUDIT COMMITTEE REPORT TO THE MEMBERS OF C & I LEASING PLC.

In accordance with the statutory provisions of Section 404 (1) of the Companies and Allied Matters Act 2020, the members of the Audit Committee of C & I Leasing Plc. report on the Company's Financial Statement for the year ended 31st December 2021.

We confirm that we examined the scope and planning of audit requirements; reviewed the external Auditors' Management Letter for the year ended 31st December 2021 together with the management response which we considered satisfactory. We also ascertained that the accounting policies and reporting policies of the Company for the period under review are in accordance with legal requirements and standard ethical practices.

The External Auditors confirmed that all necessary co-operations were received from management and that the audit of the company's account was carried out in an independent environment and they have also given an unqualified audit report for the year ended December 31, 2021.

Dated this 25th day of July 2022.

CHRISTIE O. VINCENT-UWALAKA
FRC/2013/ICAN/00000002666

For: Audit Committee

Members of the Audit Committee

Comd. S.B. Adenrele
Mr. Femi Oduyemi
Mrs Christie O. Vincent-Uwalaka
Mr. Omotunde Alao-Olaifa
Mr. Oluyemi Abaolu-Johnson

C & I Leasing Plc

Consolidated Financial Statements 31st Dec. 2021

C & I LEASING PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

In accordance with the provisions of the Companies and Allied Matters Act, Laws of the Federation of Nigeria 2020, and the Financial Reporting Council Act No. 6, 2011, the Directors are responsible for the preparation of consolidated financial statements which give a true and fair view of the state of affairs of the Group for the year ended 31 December 2021, and of the financial performance for the year and of its profit or loss and other comprehensive income for the year. The responsibilities include ensuring that the Group:

(a) keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the group and comply with the requirements of the Companies and Allied Matters Act;

(b) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities;.

(c) prepares its consolidated financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates that are consistently applied; and

(d) it is appropriate for the consolidated financial statements to be prepared on a going concern basis unless it is presumed that the Group will not continue in business.

The Directors accept responsibility for the accompanying consolidated financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011 and in manner required by the Companies and Allied Matters Act, 2020.

The Directors are of the opinion that the accompanying consolidated financial statements give a true and fair view of the state of the financial affairs of the Group and of the financial performance for the year, in accordance with the requirements of the Financial Reporting Council of Nigeria Act, No 6, 2011 and the Companies and Allied Matters Act, 2020, the Banks and Other Financial Institutions Act, 2020 and other relevant Central Bank of Nigeria circulars.

The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the consolidated financial statements, as well as adequate systems of financial control.

Nothing has come to the attention of the Directors to indicate that the Group will not remain a going concern for at least twelve months from the date of this consolidated financial statements.

Signed on behalf of the Directors by:

Emeka Ndu
Vice Chairman
FRC/2013/ICAN/00000003955
Dated: 24 March 2022

Ugoji Lenin Ugoji
Managing Director
FRC/2015/NIM/00000012363
Dated: 24 March 2022

PKF Professional Services

Accountants & business advisers

Independent Auditor's Report

To the Shareholders of C&I Leasing Plc

Opinion

We have audited the accompanying consolidated financial statements of C & I Leasing Plc and its subsidiaries (together, "the Group'') which comprise the consolidated statement of financial position as at 31 December 2021, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with the requirements of the Financial Reporting Council of Nigeria Act, 2011, the Companies and Allied Matters Act, 2020, the Banks and Other Financial Institutions Act, 2020 and other relevant Central Bank of Nigeria Circulars and Guidelines.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year.These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.The key audit matters below relate to the audit of the consolidated financial statements.

Key Audit Matter	How the matter was addressed in the audit
Loans and advances ,finance lease receivables and plant and equipment for lease receivable - Impairments The loans and advances ,finance lease receivables and plant and equipment for lease receivable constitute significant portion of the Group's total assets, as a major component of the Group's financial intermediation function revolves round financial assets. The International Financial Reporting Standards (IFRS 9) - Financial Instruments introduces the expected credit loss model (ECL) for recognizing impairments for financial assets.	We focused our testing of impairment on loans and advances,finance lease receivables and plant and equipment for lease receivable on the assumptions of management and in line with IFRS 9. We reviewed the IT general controls governing the IFRS reporting process employed by the Group in assigning PD's to the financial assets.

Accountants & business advisers

Key Audit Matter	How the matter was addressed in the audit
The ECL model involves the application of considerable level of judgement and estimation in determining inputs for ECL calculation such as: • determining criteria for assigning Probabiliy of Default rates (PD Rates) • assessing the relationship between the quantitative factors such as default and qualitative factors such as macro-economic variables. • incorporating forward looking information in the model building process • factors incorporated in determining the Probability of Default (PD), the Loss Given Default (LGD), the Recovery Rate and the Exposure at Default (EAD) • factors considered in cash flow estimation including timing and amount Given the level of complexity and judgement involved in determining of the ECL, and also the material nature of the balance. We considered the valuation of the loans and advances,finance lease receivables and plant and equipment for lease receivable impairment allowance to be a key audit matter in the consolidated financial statements.	Our audit procedures included: • Obtained a detailed understanding of the default definition(s) used in the ECL calculation. • Tested the underlying data behind the determination of the probability of default by agreeing same to underlying supporting documentation. • Critically evaluating the determination of the expected cash flows used in assessing and estimating impairments and the reasonableness of any assumptions. • Evaluate whether the model used to calculate the recoverable amount complies with the requirement of IFRS 9. • Examined the criteria used to allocate loans and advances to customers,finance lease receivables and plant and equipment for lease receivable under stages 1, 2 and 3. • For loans and advances,finance lease receivables and plant and equipment for lease receivable classified under stages 1 and 2, we selected material balances and reviewed the repayment history for possible repayment default. • For loans and advances,finance lease receivables and plant and equipment for lease receivable classified under stage 3, we tested all the assumptions considered in the estimation of recovery cash flows, the discount factor, and timing of realization. • Tested the disclosures to ensure that the required disclosures under IFRS 9 have been appropriately disclosed.

Other Information
The directors are responsible for the other information. The other information comprises the Chairman's statement, Directors' Report; Audit Committee's Report, Corporate Governance Report and Company Secretary's report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appeared to be materially misstated.

If based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors and Those Charged with Governance for the Consolidated Financial Statements
The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the Financial Reporting Council of Nigeria Act, 2011, the Companies and Allied Matters Act, 2020, the Banks and Other Financial Institutions Act, 2020 and other relevant Central Bank of Nigeria Circulars and Guidelines and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the

Group's internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

• Conclude on the appropriateness of the director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's

report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

• Obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements
In accordance with the requirement of fifth Schedule of the Companies and Allied Matters Act, 2020, we confirm that:

i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

ii) Proper books of account have been kept by the Company, in so far as it appears from our examination of those books;

iii) The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

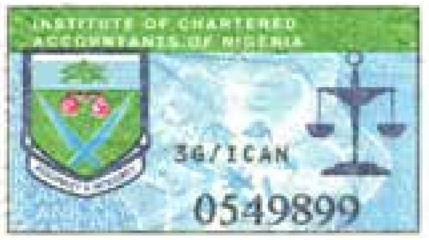
In compliance with the Banks and Other Financial Institutions Act, 2020 and circulars issued by Central Bank of

Nigeria, we confirm that:

i) No contratvention of the provisions of the Banks and Other Financial Institutions Act, 2020 and Central Bank of Nigeria circulars was brought to our attention.

ii) Related party transactions and balances are disclosed in Note 52 to the consolidated financial statements in compliance with Central Bank of Nigeria circular BSD/1/2004.

Benson Adejayan, FCA
FRC/2013/ICAN/02226
For: PKF Professional Services
Chartered Accountants
Lagos, Nigeria
Dated: 24 March 2022



C & I LEASING PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

		Group		Company	
	Notes	**31 December 2021 N'000**	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
Assets					
Cash and balances with banks	9.	**3,190,044**	1,418,970	**2,932,822**	1,155,040
Loans and advances	10.	**801,289**	499,410	**789,831**	481,520
Finance lease receivables	11.	**1,731,255**	2,286,385	**1,731,255**	2,286,385
Investment securities at fair value through other comprehensive income	12.	**9,668**	7,335	**9,668**	7,335
Trade and other receivables	13.	**7,994,897**	6,556,968	**12,121,664**	9,745,067
Other assets	14.	**9,102,404**	7,781,508	**9,496,613**	8,075,922
Investment in subsidiaries	15.	**-**	-	**759,467**	759,468
Investment in joint ventures	16.	**2,857,475**	2,470,856	**2,857,475**	2,470,854
Intangible assets	17	**40,531**	431	**40,442**	-
Plant and equipment for lease	18	**30,223,322**	32,631,064	**15,276,079**	17,437,838
Property,plant and equipment	19	**1,291,555**	1,438,021	**1,164,502**	1,204,575
Deferred income tax assets	23.4	**891,383**	854,607	**854,607**	854,607
Total assets		**58,133,823**	55,945,555	**48,034,425**	44,478,612
Liabilities					
Balance due to banks	20.	**978,197**	928,135	**978,185**	918,761
Commercial notes	21.	**11,501,026**	15,438,233	**11,602,430**	15,438,232
Trade and other payables	22.	**5,919,283**	4,770,861	**5,456,059**	3,551,866
Current income tax liability	23.2	**448,326**	220,271	**347,432**	242,613
Deposit for shares	27.	**1,975,000**	1,975,000	**1,975,000**	1,975,000
Loans and borrowings	24.	**23,449,435**	19,170,768	**21,475,473**	15,374,818
Deferred income tax liability	23.5	**-**	13,545	**-**	-
Total liabilities		**44,271,267**	42,516,813	**41,834,579**	37,501,290
Equity					
Share capital	25.2.	**390,823**	390,823	**390,823**	390,823
Share premium	25.3.	**3,361,609**	3,361,609	**3,361,609**	3,361,609
Retained earnings	26.	**3,216,793**	3,583,738	**467,963**	989,145
Other reserves:					
- Statutory reserve	28.	**1,295,389**	1,262,039	**873,770**	873,770
- Statutory credit reserve	29.	**351,372**	625,728	**380,152**	638,779
- Foreign currency translation reserve	30.	**3,646,958**	2,856,142	**-**	-
- Fair value reserve	31.	**9,039**	6,706	**9,039**	6,706
- Assets revaluation reserve	32.	**716,490**	716,490	**716,490**	716,490
		12,988,473	12,803,275	**6,199,846**	6,977,322
Non-controlling interest	33.	**874,083**	625,467	**-**	-
Total equity		**13,862,555**	13,428,742	**6,199,846**	6,977,322
Total liabilities and equity		**58,133,823**	55,945,555	**48,034,425**	44,478,612

These consolidated financial statements were approved by the Board of Directors on **24 March 2022** and signed on its behalf by:

Emeka Ndu	**Ugoji Lenin Ugoji**	**Alexander Mbakogu**
Vice Chairman	**Managing Director**	**Chief Operation Officer**
FRC/2013/ICAN/00000003955	FRC/2015/NIM/00000012363	FRC/2015/ICAN/00000011740

The accompanying notes and significant accounting policies form an integral part of these consolidated financial statements.

C & I LEASING PLC

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

		Group		Company	
	Notes	**31 December 2021 N'000**	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
Gross earnings		**18,041,980**	19,416,685	**15,166,097**	14,709,508
Lease income	34.	**14,387,198**	16,071,637	**10,868,825**	11,047,956
Lease expense	35.	**(5,812,006)**	(6,453,783)	**(6,824,534)**	(5,989,985)
Net lease income		**8,575,192**	9,617,854	**4,044,291**	5,057,971
Net outsourcing income	36.	**1,178,821**	1,602,430	**1,178,821**	1,602,430
Tracking income	37.	**153,639**	178,123	**153,639**	178,123
Tracking expense	37.	**(83,202)**	(54,138)	**(83,202)**	(54,138)
Net tracking income		**70,437**	123,985	**70,437**	123,985
Interest income	38.	**37,791**	109,796	**7,508**	17,593
Investment income	39.	**1,546,631**	668,643	**2,261,493**	1,117,883
Other operating income	40.	**146,280**	404,802	**104,191**	364,269
Impairment (charge)/write back	41.	**(141,879)**	(3,206)	**(78,700)**	46,001
Depreciation and amortisation expense	42.	**(4,188,723)**	(4,006,717)	**(2,057,542)**	(1,712,618)
Personnel expenses	43.	**(1,285,344)**	(1,376,966)	**(1,143,973)**	(1,217,244)
Distribution expenses	44.	**(7,183)**	(17,378)	**(5,835)**	(16,244)
Other operating expenses	45.	**(948,436)**	(1,535,651)	**(593,366)**	(1,200,605)
Operating profit		**4,983,587**	5,587,592	**3,787,326**	4,183,420
Finance cost	46.	**(5,033,310)**	(5,478,718)	**(4,180,417)**	(4,145,342)
Share of profit from joint venture	16.1	**591,620**	381,254	**591,620**	381,254
Profit on continuing operations before taxation		**541,897**	490,128	**198,529**	419,332
Income tax expense	23.1	**(510,617)**	(168,890)	**(394,820)**	(149,269)
Profit/(loss) for the year after tax		**31,280**	321,238	**(196,291)**	270,063
Profit/(loss) attributable to:					
Owners of the parent		**(24,431)**	310,508	**(196,291)**	270,063
Non-controlling interests	33.	**55,711**	10,730	**-**	-
		31,280	321,238	**(196,291)**	270,063
Basic (loss)/earnings per share [kobo]	47.	**(3.13)**	39.72	**(25.11)**	34.55
Diluted (loss)/earnings per share [kobo]	47.	**(1.38)**	17.55	**(11.10)**	15.27
Items that will be subsequently reclassified to profit or loss					
Translation of foreign operations gain	30.	**983,721**	1,195,086	**-**	-
Items that will not be reclassified to profit or loss					
Loss on investment securities at fair value through other comprehensive income	31.	**2,333**	1,773	**2,333**	1,773
Other comprehensive income (net of tax)		**986,054**	1,196,858	**2,333**	1,773
Total comprehensive income (net of tax)		**1,017,334**	1,518,096	**(193,958)**	271,836
Attributable to:					
Owners of the parent		**770,923**	1,133,015	**(193,958)**	271,836
Non-controlling interest	33.	**246,411**	385,081	**-**	-
		1,017,334	1,518,096	**(193,958)**	271,836

The accompanying notes and significant accounting policies form an integral part of these consolidated financial statements.

C & I LEASING PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

Group

	Share capital N'000	Share premium N'000	Retained earnings N'000	Statutory reserve N'000	Statutory credit reserve N'000	Foreign currency translation reserve N'000	Fair value reserve N'000	Revaluation reserve N'000	Non-controlling interest N'000	Total equity N'000
At 1 January 2020	**202,126**	**1,285,905**	**3,224,284**	**1,234,788**	**858,253**	**2,020,101**	**4,933**	**716,492**	**256,294**	**9,803,176**
Changes in equity for the year:										
Profit for the year	-	-	310,508	-	-	-	-	-	8,727	319,235
Other comprehensive income:										
Fair value gain for the year	-	-	-	-	-	-	1,773	-	-	1,773
Gain on foreign operations translation	-	-	-	-	-	836,041	-	-	359,044	1,195,085
Total comprehensive income for the year	**-**	**-**	**310,508**	**-**	**-**	**836,041**	**1,773**	**-**	**367,771**	**1,516,093**
Transactions with owners:										
New shares issued during the year	188,697	2,075,704								
Transfer between reserves		-	205,275	27,250	(232,525)	-	-	-	2,002	2,002
Dividend Paid	-	-	(156,329)	-	-	-	-	-	(602)	(156,931)
	188,697	2,075,704	48,946	27,250	(232,525)	-	-	-	1,400	2,109,472
At 31 December 2020	**390,823**	**3,361,609**	**3,583,738**	**1,262,038**	**625,728**	**2,856,142**	**6,706**	**716,492**	**625,466**	**13,428,742**
At 1 January 2021	**390,823**	**3,361,609**	**3,583,738**	**1,262,038**	**625,728**	**2,856,142**	**6,706**	**716,490**	**625,466**	**13,428,742**
Changes in equity for the year										
(Loss)/profit for the year	**-**	**-**	**(24,431)**	**-**	**-**	**-**	**-**	**-**	**39,812**	**15,381**
Other comprehensive income:										
Fair value gain for the year	**-**	**-**	**-**	**-**	**-**	**-**	**2,333**	**-**	**-**	**2,333**
Gain on foreign operations translation	**-**	**-**	**-**	**-**	**-**	**790,816**	**-**	**-**	**192,905**	**983,721**
Total comprehensive income for the year	**-**	**-**	**(24,431)**	**-**	**-**	**790,816**	**2,333**	**-**	**232,716**	**1,001,435**
Transactions with owners										
Transfer between reserves	**-**	**-**	**241,006**	**33,350**	**(274,356)**	**-**	**-**	**-**	**15,900**	**15,900**
Dividend paid	**-**	**-**	**(583,521)**	**-**	**-**	**-**	**-**	**-**	**-**	**(583,521)**
	-	**-**	**(342,515)**	**33,350**	**(274,356)**	**-**	**-**	**-**	**15,900**	**(567,621)**
At 31 December 2021	**390,823**	**3,361,609**	**3,216,792**	**1,295,388**	**351,372**	**3,646,958**	**9,039**	**716,490**	**874,082**	**13,862,555**

The accompanying notes and significant accounting policies form an integral part of these consolidated financial statements.

C & I LEASING PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE Year ended 31 DECEMBER 2021

Company

	Share capital N'000	Share premium N'000	Retained earnings N'000	Statutory reserve N'000	Statutory credit reserve N'000	Fair value reserve N'000	Revaluation reserve N'000	Total equity N'000
At 1 January 2020	**202,126**	**1,285,905**	**682,945**	**846,763**	**858,253**	**4,933**	**716,490**	**4,597,415**
Changes in equity for the year:								
Profit for the year	-	-	270,063	-	-		-	270,063
Other comprehensive income:								
Fair value loss for the year	-	-	-	-	-	1,773	-	1,773
Total comprehensive income for the year	-	-	270,063	-	-	1,773	-	271,836
Transactions with owners:								
New shares issued during the year	188,697	2,075,704						2,264,401
Transfer between reserves	-	-	192,469	27,007	(219,474)	-	-	-
Dividend paid	-	-	(156,329)	-	-	-	-	(156,329)
	188,697	2,075,704	36,140	27,007	(219,474)	-	-	2,108,072
At 31 Decmeber 2020	**390,823**	**3,361,609**	**989,148**	**873,770**	**638,779**	**6,706**	**716,490**	**6,977,323**
At 1 January 2021	**390,823**	**3,361,609**	**989,148**	**873,770**	**638,779**	**6,706**	**716,490**	**6,977,325**
Changes in equity for the year:								
Loss for the year			**(196,291)**		**-**		**-**	**(196,291)**
Other comprehensive income:								
Fair value gain for the year	**-**	**-**	**-**	**-**	**-**	**2,333**	**-**	**2,333**
Total comprehensive income for the year	**-**	**-**	**(196,291)**	**-**	**-**	**2,333**	**-**	**(193,958)**
Transactions with owners:								
Transfer between reserves	**-**	**-**	**258,627**	**-**	**(258,627)**	**-**	**-**	**-**
Dividend paid	**-**	**-**	**(583,520)**	**-**	**-**	**-**	**-**	**(583,520)**
	-	**-**	**(324,893)**	**-**	**(258,627)**	**-**	**-**	**(583,520)**
At 31 December 2021	**390,823**	**3,361,609**	**467,964**	**873,770**	**380,152**	**9,039**	**716,490**	**6,199,847**

The accompanying notes and significant accounting policies form an integral part of these consolidated financial statements.

C & I LEASING PLC

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

		Group		Company	
		2021	2020	2021	2020
	Notes	N'000	N'000	N'000	N'000
Cash flows from operating activities					
Profit/(loss) after tax		**179,246**	310,508	**(196,291)**	270,064
Adjustment for:					
Depreciation of property,plant and equipment	19	**166,581**	195,867	**44,716**	45,957
Depreciation of Plant and equipment for lease	18	**4,017,155**	3,810,033	**2,008,178**	1,666,661
Amortisation of intangible assets	17	**4,986**	817	**4,642**	-
Impairment charge/(write back)	41.	**141,879**	3,206	**78,700**	(46,001)
Profit on disposal of property, plant and equipment	39.	**(1,243,421)**	(206,206)	**(1,058,433)**	(206,206)
Profit on disposal of plant and equipment for lease	39.	**-**	(175,769)	**-**	-
Foreign currency translation difference		**(1,668,914)**	1,237,178	**-**	-
Interest income	38.	**(37,791)**	(109,796)	**(7,508)**	(17,593)
Finance cost	46.	**5,033,310**	5,478,718	**4,180,417**	4,145,342
Foreign exchange gain		**(148,681)**	-	**(148,850)**	-
Tax expense	23.1	**510,617**	168,890	**394,820**	149,269
		6,954,968	10,713,446	**5,300,391**	6,007,493
Changes in operating assets and liabilities					
Loans and advances	10.	**(356,678)**	59,207	**(363,110)**	64,073
Finance lease receivables	11.	**555,130**	814,909	**555,130**	712,196
Trade and other receivables	13.	**(1,085,677)**	1,510,470	**(1,864,732)**	2,998,475
Other assets	14.	**(1,406,544)**	(269,209)	**(1,443,161)**	(856,000)
Commercial notes	21.	**(3,937,207)**	1,105,177	**(3,835,802)**	1,134,762
Trade and other payables	22.	**1,148,423**	(2,433,222)	**1,904,192**	(1,966,569)
Tax paid	23.2	**(290,001)**	(175,199)	**(290,001)**	(3,499)
Net cash (used in)/from operating activities		**1,582,413**	11,325,579	**(37,092)**	8,090,931
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment	39.	**1,243,561**	207,373	**1,058,433**	206,206
Purchase of property, plant and equipment	19	**(39,328)**	(19,579)	**(4,643)**	(18,237)
Proceeds from sale of plant and equipment for lease	39.	**1,707,315**	223,053	**1,336,037**	225
Purchase of plant and equipment for lease	18	**(1,737,558)**	(5,577,329)	**(1,182,454)**	(5,118,501)
Acquisition of intangible assets	17	**(45,085)**	(98)	**(45,085)**	-
Management and operational fee from Joint Venture		**-**	(105,162)	**(159,443)**	(105,162)
Share of profit from joint ventures	16.	**(591,620)**	(381,254)	**(591,620)**	(381,254)
Interest income	38.	**37,791**	109,796	**7,508**	17,593
Net cash from/(used in) investing activities		**575,077**	(5,543,200)	**418,733**	(5,399,130)
Cash flows from financing activities					
Proceeds from loans and borrowings	24.	**8,912,397**	2,608,470	**8,358,784**	2,120,631
Repayment of loans and borrowings	24.	**(3,584,080)**	(5,217,169)	**(2,258,129)**	(1,718,202)
Proceeds from right issued during the year		**-**	2,264,401	**-**	2,264,401
Share of (loss)/profit by non-controlling interest	33.	**(147,965)**	10,129	**-**	-
Dividend paid	26.	**(583,520)**	(156,329)	**(583,520)**	(156,329)
Interest paid	46.	**(5,033,310)**	(5,478,718)	**(4,180,417)**	(4,145,342)
Net cash from/(used in) financing activities		**(436,478)**	(5,969,216)	**1,336,718**	(1,634,841)
Increase/(decrease) in cash and cash equivalents		**1,721,012**	(186,837)	**1,718,358**	1,056,960
Cash and cash equivalents at 1 January		**490,835**	677,672	**236,280**	(820,680)
Cash and cash equivalents at 31 December	9.1	**2,211,847**	490,835	**1,954,638**	236,280

The accompanying notes are an integral part of these consolidated financial statements.

C & I LEASING PLC

CONSOLIDATED STATEMENT OF PRUDENTIAL ADJUSTMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Provisions under prudential guidelines are determined using the time based provisioning prescribed by the Revised Central Bank of Nigeria (CBN) Prudential Guidelines. This is at variance with the expected credit loss model required by IFRS under IFRS 9. As a result of the differences in the methodology/provision, there will be variances in the impairments allowances required under the two methodologies.

The Central Bank of Nigeria stipulates that provisions for loans recognized in the profit or loss account be determined based on the requirements of IFRS. The IFRS provision should then be compared with provision determined using the Prudential Guidelines and the expected impact/changes treated in the retained earnings as follows:

i) Where the prudential impairment allowance is greater than IFRS impairment allowance: the difference should be transferred from the retained earnings account to a non-distributable regulatory risk reserve.

ii) Where the prudential impairment allowance is less than IFRS impairment allowance: The difference should be transferred from the regulatory risk reserve account to the retained earnings to the extent of the non-distributory reserve previously recognized.

The non-distributable reserve should be classified under equity as part of the core capital.

In line with the same directive of the CBN, the Company has reconciled the statutory credit reserve as at 31 December 2021, by comparing the provision and impairment as determined under both bases. A reconciliation of this amount is provided below:

	Company	
	31 December 2021 N'000	31 December 2020 N'000
Total Prudential Impairment Provision (Note 29.2.2)	**665,825**	861,503
IFRS impairment provision (Note 29.2.1)	**285,673**	222,724
Difference in impairment provision balances	**380,152**	638,779
Movement in regulatory reserve:		
At 1 January	**638,779**	858,253
Transfer to statutory credit reserve in the year	**(258,627)**	(219,474)
At 31 December	**380,152**	638,779

C & I LEASING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. The reporting entity
The Company was incorporated on 28 December 1990 and commenced business in June 1991. The Company was licensed by the Central Bank of Nigeria (CBN) as a finance company and is owned by a number of institutional and individuals' investors. The Company's shares were listed on the Nigerian Stock Exchange (NSE) in December 1997. The Company is regulated by the Central Bank of Nigeria (CBN), the Securities and Exchange Commission (SEC), the NIgerian Stock Exchange (NSE); in addition, the Company renders annual returns to the Corporate Affairs Commission (CAC). As at year end, the Company has three subsidiary companies namely:

- Leasafric Ghana Limited
- EPIC International FZE, United Arab Emirates
- C&I Leasing FZE, Nigeria

The Registered office address of the company is at C & I Leasing Drive, Off Bisola Durosinmi Etti Drive, Lekki Phase 1, Lagos, Nigeria.
The principal activities of the Group are provision of equipment leasing, logistics solution in the form of car and marine vessel rentals, fleet management and automobile distribution through its main operating entity and its subsidiaries.
These consolidated financial statements cover the financial period from **1 January 2021 to 31 Decemebr 2021.**

The consolidated financial statements for the year ended 31 December 2021 were approved for issue by the Board of Directors on **24 March 2022**.

2. Basis of preparation

2.1 Statement of compliance with IFRSs
The Group's Consolidated financial statements for the year ended 31 December 2021 have been prepared in accordance with International Financial Reporting Standards and in compliance with the requirements of the Financial Reporting Council of Nigeria Act, No 6, 2011 and the Companies and Allied Matters Act 2020, the Banks and Other Financial Institutions Act, 2020 and other relevant Central Bank of Nigeria circulars and Guidelines.

The consolidated financial statements comprise of the consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and the related notes to the consolidated financial statements.

2.2 Going concern consideration
The Group's management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in the business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the consolidated financial statements continue to be prepared on the going concern basis.

2.3 Basis of measurement
The consolidated financial statements have been prepared in accordance with the going concern principle under the historical cost convention, except for financial instruments and land and buildings measured at fair value.

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The preparation of the consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates, it also requires management to exercise its judgment in the process of applying the Group's accounting policies. Changes in assumptions may have a significant impact on the consolidated financial statements in the year the assumptions changed. Management believes that the underlying assumptions are appropriate and therefore the Group's financial statements present the financial position and results fairly.

2.4 Functional and presentation currency
The Consolidated financial statements are presented in Naira, which is the Group's presentational currency. The Consolidated financial statements are presented in the currency of the primary economic environment in which the Company operates (its functional currency). For the purpose of the Consolidated financial statements, the Consolidated results and financial position are expressed in Naira, which is the functional currency of the Company, and the presentational currency for the Group's financial statements.

2.5 Basis of consolidation
The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2021.

Subsidiaries are fully consolidated from the date of acquisition, being the date in which the Company obtains control, and continues to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using the same accounting policies.
All inter-group balances, transactions, dividends, unrealised gains on transactions within the Group are eliminated on consolidation. Unrealised losses resulting from inter-group transactions are eliminated, but only to the extent that there is no evidence of impairment.
A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

2.6 Changes in accounting policies and disclosures and Standards Issued

2.6.1 Changes in accounting policies and disclosures
The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2020, except for the adoption of new standards effective as of 1 January 2021.

Several standards amendments and interpretations apply for the first time in 2021 but their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

The Company has not early adopted any other standard, interpretation or amendment that has been issued but not yet effective.

New and amended IFRS Standards
Amendments to the following standard(s) became effective in the annual period starting from 1 January, 2021. The new reporting requirements as a result of the amendments and/or clarifications have been evaluated and their impact or otherwise are noted below:

2.6.1.a Impact of the initial application of Interest Rate Benchmark Reform

In the prior year, the Company adopted the Phase 1 amendments Interest Rate Benchmark Reform Amendments to IFRS 9/IAS 39 and IFRS 7. These amendments modify specific hedge accounting requirements to allow

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hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments are amended as a result of the interest rate benchmark reform.

In the current year, the Company adopted the Phase 2 amendments Interest Rate Benchmark Reform - Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. Adopting these amendments enables the Company to reflect the effects of transitioning from interbank offered rates (IBOR) to alternative benchmark interest rates (also referred to as 'risk free rates' or RFRs) without giving rise to accounting impacts that would not provide useful information to users of financial statements. The Company has not restated the prior period. Instead, the amendments have been applied retrospectively with any adjustments recognised in the appropriate components of equity as at 1 January 2021

Both the Phase 1 and Phase 2 the amendments are not relevant to the Company and the Directors of the Company assessed that the application of the amendments has an immaterial impact on the Company's financial statements.

2.6.1.b Impact of the initial application of COVID-19-Related Rent Concessions beyond 30 June 2021—Amendment to IFRS 16

In the prior year, the Company early adopted Covid-19-Related Rent Concessions (Amendment to IFRS 16) that provided practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to IFRS 16. This practical expedient was available to rent concessions for which any reduction in lease payments affected payments originally due on or before 30 June 2021.

In March 2021, the Board issued Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16) that extends the practical expedient to apply to reduction in lease payments originally due on or before 30 June 2022. In the current financial year, the Company has applied the amendment to IFRS 16 (as issued by the Board in May 2021) in advance of its effective date.

The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession applying IFRS 16 as if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID- 19 and only if all of the following conditions are met:

a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change
b) Any reduction in lease payments affects only payments originally due on or before 30 June 2022 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2022 and increased lease payments that extend beyond 30 June 2022)
c) There is no substantive change to other terms and conditions of the lease

The Directors of the Company assessed that the application of the amendments has an immaterial impact on the Company's financial statements.

2.6.2 New and revised IFRS Standards in issue but not yet effective (but allow early application) for the year ending 31 December 2021

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

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- IFRS 17 (including the June 2020 amendments to IFRS 17) - Insurance Contracts
- Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate OT Joint Venture
- Amendments to IAS 1 - Classification of Liabilities as Current or Non-current
- Amendments to IFRS 3 - Reference to the Conceptual Framework
- Amendments to IAS 16 - Property, Plant and Equipment—Proceeds before Intended Use
- Amendments to IAS 37 - Onerous Contracts — Cost of Fulfilling a Contract Annual Improvements to IFRS Standards 2018-2020 Cycle - Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture
- Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies
- Amendments to IAS 8 - Definition of Accounting Estimates
- Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The Directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company in future periods.

2.6.2.a IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features.

A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

• A specific adaptation for contracts with direct participation features (the variable fee approach)
• A simplified approach (the premium allocation approach) mainly for short-duration contracts IFRS17 is effective for reporting periods beginning on or after1January 2021, with comparative figures required. Early application is permitted, provided the entity also applies IFRS9 and IFRS15 on or before the date it first applies IFRS 17.

IFRS 17 will have no impact on the Group, as it does not issue insurance contract.

2.7 Significant accounting judgements, estimates and assumptions

The preparation of the Company's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the accompanying disclosure, as well as the disclosure of contingent liability about these assumption and estimates that could result in outcome that require a material adjustment to the carrying amount of assets and liabilities affected in future periods.

Management discusses with the Audit Committee the development, selection and disclosure of the Group's critical accounting policies and estimates, and the application of these policies and estimates.

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2.7.1 Estimates and assumptions
The key assumption concerning the future and other key sources of estimation uncertainly at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, are described below. The Group based its assumption and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumption about future developments, however, may change due to market changes or circumstances beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

2.8 Standards issued but not yet effective
The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's consolidated financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

2.8.2.a IFRS 17 Insurance contracts
IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.

IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach.

The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.

In June 2020, the IASB issued Amendments to IFRS 17 to address concerns and implementation challenges that were identified after IFRS 17 was published. The amendments defer the date of initial application of IFRS 17 (incorporating the amendments) to annual reporting periods beginning on or after 1 January 2023. At the same time, the Board issued Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) that extends the fixed expiry date of the temporary exemption from applying IFRS 9 in IFRS 4 to annual reporting periods beginning on or after 1 January 2023.

IFRS 17 must be applied retrospectively unless impracticable, in which case the modified retrospective approach or the fair value approach is applied.

For the purpose of the transition requirements, the date of initial application is the start of the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application.

IFRS 17 will have no impact on the Group, as it does not issue insurance contract.

2.8.2.b Amendments to IAS 1 Presentation of Financial Statements — Classification of Liabilities as Current or Non- current
The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if

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covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

The Directors of the company do not anticipate that the application of the amendments in the future will have an impact on the company's financial statements.

2.8.2.c Amendments to IFRS 3 Business Combinations — Reference to the Conceptual Framework
The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

Finally, the amendments add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

2.8.2.d Amendments to IAS 16 - Property, Plant and Equipment — Proceeds before Intended Use
The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 Inventories.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physicaI performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items statement of comprehensive income include(s) such proceeds and cost.

The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the

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entity first applies the amendments

The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

2.8.2.e Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets — Onerous Contracts — Cost of Fulfilling a Contract
The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

2.8.2.f Amendments to IAS 37 - Onerous Contracts - Cost of Fulfilling a Contract
The amendments specify that the cost of fulfilling a contract comprises the costs that relates directly to the contract. Cost that relates directly to a contract consists of both the incremental cost of fulfilling that contract. Examples would be direct labour or materials and allocation of other costs that relates directly to fulfilling the contract (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendment's. Comparatives are not restated. Instead, the entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other components of equity, as appropriate, at the date of initial application

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

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The Directors of the Company do not anticipate that the application of the amendment in the future will have an impact on the Company's financial statements.

2.8.2.g Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments has yet to be set by the Board; however, earlier application of the amendments is permitted.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

2.8.2.h Annual Improvements to IFRS Standards 2018 - 2020 — Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture

The Annual Improvements include amendments to four Standards.

IFRS 1 First-time Adoption of International Financial Reporting Standards
The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1:D16(a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1:D16(a).

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

IFRS 9 Financial Instruments
The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

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The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

IFRS 16 Leases

The amendment removes the illustration of the reimbursement of leasehold improvements.

As the amendment to IFRS 16 only regards an illustrative example, no effective date is stated.

lAS 41 Agriculture

The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in IAS 41 with the requirements of IFRS 13 Fair value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pretax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

The amendment is applied prospectively, i.e. for fair value measurements on or after the date an entity initially applies the amendment.

The amendment is effective for annual periods beginning on or after 1 January 2022, with earlier application permitted.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

2.8.2.i Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements — Disclosure of Accounting Policies

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

The amendments to IAS 1 are effective for annual periods beginning on or after 1 January 2023, with earlier application permitted and are applied prospectively. The amendments to IFRS Practice Statement 2 do not contain an effective date or transition requirements.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

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2.8.2.j Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors — Definition of Accounting Estimates

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty.

The definition of a change in accounting estimates was deleted. However, the Board retained the concept of changes in accounting estimates in the Standard with the following clarifications:

- A change in accounting estimate that results from new information or new developments is not the correction of an error.
- The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.

The Board added two examples (Examples 4-5) to the Guidance on implementing IAS 8, which accompanies the Standard. The Board has deleted one example (Example 3) as it could cause confusion in light of the amendments.

The amendments are effective for annual periods beginning on or after 1 January 2023 to changes in accounting policies and changes in accounting estimates that occur on or after the beginning of that period, with earlier application permitted.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

2.8.2.k Amendments to IAS 12 Income Taxes — Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.

Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying IFRS 16 at the commencement date of a lease.

Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.

The Board also adds an illustrative example to IAS 12 that explains how the amendments are applied.

The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognises:

- ➢ A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with:
- ➢ Right-of-use assets and lease liabilities
- ➢ Decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset

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The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023, with earlier application permitted.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Company's financial statements.

3. Summary of significant accounting policies
The significant accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, unless otherwise stated.

3.1 Investments in subsidiaries
The consolidated financial statements incorporate the financial statements of the Company and all its subsidiaries where it is determined that there is a capacity to control.
Control means the power to govern, directly or indirectly, the financial and operating policies of an entity so as to obtain benefits from its activities. All the facts of a particular situation are considered when determining whether control exists.

Control is usally present when an entity has:
- Power over more than one-half of the voting rights of the other entity;
- Power to govern the financial and operating policies of the other entity;
- Power to appoint or remove the majority of the members of the board of directors or equivalent governing
- body; or
- Power to cast the majority of votes at meetings of the board of directors or equivalent governing body of the entity.

Subsidiaries are consolidated from the date on which control is transferred to the Company and cease to be consolidated from the date that control ceased. Changes in the Company's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (transactions with owners). Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the Group.

In its separate financial statements, the Company accounts for its investment in subsidiaries at cost.

3.2 Investments in associates
An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The investment in an associate is initially recognized at cost in the separate financial statements, however in its consolidated financial statements; it is recognized at cost and adjusted for in the Group's share of changes in the net assets of the investee after the date of acquisition, and for any impairment in value. If the Group's share of losses of an associate exceeds its interest in the associate, the Group discontinues recognizing its share of further losses.

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3.3 Investments in joint ventures
A joint venture is an entity over which the Compaany has joint control. Joint control is the contractually agreed sharing of control over an economic activity, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control. The investment in a joint venture is initially recognized at cost and adjusted for in the Group's share of the changes in the net assets of the joint venture after the date of acquisition, and for any impairment in value. If the Group's share of losses of a joint venture exceeds its interest in the joint venture, the company discontinues recognizing its share of further losses.

3.4 Investments in special purpose entities (SPEs)
SPEs are entities that are created to accomplish a narrow and well-defined objective. The financial statements of the SPE is included in the consolidated financial statements where on the substance of the relationship with the Group and the SPE's risk and reward, the Group concludes that it controls the SPE.

3.5 Intangible assets
3.5.1 Intangible assets acquired separately
Intangible assets acquired separately are shown at historical cost less accumulated amortization and impairment losses.
Amortization is charged to statement of profit or loss on a straight-line basis over the estimated useful lives of the intangible asset unless such lives are indefinite. These charges are included in other expenses in statement of profit or loss. Intangible assets with an indefinite useful life are tested for impairment annually.

Amortization periods and methods are reviewed annually and adjusted if appropriate.

3.5.2 Intangible assets generated internally
Expenditure on research or on the research phase of an internal project are recognized as an expense when incurred. The intangible assets arising from the development phase of an internal project are recognized if, and only if, the following conditions apply:
- It is technically feasible to complete the asset for use by the Group
- The Group has the intention of completing the asset for either use or resale
- The Group has the ability to either use or sell the asset
- It is possible to estimate how the asset will generate income
- The Group has adequate financial, technical and other resources to develop and use the asset
- The expenditure incurred to develop the asset is measurable.

If no intangible asset can be recognised based on the above, then development costs are recognised in profit or loss in the period in which they are incurred.

The intangible assets have a useful life of 1 - 3 years.

3.6 Property, plant and equipment

3.6.1 Initial recognition
All items of property, plant and equipment is stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any, except for land and buildings to be reported at their revalued amount net of accumulated depreciation and/or accumulated impairment losses. Acquisition costs include the cost of

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replacing component parts of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the group derecognises the replaced part, and recognises the new part with its own associated useful life and depreciation. Likewise, when a major inspection is performed, its costs is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria is satisfied.

3.6.2 Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss during the financial year in which they are incurred.

3.6.3 Depreciation

Depreciation starts when an asset is ready for use and ends when derecognised or classified as held for sale. Depreciation does not cease when the asset becomes idle or retired from use unless the asset is fully depreciated. Depreciation is calculated on a straight-line basis to write-off assets over their estimated useful lives. Land and assets under construction (work-in-progress) are not depreciated.

Depreciation on property, plant and equipment and operating lease assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

Buildings	2%
Furniture and fittings	20%
Plant and machinery	20%
Motor vehicles/autos and trucks	25%
Office equipment	20%
Marine equipment	5%
Leased assets	20%
Cranes	10%

The assets' residual values and useful lives are reviewed at the end of each reporting year and adjusted if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable value.

3.6.4 Derecognition

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount, these are included in the statement of profit or loss as operating income.

When revalued assets are sold, the amounts included in the revaluation surplus are transferred to retained earnings.

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3.6.5 Reclassifications

When the use of a property changes from owner-occupier to investment property, the property is re-measured to fair value and reclassified as investment property. Any gain arising on re-measurement is recognized in statement of profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining recognized in other comprehensive income and presented in the revaluation reserve in equity. Any loss is recognized immediately in statement of profit or loss.

3.7 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost comprises direct materials and, where appropriate, labour and production overheads that have been incurred in bringing the inventories to their present location and condition. Cost is determined using the weighted average cost.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs to be incurred in marketing, selling and distribution.

3.8 Impairment of non-financial assets

The Group assesses annually whether there is any indication that any of its assets have been impaired. If such indication exists, the asset's recoverable amount is estimated and compared to its carrying value. Where it is impossible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest cash-generating unit to which the asset is allocated. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount an impairment loss is recognized immediately in profit or loss, unless the asset is carried at a revalued amount, in which case the impairment loss is recognized as revaluation decrease.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. An impairment loss in respect of goodwill is not reversed. An impairment loss in respect of goodwill is not reversed.

3.9 Financial assets and liabilities

3.9.1 Initial recognition

The Group initially recognises loans and advances, finance lease receivables, Plant and equipment lease receivables, equity securities and/or other debt financial assets on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

a) Day 1 profit or loss

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Group recognises the difference between the transaction price and fair value in Net gains/(losses) from financial instruments. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

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b) Amortised cost and gross carrying amount

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

c) Effective interest rate method

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e.its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees.

For purchased or originated credit-impaired (`POCI') financial assets — assets that are credit-impaired at initial recognition — the Group calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows.

When the Group revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

d) Interest income

Interest income and expenses are recognised in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- ➢ the gross carrying amount of the financial asset; or
- ➢ the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than credit-impaired financial assets, the Group estimates future cash flows considering all contractual terms of the financial instrument, but not expected credit losses. For credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses.

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

3.9.2 Financial assets - Subsequent measurement

a) Debt instruments

The classification and subsequent measurement of debt instruments depend on the Group's business model for managing the financial assets and the contractual terms of the cash flows. Based on these factors, the Group classifies its debt instruments into one of the following measurement categories:

b) Amortised cost: Assets that are held within a business model whose objective is collection of contractual cash flows and where such cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss due to impairment or upon derecognition of a debt investment that is subsequently measured at amortised cost is recognised in profit or loss. Interest income from these financial assets is included in "Interest and similar income" using the effective interest rate method.

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c) Fair value through other comprehensive income (FVOCI): Financial assets that are held within a business model whose objective is achieved both by collection of contractual cash flows and by selling the assets, where those cash flows represent solely payments of principal and interest, and are not designated at fair value through profit or loss, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through OCI, except for recognition of impairment gains and losses, interest revenue and foreign exchange gains and losses on the instrument's amortised cost which are recognised in profit or loss.

When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in "Net other gains/(losses)". Interest income from these financial assets is included in "Interest and similar income" using the effective interest rate method.

d) Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented in the profit or loss statement within "Net gains/(losses) from financial instruments classified as held for trading" in the period in which it arises. Interest income from these financial assets is included in "Interest and similar income".

3.9.3 Business Model assessment

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
  - how the performance of the portfolio is evaluated and reported to the Group's management;
  - the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
  - how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected.
  - the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing financial assets is achieved and how cash flows are realized.

3.9.4 SPPI assessment

Principal is defined as the fair value of the financial asset on initial recognition. Interest is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

- contingent events that would change the amount and timing of cash flows;

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- leverage features;
- prepayment and extension terms;
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and
- features that modify consideration of the time value of money - e.g. periodical rate of interest.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

3.9.5 Reclassifications
The Group reclassifies debt investments when and only when its business model for managing those assets changes.

3.9.6 Modifications
If the terms of a financial asset are modified, the Group evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value.
If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Group recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss.

a) Equity instruments
The Group subsequently measures all unquoted equity investments at fair value through other comprehensive income. Where the Group has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payments is established.

3.9.7 Impairment of financial assets
Overview of the ECL principles
The Group assesses on a forward looking basis the expected credit losses (ECL) associated with its loans and advances, finance lease receivables, Plant and equipment lease receivables, equity instrument and other debt financial assets not held at FVPL, together with loan commitments and financial guarantee contracts, in this section all referred to as 'financial instruments'. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

The measurement of ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. Equity instruments are not subject to impairment under IFRS 9.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

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Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering if it is 30 days past due. Based on the above process, the Group's loans and advances, finance lease receivables, Plant and equipment lease receivables, into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1: When loans and advances, finance lease receivables, Plant and equipment lease receivables, are first recognized, the Group recognizes an allowance based on 12 months expected credit losses (12mECLs). Stage 1 loans and advances, finance lease receivables, Plant and equipment lease receivables also include receivables where the credit risk has improved and the loans and advances, finance lease receivables, Plant and equipment lease receivables have been reclassified from Stage 2.

Stage 2: When a loans and advances, finance lease receivables, Plant and equipment lease receivables has shown a significant increase in credit risk since origination, the Group records an allowance for the lifetime expected credit losses (LTECLs). Stage 2 trade receivable also include facilities, where the credit risk has improved and the loans and advances, finance lease receivables, Plant and equipment lease receivables have been reclassified from Stage 3.

Stage 3: These are loans and advances, finance lease receivables, Plant and equipment lease receivables considered as credit-impaired. The Group records an allowance for the LTECLs.

POCI: Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised based on a credit-adjusted EIR. ECLs are only recognised or released to the extent that there is a subsequent change in the expected credit losses.

The calculation of ECLs
The Group calculates ECLs based on a single scenario to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

PD: The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

EAD: The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including part repayments of total debts or amount owed and whether scheduled by contract or otherwise.

LGD: The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

When estimating the ECLs, the Group considers only a single scenario which is considered to be the most likely scenario. When relevant, the assessment also incorporates how defaulted debts are expected to be recovered,

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including the probability that the loans and advances will cure and the value of collateral or the amount that might be received for selling the asset.

The maximum period for which the credit losses are determined is the contractual life of a financial instrument unless the Group has the legal right to call it earlier, with the exception of revolving facilities which could extend beyond the contractual life.

The mechanics of the ECL method are summarised below:

Stage 1

- The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date.
- These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR. This calculation is made for each of the four scenarios, as explained above.

Stage 2

When a loans and advances, finance lease receivables, Plant and equipment lease receivables debt has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. The mechanics are similar to those explained above but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3

For loans and advances, finance lease receivables, Plant and equipment lease receivables debt considered credit-impaired, the Group recognises the lifetime expected credit losses for these loans and advances, finance lease receivables, Plant and equipment lease receivables. The method is similar to that for Stage 2 assets, with the PD set at 100%.

POCI

POCI assets are financial assets that are credit impaired on initial recognition. The Group only recognises the cumulative changes in lifetime ECLs since initial recognition, based on a probability-weighting of the four scenarios, discounted by the credit-adjusted EIR.

Credit-impaired financial

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt instruments carried at FVOCI are credit-impaired. Financial assets are credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following:

- there is significant financial difficulty of a customer (potential bad debt indicator);
- there is a breach of contract, such as a default or delinquency in interest or principal payments;
- the Group, for economic or legal reasons relating to the Customer's financial difficulty, granting to the Customer a concession that the Group would not otherwise consider;
- it becomes probable that a counterparty/Customer may enter bankruptcy or other financial reorganisation;
- there is the disappearance of an active market for a financial asset because of financial difficulties; or
- observable data indicates that there is a measurable decrease in the estimated future cash flows from a Group of financial assets;

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- the financial asset is 90 days and above past due.

A loans and advances, finance lease receivables, Plant and equipment lease receivables debt that has been renegotiated due to a deterioration in the Customer's financial condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, loans and advances that is overdue for 90 days or more is considered impaired.

3.9.8 Debt instruments measured at fair value through OCI

The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

3.9.9 Purchased or originated credit impaired financial assets (POCI)

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

Significant financial difficulty of the borrower or issuer;

- A breach of contract such as a default or past due event;
- The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for a security because of financial difficulties.

An asset that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

For POCI financial assets, the Group only recognises the cumulative changes in LT ECL since initial recognition in the loss allowance.

3.10.3.5 Collateral valuation

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms: post-employment employee welfare benefits for staff loans, title documents of assets for commercial loans, title documents of assets to be financed for finance leases etc.

The Group's accounting policy for collateral assigned to it through its lending arrangements under IFRS 9 is the same is it was under IAS 39. Collateral, unless repossessed, is not recorded on the Group's statement of financial position.

However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at

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inception and re-assessed on periodic basis as deemed necessary.

3.9.11 Presentation of allowance for ECL
loans and advances, finance lease receivables, Plant and equipment lease receivables allowances for ECL are presented in the statement of financial position as follows:

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;

- loan commitments and financial guarantee contracts: the loss allowance is recognised as a provision, and
- debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.

3.9.12 Write-off
After a full evaluation of a non-performing exposure, in the event that either one or all of the following conditions apply, such exposure is recommended for write-off (either partially or in full):
- continued contact with the customer is impossible;
- recovery cost is expected to be higher than the outstanding debt;
- amount obtained from realisation of credit collateral security leaves a balance of the debt;or
- it is reasonably determined that no further recovery on the facility is possible.

All credit facility write-offs require endorsement by the Board Credit and Risk Committee, as defined by the Group. Credit write-off approval is documented in writing and properly initialed by the Board Credit and Risk Committee.

A write-off constitutes a derecognition event. The write-off amount is used to reduce the carrying amount of the financial asset. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amount due.
Whenever amounts are recovered on previously written-off credit exposures, such amount recovered is recognised as income on a cash basis only.

3.9.13 Forward looking information
In its ECL models, the Group relies on a broad range of forward looking information as economic inputs, such as:

- GDP growth
- Unemployment rates
- Inflation rates
- Crude oil price

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material. Detailed information about these inputs and sensitivity analysis are provided in the financial statements.

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3.9.14 Financial liabilities
Classification and subsequent measurement
In both the current and prior period, all financial liabilities are classified and subsequently measured at amortised cost except for loan commitments and financial guarantee contracts.
Derecognition
Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).
The exchange between the Group and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in covenants are also taken into consideration.

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Financial guarantee contracts, loans and borrowings and other commitments
Financial guarantees contracts are contracts that require the Group to make specified payments to reimburse the holder for a loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of the debt instrument. Such financial guarantees are given to banks, other financial institutions on behalf of subsidiary, connected entity, directors, staff to secure loans, overdrafts and other banking facilities.

Loans and borrowings and other commitments are firm commitments to provide credit under pre-specified terms and conditions.
Financial guarantees issued or commitments to provide a loan at below-market interest rate are initially measured at fair value and the initial fair value is amortised over the life of the guarantee or the commitment. Subsequently, they are measured at the higher of the amount of loss allowance and the premium received on initial recognition less income recognised in accordance with the principles of IFRS 15.
For loans and borrowings and other commitments and financial guarantee contracts, the loss allowance is

3.10 Fair value measurement
'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

If a market for a financial instrument is not active, then the Group establishes fair value using a valuation technique. The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Group, incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments.

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The best evidence of the fair value of a financial instrument at initial recognition is the transaction price – i.e. the fair value of the consideration given or received. However, in some cases the initial estimate of fair value of a financial instrument on initial recognition may be different from its transaction price. If this estimated fair value is evidenced by comparison with other observable current market transactions in the same instrument (without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets, then the difference is recognised in profit or loss on initial recognition of the instrument. In other cases, the fair value at initial recognition is considered to be the transaction price and the difference is not recognised in profit or loss immediately but is recognised over the life of the instrument on an appropriate basis or when the instrument is redeemed, transferred or sold, or the fair value becomes observable.

Fair value of fixed income liabilities is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

3.10.1 Write off

The Group writes off a financial asset (and any related allowances for impairment losses) when the Group's Credit determines that the assets are uncollectible. Financial assets are written off either partially or in their entirety. This determination is reached after considering information such as the occurrence of significant changes in the borrower/issuer's financial position such that the borrower/issuer can no longer pay the obligation, or that proceeds from collateral will not be sufficient to pay back the entire exposure. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment loss on financial assets.

However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amount due.

3.10.2 Financial assets measured at fair value through other ccomprehensive income

The Group assesses at each date of the statement of financial position whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is an objective evidence of impairment resulting in the recognition of an impairment loss. In this respect, a decline of 20% or more is regarded as significant, and a period of 12 months or longer is considered to be prolonged. If any such quantitative evidence exists for available-for-sale financial assets, the asset is considered for impairment, taking qualitative evidence into account.

The cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss) is removed from equity and recognised in the statement of profit or loss. Impairment losses recognised in the statement of profit or loss on equity instruments are not reversed through the statement of profit or loss. If in a subsequent period the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the statement of profit or loss.

3.10.3 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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3.11 Trade and other receivables

Trade receivables are amount due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets, if not they are presented as non-current assets. Where the potential impact of discounting future cash receipts over the short credit period is not considered to be material, trade receivables are stated at their original invoiced value. These receivables are reduced by appropriate allowances for estimated irrecoverable amounts. See further details in note 3.9.

3.12 Cash and cash equivalents

Cash equivalents comprises short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. An investment with a maturity of three months or less is normally classified as being short-term.

For the purpose of preparing the statement of cash flows, cash and cash equivalents are reported net of balances due to Groups.

3.13 Leases

Leases are divided into finance leases and operating leases.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

3.13.1 The Group is the lessor

3.13.1.1 Operating leases

When assets are subject to an operating lease, the assets continue to be recognised as property, plant and equipment based on the nature of the asset.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Any balloon payments and rent free periods are taken into account when determining the straight-line charge.

3.13.1.2 Finance leases

When assets are held subject to a finance lease, the related asset is derecognised and the present value of the lease payments (discounted at the interest rate implicit in the lease) is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method (before tax), which reflects a constant periodic rate of return. See furrther details in note 3.9.

3.13.2 The Group is the lessee

3.13.2.1 Finance leases

Assets held under finance leases are recognised as assets of the Group at the fair value at the inception of the lease or if lower, at the present value of the minimum lease payments.

The related liability to the lessor is included in the statement of financial position as a finance lease obligation.

Lease payments are apportioned between interest expenses and capital redemption of the liability, Interest is recognised immediately in profit or loss, unless attributable to qualifying assets, in which case they are

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capitalised to the cost of those assets.
Contingent rentals are recognised as expenses in the periods in which they are incurred.

3.13.2.2 Operating leases
Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except if another systematic basis is more representative of the time pattern in which economic benefits will flow to the Group.

Contingent rentals arising under operating leases are recognised in the period in which they are incurred.

3.14 Trade and other payables
Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business. Accounts payable are classified as current liabilities if payment is due with one year or less. If not, they are presented as non-current liabilities.

Other payables are stated at their original invoiced value, as the interest that would be recognised from discounting future cash payments over the short payment period is not considered to be material.

3.15 Borrowing costs
Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

Interest-bearing borrowings are stated at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability.

3.16 Retirement benefits

3.16.1 Defined contribution plan
The Group runs a defined contribution plan. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior years.

Under the defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Employees contribution of 8% of their basic salary, housing and transport allowances to the pension scheme while the employer contributes 10% to make a total contribution of 18% of the total emoluments as required by the Pension Reform Act 2004. The Group's contribution to the pension's scheme is charged to the profit or loss account.

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3.16.2 Termination benefits
Termination benefits are recognized as an expense when the Group is demonstrably committed without realistic possible withdrawal, to a formal detail plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefit for voluntary redundancies is recognized as expenses if the group has made an offer of voluntary redundancy and it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If the benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

3.16.3 Short term employee benefits
These are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short term cash bonus or profit sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.17 Taxation

3.17.1 Current income tax
The tax expense for the year comprises current and deferred taxes. Tax is recognised in the statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries **and associates** operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate.

3.17.2 Deferred income tax
Deferred income tax is recognised in full using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit (loss), it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the Group controls the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities, where there is an intention to settle the balances on a net basis.
The tax effects of carry-forwards of unused losses or unused tax credits are recognised as an asset when it is

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probable that future taxable profits will be available against which these losses can be utilised.

Deferred tax related to fair value re-measurement of available-for-sale investments and cash flow hedges, which are charged or credited directly in other comprehensive income, is also credited or charged directly to other comprehensive income and subsequently recognised in the statement of profit or loss together with the deferred gain or loss on disposal.

3.18 Provisions
Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.
The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting year, taking into account the risks and uncertainties surrounding the obligation.

3.18.1 Warranty
A provision for warranty is recognized when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated possibilities.

3.18.2 Restructuring
A provision for restructuring is recognized when the Group has approved a formal detail restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.

3.18.3 Onerous contract
Provision for onerous contracts is recognized when the expected benefit to be derived by the Group from a contract are lower than the unavoidable costs of meeting its obligation under the contract. The provision is measured at the present value of the lower of the expected costs of terminating the contract and the expected net cost of continuing with the contract.

3.19 Equity instruments
Equity instruments issued by the Group are recorded at the value of proceeds received, net of costs directly attributable to the issue of the instruments. Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

Where any of the entity purchases the Group's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Group's equity holders. Where such shares are subsequently sold, reissued or otherwise disposed of, any consideration received is included in equity attributable to the Group's equity holders, net of any directly attributable incremental transaction costs and the related income tax effects. See furrther details in note 3.9.

3.20 Compound financial instruments
At the issue date, the fair value of the liability component of a compound financial instrument is estimated using the market interest rate for a similar non-convertible instrument. This amount is recorded as a liability at amortised cost using the effective interest method until extinguished upon conversion or at the instrument's redemption date. The equity component is determined as the difference of the amount of the liability component from the fair value of the instrument. This is recognised in equity, net of income tax effects, and is

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not subsequently remeasured. See furrther details in note 3.9.

3.21 Share-based payments
Employee share options are measured at fair value at grant date. The fair value is expensed on a straight-line basis over the vesting period, based on an estimate of the number of options that will eventually vest.

At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share option reserve.

3.22 Revenue recognition
This relates to the provision of service or sale of goods to customers, exclusive of value added tax and less any discounts. Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, recovery of the consideration is possible, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. The following specific recognition criteria must also be met before revenue is recognised:

3.22.1 Income from property,plant and equipment for lease
Lease income from property,plant and equipment for lease is recognised in statement of profit or loss and other comprehensive income on a straight-line basis over the lease term on a systematic basis which is representative of the time pattern in which use benefit derived from the leased asset is diminished. Initial direct costs incurred by the Group in negotiating and arranging an operating lease is added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income. When an operating lease is terminated before the lease period has expired, any payment required by the lessee by way of penalty is recognised in statement of profit or loss in the period in which termination takes place.

3.22.2 Income from finance leases
The recognition of income from finance lease is based on a pattern reflecting a constant periodic rate of return on Group's net investment in the finance lease. The Group therefore allocates finance income over the lease term on a systematic and rational basis reflecting this pattern. Lease payments relating to the period, excluding costs for services, are applied against the gross investment in the lease to reduce both the principal and the unearned finance income.

3.22.3 Personnel outsourcing income
The Group is involved with outsourcing contracts in which human capital of varying skills are outsourced to various organisations. The Group pays the remuneration of such personnel on a monthly basis and invoice the clients costs incurred plus a margin. As costs and income associated with this service can be estimated reliably and service completed.

3.22.4 Service charge income
This represents charges for other services rendered to finance lease customers. The services are rendered periodically on a monthly basis and income is recognised when all the followings are satisfied:

i) The amount of revenue can be measured reliably
ii) It is probable that the economic benefits associated with the transaction will flow to the group
iii) The stage of completion of the transaction at the end of the reporting period can be measured reliably

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and

iv) The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

3.22.5 Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the assets carrying amount.

3.22.6 Rental income

Rental income is recognized on an accrued basis.

3.22.7 Realised gains and losses

The realised gains or losses on the disposal of an investment is the difference between proceeds received, net of transaction costs and it original or amortised costs as appropriate.

3.23 Foreign currency translation

3.23.1 Foreign currency transactions and balances

Transactions in foreign currencies are translated to the respective functional currencies of the entities within the Group. Monetary items denominated in foreign currencies are retranslated at the exchange rates applying at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognized in profit or loss in the period in which they arise except for:

- Exchange differences on foreign currency borrowings which are regarded as adjustments to interest costs; where those interest costs qualify for capitalization to assets under construction;
- Exchange differences on transactions entered into to hedge foreign currency risks;
- Exchange differences on loans to or from a foreign operation for which settlement is neither planned nor likely to occur and therefore forms part of the net investment in the foreign operation, which are recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

3.23.2 Foreign operations

The functional currency of the parent Group and the presentation currency of the financial statements is the Nigerian Naira. The assets and liabilities of the Group's foreign operations are translated to Naira using exchange rates at the period end. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rate on transaction date is used. Goodwill acquired in business combinations of foreign operations are treated as assets and liabilities of that operation and translated at the closing rate.

Exchange differences arisng on translation for consolidation are recognised in other comprehensive income and accumulated in a separate category of equity.

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4. Segment reporting

The Group's operating segments are organized by the nature of the operations and further by geographic location into geographical regions; local and foreign to highlight the contributions of foreign operations to the Group. Due to the nature of the Group, the Group's Executive Committee regularly reviews operating activity on a number of bases, including by geographical region, customer group and business activity by geographical region.

A segment is a distinguishable component of the group that is engaged in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risk and rewards that are different from those of other segments.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The Group's operating segments were determined in a manner consistent with the internal reporting provided to the Executive Committee, which represents the chief operating decision-maker, as this is the information CODM uses in order to make decisions about allocating resources and assessing performance.

All transactions between business segments are conducted on an arm's length basis, with intra-segment revenue and costs being eliminated in Head Office. Income and expenses directly associated with each segment are included in determining business segment performance.

5. Critical accounting estimates and judgement

The Group makes estimate and assumption about the future that affects the reported amounts of assets and liabilities. Estimates and judgement are continually evaluated and based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumption.

The effect of a change in an accounting estimate is recognized prospectively by including it in the statement of profit or loss in the period of the change, if the change affects that period only, or in the period of change and future period, if the change affects both.

The estimates and assumptions that have a significant risks of causing material adjustment to the carrying amount of asset and liabilities within the next financial statements are discussed below:

5.1 Measurement of the expected credit loss allowance

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in Note 3.9.3, which also sets out key sensitivities of the ECL to changes in these elements.

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/ market and the associated ECL; and
- Establishing Groups of similar financial assets for the purposes of measuring ECL.

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5.2 Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have significant effect on the amount recognised in the financial statements:

5.2.1 Determination of impairment of non-financial assets

Management is required to make judgements concerning the cause, timing and amount of impairment. In the identification of impairment indicators, management considers the impact of changes in current competitive conditions, cost of capital, availability of funding, technological obsolescence, discontinuance of services and other circumstances that could indicate that impairment exists.

5.2.2 Determination of impairment of property, plant and equipment, and intangible assets

Management is required to make judgements concerning the cause, timing and amount of impairment. In the identification of impairment indicators, management considers the impact of changes in current competitive conditions, cost of capital, availability of funding, technological obsolescence, discontinuance of services and other circumstances that could indicate that impairment exists. The Group applies the impairment assessment to its separate cash generating units. This requires management to make significant judgements and estimates concerning the existence of impairment indicators, separate cash generating units, remaining useful lives of assets, projected cash flows and net realisable values. Management's judgement is also required when assessing whether a previously recognised impairment loss should be reversed.

5.2.3 Depreciable life of property, plant and equipment

The estimation of the useful lives of assets is based on management's judgement. Any material adjustment to the estimated useful lives of items of property, plant and equipment and will have an impact on the carrying value of these items.

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6. Financial instruments and fair values

As explained in Note 6.1, financial instruments have been classified into categories that determine their basis of measurement and, for items measured at fair value, such changes in fair value are recognised in either through the statement of profit or loss or other comprehensive income. For items measured at amortised cost, changes in value are recognised in the statement of profit or loss. Therefore, the financial instruments carried in the consolidated statement of financial position are shown based on their classifications in the table below:

6.1 Classes of financial instruments

	Fair value through OCI	Fair value through profit or loss	Amortised Cost	Total carrying amount
	N'000	N'000	N'000	N'000
Group				
At 31 December 2021				
Financial assets				
Cash and balances with banks	**-**	**3,190,044**	**-**	**3,190,044**
Loans and advances	**-**	**-**	**801,289**	**801,289**
Finance lease receivables	**-**	**-**	**1,731,255**	**1,731,255**
Investment securities at fair value through other comprehensive income	**9,668**	**-**	**-**	**9,668**
Trade and other receivables	**-**	**-**	**7,994,897**	**7,994,897**
Other assets	**-**	**-**	**9,102,404**	**9,102,404**
	9,668	**3,190,044**	**19,629,845**	**22,829,557**
Financial liabilities				
Balance due to banks	**-**	**978,197**	**-**	**978,197**
Commercial notes	**-**	**-**	**11,501,026**	**11,501,026**
Loans and borrowings	**-**	**-**	**23,449,435**	**23,449,435**
Trade and other payables	**-**	**-**	**5,919,283**	**5,919,283**
	-	**978,197**	**40,869,745**	**41,847,941**

	Fair value through OCI	Fair value through profit or loss	Amortised Cost	Total carrying amount
	N'000	N'000	N'000	N'000
Group				
At 31 December 2020				
Financial assets				
Cash and balances with banks	-	1,418,970	-	1,418,970
Loans and advances	-	-	499,410	499,410
Finance lease receivables	-	-	2,286,385	2,286,385
Investment securities at fair value through other comprehensive income	7,335	-	-	7,335
Trade and other receivables	-	-	6,556,968	6,556,968
	-	-	7,781,508	7,781,508
Other assets	**7,335**	**1,418,970**	**17,124,271**	**18,550,576**
Financial liabilities				
Balance due to banks	-	928,135	-	928,135
Commercial notes	-		15,438,233	15,438,233
Loans and borrowings	-	-	19,170,768	19,170,768
Trade and other payables	-	-	4,770,861	4,770,861
	-	**928,135**	**39,379,862**	**40,307,997**

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	Fair value through OCI N'000	Fair value through profit or loss N'000	Amortised Costs N'000	Total carrying amount N'000
Company				
At 31 December 2021				
Financial assets				
Cash and balances with banks	**-**	**2,932,822**	**-**	**2,932,822**
Loans and advances	**-**	**-**	**789,831**	**789,831**
Finance lease receivables	**-**	**-**	**1,731,255**	**1,731,255**
Investment securities at fair value through other comprehensive income	**9,668**	**-**	**-**	**9,668**
Trade and other receivables	**-**	**-**	**12,121,664**	**12,121,664**
Other assets	**-**	**-**	**9,496,613**	**9,496,613**
	9,668	**2,932,822**	**24,139,363**	**27,081,853**
Financial liabilities				
Balance due to banks	**-**	**978,185**	**-**	**978,185**
Commercial notes	**-**	**-**	**11,602,430**	**11,602,430**
Loans and borrowings	**-**	**-**	**21,475,473**	**21,475,473**
Trade and other payables	**-**	**-**	**5,456,059**	**5,456,059**
	-	**978,185**	**38,533,962**	**39,512,147**

	Fair value through OCI N'000	Fair value through profit or loss N'000	Amortised Costs N'000	Total carrying amount N'000
Company				
At 31 December 2020				
Financial assets				
Cash and balances with banks	-	1,155,040	-	1,155,040
Loans and advances	-	-	481,520	481,520
Finance lease receivables	-	-	2,286,385	2,286,385
Investment securities at fair value through other comprehensive income	7,335	-	-	7,335
Trade and other receivables	-	-	9,745,067	9,745,067
Other assets	-	-	8,075,922	8,075,922
	7,335	**1,155,040**	**20,588,894**	**21,751,269**
Financial liabilities				
Balance due to banks	-	918,761	-	918,761
Commercial notes	-	-	15,438,232	15,438,232
Loans and borrowings	-	-	15,374,818	15,374,818
Trade and other payables	-	-	3,551,866	3,551,866
	-	**918,761**	**34,364,916**	**35,283,677**

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6.2 Fair valuation methods and assumptions
Cash and cash equivalents, trade and other receivables, trade and other payables and short-term borrowings are assumed to approximate their carrying amounts due to the short-term nature of these financial instruments

The fair value of publicly traded financial instruments is generally based on quoted market prices, with unrealised gains recognised in a separate component of equity at the end of the reporting period.

The fair value of financial assets and liabilities at amortized cost.

6.3 Fair value measurements recognised in the statement of financial position
Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: for equity securities not listed on an active market and for which observable market data exist that the Group can use in order to estimate the fair value.

Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group maintains quoted investments in the companies listed in Note 12 and were valued at N28,500,000 (December 2020: N28.500,000) which are categorised as level 1, because the securities are listed, however, there are no financial instruments in the level 2 and 3 categories for the year.

7. Capital management
In management of the Group capital, the Group's approach is driven by its strategy and organizational requirements, taking into account the regulatory and commercial environment in which it operates. It is the Group's policy to maintain a strong capital base to support the development of its business and to meet regulatory capital requirements at all times.

Through its corporate governance processes, the Group maintains discipline over its investment decisions and where it allocates its capital, seeking to ensure that returns on investment are appropriate after taking account of capital costs.

The Group's strategy is to allocate capital to businesses based on their economic profit generation and, within this process, regulatory and economic capital requirements and the cost of capital are key factors.

The Group's capital is divided into two tiers:
- Tier 1 capital: core equity tier 1 capital including ordinary shares, statutory reserve, share premium and retained earnings, intangible assets, and
- Tier 2 capital: qualifying convertible loan capital, preference shares, collective impairment allowances, non-controlling interest and unrealised gains arising on the fair valuation of equity instruments held as available for sale.

The Central Bank of Nigeria prescribed a minimum limit of 12.5% of total qualifying capital/total risk-weighted

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assets as a measure of capital adequacy of finance companies in Nigeria. Furthermore, a finance company is expected to maintain a ratio of not less than 1:10 between its capital funds and net credits. Total qualifying capital consists of tier 1 and 2 capital less investments in unconsolidated subsidiaries and associates. The total risk-weighted assets reflects only credit and counterparty risk.

The Group achieved capital adequacy ratio of 23% at the year end 31 December 2021, compared to 23% recorded for the year ended 31 December, 2020.

The table below summarises the composition of regulatory capital and the ratios of the Group for the year presented below. During the year, the individual entities with the Group and the Group complied with all the externally imposed capital requirements to which they are subject.

		Company		Company	
		31-Dec-21 N'000	31-Dec-20 N'000	31-Dec-21 N'000	31-Dec-20 N'000
Tier 1 capital					
Share capital		**390,823**	390,823	**390,823**	390,823
Share premium		**3,361,609**	3,361,609	**3,361,609**	3,361,609
Retained earnings		**3,406,776**	3,583,738	**467,963**	989,145
Statutory reserve		**1,309,083**	1,262,039	**873,770**	873,770
Statutory credit reserve		**351,372**	625,728	**380,152**	638,779
Non-Controlling Interest		808,916	625,467	-	-
Deferred income tax assets		**891,383**	854,607	**854,607**	854,607
Sub-Total		**10,519,962**	10,704,012	**6,328,925**	7,108,733
Less: Intangible assets		**(40,531)**	(431)	**(40,442)**	-
Under Provision/Deferred assets		-	-	-	-
Required loan loss reserve		**(351,372)**	(625,728)	**(380,152)**	(638,779)
Deferred income tax assets		**(891,383)**	(854,607)	**(854,607)**	(854,607)
Total qualifying for tier 1 capital		**9,236,675**	9,223,245	**5,053,723**	5,615,347
Tier 2 capital					
Deposit for shares		**1,975,000**	1,975,000	**1,975,000**	1,975,000
Foreign currency translation reserve		**3,508,448**	2,856,142	-	-
Fair value reserve		**9,039**	6,706	**9,039**	6,706
Assets revaluation reserve		**716,490**	716,490	**716,490**	716,490
Total		**6,208,977**	5,554,338	**2,700,529**	2,698,196
Total qualifying for tier 2 capital (Maximum of 33.3% of TIER 1 Capital)		**3,075,813**	3,071,341	**1,682,890**	1,869,911
Total regulatory capital		**12,312,488**	12,294,586	**6,736,613**	7,485,257
Risk-weighted assets					
	%				
Cash in hand	0%	-	-	-	-
Cash and balances with banks	20%	**638,009**	283,794	**586,564**	231,008
Loans and advances to customers	100%	**801,289**	499,410	**789,831**	481,520
Finance lease receivables	100%	**1,731,255**	2,286,385	**1,731,255**	2,286,385
At fair value through other comprehensive income	100%	**9,668**	9,668	**9,668**	9,668
Trade and other receivables	100%	**7,994,897**	6,556,968	**12,121,664**	9,745,067
other assets	100%	**9,102,404**	7,781,508	**9,496,613**	8,075,922
Investment in subsidiaries	100%	-	-	**759,467**	759,468
Investment in joint venture	100%	**2,857,475**	2,470,856	**2,857,475**	2,470,854
Plant and equipment for lease	100%	**30,223,322**	32,631,064	**15,276,079**	17,437,838
Property,plant and equipment	100%	**1,291,555**	1,438,021	**1,164,502**	1,204,575
Total risk weighted assets		**54,649,874**	53,957,675	**44,793,118**	42,702,305
Risk-weighted Capital Adequacy Ratio (CAR)		**23%**	23%	**15%**	18%

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8. Risk management framework

The primary objective of Group's risk management framework is to protect the Group's stakeholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Management recognises the critical importance of having efficient and effective risk management systems in place.

The Group has established a risk management function with clear terms of reference from the board of directors, its committees and the executive management committees.

This is supplemented with a clear organizational structure with documented delegated authorities and responsibilities from the board of directors to executive management committees and senior managers. Lastly, the Internal Audit Unit provides independent and objective assurance on the robustness of the risk management framework, and the appropriateness and effectiveness.

The Group's principal significant risks are assessed and mitigated under three broad headings:

Strategic risks – This specifically focused on the economic environment, the products offered and market. The strategic risks arose from the Group's ability to make appropriate decisions or implement appropriate business plans, strategies, decision making, resource allocation and its inablity to adapt to changes in its business environment.

Operational risks – These are risks associated with inadequate or failed internal processes, people and systems, or from external events.

Financial risks – Risk associated with the financial operation of the Group, including underwriting for appropriate pricing of plans, provider payments, operational expenses, capital management, investments, liquidity and credit.

The board of directors approves the Group's risk management policies and meets regularly to approve any commercial, regulatory and organizational requirements of such policies. These policies define the Group's identification of risk and its interpretation, limit structure to ensure the appropriate quality and diversification of assets, align underwriting to the corporate goals, and specify reporting requirements to meet.

8.1 Strategic risks

Capital management policies, objectives and approach.

The following capital management objectives, policies and approach to managing the risks which affect the capital position are adopted by the Group:

- To maintain the required level of financial stability thereby providing a degree of security to clients and plan members.
- To allocate capital efficiently and support the development of business by ensuring that returns on capital employed meet the requirements of its capital providers and of its shareholders.
- To retain financial flexibility by maintaining strong liquidity.
- To align the profile of assets and liabilities taking account of risks inherent in the business and regulatory requirements.
- To maintain financial strength to support new business growth and to satisfy the requirements of the regulators and stakeholders.

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The Company's operations are subject to regulatory requirements of Central Bank of Nigeria (CBN), Securities and Exchange Commission (SEC) and Nigerian Stock Exchange (NSE). In addition, annual returns must be submitted to Corporate Affairs Commission (CAC) on a regular basis.

8.2 Operational risks
Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure, and from external factors. Others are legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Group's operations.
The Group's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Group's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.
The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each unit. This responsibility is supported by the development of operational standards for the management of operational risk in the following areas:
- requirements for appropriate segregation of duties, including independent authorisation of transactions.
- requirements for the reconciliation and monitoring of transactions.
- compliance with regulatory and other legal requirements.
- documentation of controls and procedures.
- training and professional development.
- ethical and business standards.

8.3 Financial risks
The Group's operations exposes it to a number of financial risks. Adequate risk management procedures have been established to protect the Group against the potential adverse effects of these financial risks. There has been no material change in these financial risks since the prior year. The following are the risks the Group is exposed to due to financial instruments:

Credit risks
Liquidity risks
Market risks

8.3.1 Credit risks
Credit risks arise from a customer delay or outright default of lease rentals; inability to fully meet contractual obligations by customers. Exposure to this risk results from financial transactions with customers.
The Group has policies in place to mitigate its credit risks.

The Group's risk management policy sets out the assessment and determination of what constitutes credit risk for the group. Compliance with the policy is monitored and exposures and breaches are reported to the Group's management. The policy is regularly reviewed for pertinence and for changes in the risk environment.

The carrying amount of the Group's financial instruments represents the maximum exposure to credit risk.

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Exposure to risk
The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the end of the year was as follows:

	Group	
	31-Dec-21	31-Dec-20
	N'000	N'000
Financial assets		
Cash and balances with banks	**3,190,044**	1,418,970
Loans and advances	**801,289**	499,410
Finance lease receivables	**1,731,255**	2,286,385
Investment securities at fair value through other comprehensive income	**9,668**	7,335
Trade and other receivables	**7,994,897**	6,556,968
Other assets	**9,102,404**	7,781,508
	22,829,557	18,550,576

	Company	
	31-Dec-21	31-Dec-20
	N'000	N'000
Financial assets		
Cash and balances with banks	**2,932,822**	1,155,040
Loans and advances	**789,831**	481,520
Finance lease receivables	**1,731,255**	2,286,385
Investment securities at fair value through other comprehensive income	**9,668**	7,335
Trade and other receivables	**12,121,664**	9,745,067
Other assets	**9,496,613**	8,075,922
	27,081,853	21,751,269

8.3.2 Liquidity risks
Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial instruments.
The Group maintains sufficient amount of cash for its operations. Management reviews cash flow forecasts on a regular basis to determine whether the Group has sufficient cash reserves to meet future working capital requirements and to take advantage of business opportunities. The Operations Committee has primary responsibility for compliance with regulations and company policy and maintaining a liquidity crisis contingency plan.
A substantial portion of the Group's assets are funded by borrowings from financial institutions. These borrowings, which are widely diversified by type and maturity, represent a stable source of funds.

8.2.2 Liquidity risks (Cont'd)
Below is the contractual maturities of financial liabilities in Nigerian Naira presented in the consolidated financial statements.

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	Current N'000	Non-current N'000	Total N'000
Group			
At 31 December 2021			
Balance due to banks	**978,197**	**-**	**978,197**
Commercial notes	**6,900,615**	**4,600,410**	**11,501,026**
Loans and borrowings	**4,784,356**	**18,665,079**	**23,449,435**
Trade and other payables	**5,919,283**	**-**	**5,919,283**
	18,582,451	**23,265,489**	**41,847,941**
31 December 2020			
Balance due to banks	928,135	-	928,135
Commercial notes	15,438,233	-	15,438,233
Loans and borrowings	5,932,620	13,238,148	19,170,768
Trade and other payables	4,770,861	-	4,770,861
	27,069,849	**13,238,148**	**40,307,997**
Company			
At 31 December 2021			
Balance due to banks	**978,185**	**-**	**978,185**
Commercial notes	**6,961,458**	**4,640,972**	**11,602,430**
Loans and borrowings	**3,168,060**	**18,307,413**	**21,475,473**
Trade and other payables	**5,456,059**	**-**	**5,456,059**
	16,563,762	**22,948,385**	**39,512,147**
31 December 2020			
Balance due to banks	918,761	-	918,761
Commercial notes	15,438,232	-	15,438,232
Loans and borrowings	5,009,949	10,364,868	15,374,817
Trade and other payables	3,551,866	-	3,551,866
	24,918,808	**10,364,868**	**35,283,676**

The Group's focus on the maturity analysis of its financial liabilities is as stated above, the Group classifies its financial liabilities into those due within one year (current) and those due after one year (non-current). The contractual cash flows disclosed in the maturity analysis are the contractual undiscounted cash flows. Such undiscounted cash flows differ from the amount stated in the financial statements which is based on the discounted cash flows using the effective interest rate.

The financial liabilities affected by discounting are the long term borrowings (including the current portion), all other financial liabilities stated are assumed to approximate their carrying values due to their short term nature and are therefore not discounted.

8.3.3 Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign exchange rates (currency risk), market interest rates (interest rate risk) and market prices (price risk).

8.3.4 Currency risk
Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

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The Group is exposed to foreign currency risk as a result of its foreign subsidiary as well as foreign borrowings (usually denominated in US Dollars).

The Group's principal transactions are carried out in Naira and its financial assets are primarily denominated in Nigerian Naira, except for its subsidiaries - Leasafric Ghana Limited and EPIC International FZE, U.A.E.; whose transactions are denominated in Ghanaian Cedi and United Arab Emirates' Dirhams respectively. The exposure to foreign exchange risk as a result of these subsidiaries in the year as a result of translation has been recognised in the statement of other comprehensive income.

The Group foreign currency risk exposure arises also from long term borrowings from Aureos Africa LLC denominated in United States Dollar. The borrowings have the option of being convertible at the end of the tenor, and as such the impact of fluctuations in these commitments on the intrim consolidated financial statements as a whole are considered minimal and reasonable as a result of the stable market.

8.3.5 Interest rate risk
Interest rate risk is the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that are used by the Group. Interest-bearing assets comprise cash and cash equivalents and loans to subsidiaries which are considered short-term liquid assets. The Group's interest rate liability risk arises primarily from borrowings issued at variable interest rates which exposes the Group to cash flow interest rate risk. It is the Group's policy to settle trade payables within the credit limit terms allowed, thereby not incurring interest on overdue balances. Borrowings are sourced from both local and foreign financial markets, covering short and long term funding.

The Group manages interest rate risk on borrowings by ensuring access to diverse sources of funding, reducing risks of refinancing by establishing and managing in accordance with target maturity profiles.

8.3.6 Market price risk
Investments by the Group in financial assets fairvalue through other comprehensive income expose the Group to market (equity) price risk. The impact of this risk on the Group's financial statements is considered positive because of the continuous increase and stability in value of equities in the past few years. All other gains and losses due to increase and decrease in market prices were recorded in the fair value reserve through statement of other comprehensive income.

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	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
9. Cash and bank balances				
Cash in hand	**7,415**	37,215	**661**	31,889
Bank balances	**992,708**	1,381,755	**775,490**	1,123,151
Placement with banks (Note 9.2)	**2,189,921**	-	**2,156,671**	-
	3,190,044	1,418,970	**2,932,822**	1,155,040
9.1 Cash and cash equivalent per statement of cash flow				
Cash in hand	**7,415**	37,215	**661**	31,889
Bank balances	**992,708**	1,381,755	**775,490**	1,123,151
Placement with banks	**2,189,921**	-	**2,156,671**	-
Bank overdrafts (Note 20)	**(978,197)**	(928,135)	**(978,185)**	(918,761)
	2,211,847	490,835	**1,954,637**	236,279
9.2 Placement with bank				
Gross investment amount	**2,192,076**	-	**2,158,826**	-
Impairment	**(2,155)**	-	**(2,155)**	-
	2,189,921	-	**2,156,671**	-
10 Loans and advances				
Lease rental due (Note 10.2)	**758,188**	465,722	**758,188**	465,722
Loans and advances (Note 10.1)	**43,101**	33,688	**31,643**	15,798
Net loans and advances	**801,289**	499,410	**789,831**	481,520
10.1 Loans and advances				
Gross loans and advances	**60,663**	35,452	**49,205**	17,562
Impairment allowance on loans and advances (Note 10.3)	**(17,562)**	(1,764)	**(17,562)**	(1,764)
Net loans and advances	**43,101**	33,688	**31,643**	15,798
10.2 Lease rental due				
Gross finance lease receivable	**809,297**	477,829	**809,297**	477,829
Impairment allowance (Note 10.2a)	**(51,109)**	(12,107)	**(51,109)**	(12,107)
Carrying amount finance lease due	**758,188**	465,722	**758,188**	465,722
10.1a Analysis of Loans and advances by security				
Secured	**-**	-	**-**	-
Otherwise secured	**801,289**	499,410	**789,831**	481,520
	801,289	499,410	**789,831**	481,520
10.1b Loans and advances are further analysed as follows:				
Less than one year	**796,462**	446,703	**739,286**	450,705
More than one year and less than five years	**4,827**	2,707	**50,545**	30,815
More than five years	**-**	-	**-**	-
	801,289	449,410	**789,831**	481,520

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10.1c Impairment allowance on loans and advances

Analysis of changes in the gross carrying amount and the corresponding ECL allowance in relation to loans and advances is as follows:

	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
Group				
Gross carrying amount as at 1 January 2021	**17,889**	**-**	**17,563**	**35,452**
New assets originated or purchased	**25,211**	**-**	**-**	**25,211**
Assets derecognised or repaid		**-**	**-**	**-**
Amount written off	**-**	**-**	**-**	**-**
Transfer to stage 1	**-**	**-**	**-**	**-**
Transfer to stage 2	**-**	**-**	**-**	**-**
Transfer to stage 3	**-**	**-**	**-**	**-**
At 31 December 2021	**43,100**	**-**	**17,563**	**60,663**
ECL impairment allowance as at 1 January 2021	**-**	**1,429**	**335**	**1,764**
New assets originated or purchased	**-**	**-**		**-**
Assets derecognised or repaid	**-**	**-**	**-**	**-**
Amount written off	**-**		**15,798**	**15,798**
Transfer to stage 1	**-**	**-**	**-**	**-**
Transfer to stage 2	**-**	**-**	**-**	**-**
Transfer to stage 3	**-**	**(1,429)**	**1,429**	**-**
At 31 December 2021	**-**	**-**	**17,562**	**17,562**
Group				
Gross carrying amount as at 1 January 2020	**13,027**	**-**	**17,563**	**30,590**
New assets originated or purchased	4,862	-	-	4,862
Assets derecognised or repaid	-	-	-	-
Amount written off	-	-	-	-
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
At 31 December 2020	**17,889**	**-**	**17,563**	**35,452**
ECL impairment allowance as at 1 January 2020	**-**	**1,429**	**335**	**1,764**
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid	-	-	-	-
Amount written off	-	-	-	-
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
At 31 December 2020	**-**	**1,429**	**335**	**1,764**

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	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
Company				
Gross carrying amount as at 1 January 2021	-	-	17,562	17,562
New assets originated or purchased	31,643	-	-	31,643
Assets derecognised or repaid		-	-	-
Amount written off	-	-	-	-
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
At 31 December 2021	31,643	-	17,562	49,205
ECL impairment allowance as at 1 January 2021	-	1,429	335	1,764
New assets originated or purchased	-	-		-
Assets derecognised or repaid	-	-	15,798	15,798
Amount written off	-	-	-	-
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	(1,429)	1,429	-
At 31 December 2021	-	-	17,562	17,562
Company				
Gross carrying amount as at 1 January 2020	-	-	17,562	17,562
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid	-	-	-	-
Amount written off	-	-	-	-
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
At 31 December 2020	-	-	17,562	17,562
ECL impairment allowance as at 1 January 2020	-	1,429	335	1,764
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid	-	-	-	-
Amount written off	-	-	-	-
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
At 31 December 2020	-	1,429	335	1,764

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10.2a Impairment allowance on lease rental due

Analysis of changes in the gross carrying amount and the corresponding ECL allowance in relation to finance lease receivables due for recovery is as follows:

	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
Group				
Gross carrying amount as at 1 January 2021	427,529	35,885	14,414	477,828
New assets originated or purchased	334,541	32,462	7,289	374,291
Assets derecognised or repaid	-	-	-	-
Amount written off	-	(33,171)	(9,652)	(42,823)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
At 31 December 2021	762,070	35,176	12,051	809,296
ECL impairment allowance as at 1 January 2021	4,206	3,256	4,645	12,107
New assets originated or purchased	(2,188)	13,870	27,320	39,002
Assets derecognised or repaid	-	-	-	-
Amount written off				-
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
At 31 December 2021	2,018	17,126	31,965	51,109
Group				
Gross carrying amount as at 1 January 2020	524,177	1,541	16,184	541,902
New assets originated or purchased	(62,304)		(1,770)	(64,074)
Assets derecognised or repaid	-		-	-
Transfer to stage 1	(34,344)	34,344	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
At 31 December 2020	427,529	35,885	14,414	477,828
ECL impairment allowance as at 1 January 2020	6,531	5,968	638	13,137
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid	(1,030)	-	-	(1,030)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	(1,295)	(2,712)	4,007	-
Transfer to stage 3	-	-	-	-
At 31 December 2020	4,206	3,256	4,645	12,107

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	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
Company				
Gross carrying amount as at 1 January 2021	**427,529**	**35,885**	**14,414**	**477,828**
New assets originated or purchased	**106,614**	**140,073**	**84,781**	**331,468**
Assets derecognised or repaid				**-**
Amount written off				**-**
Transfer to stage 1	**-**	**-**	**-**	**-**
Transfer to stage 2	**-**	**-**	**-**	**-**
Transfer to stage 3	**-**	**-**	**-**	**-**
At 31 December 2021	**534,143**	**175,958**	**99,195**	**809,296**
ECL impairment allowance as at 1 January 2021	**4,206**	**3,256**	**4,645**	**12,107**
New assets originated or purchased	**(2,188)**	**13,870**	**27,320**	**39,002**
Assets derecognised or repaid				**-**
Amount written off				**-**
Transfer to stage 1				**-**
Transfer to stage 2	**-**	**-**	**-**	**-**
Transfer to stage 3	**-**	**-**	**-**	**-**
At 31 December 2021	**2,018**	**17,126**	**31,965**	**51,109**
	-	**-**	**-**	
Company				
Gross carrying amount as at 1 January 2020	**524,177**	**1,541**	**16,184**	**541,902**
New assets originated or purchased	-		-	-
Assets derecognised or repaid	(62,304)	-	(1,770)	(64,074)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	(34,344)	34,344	-	-
Transfer to stage 3	-	-	-	-
At 31 December 2020	**427,529**	**35,885**	**14,414**	**477,828**
ECL impairment allowance as at 1 January 2020	**6,531**	**5,968**	**638**	**13,137**
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid	(1,030)	-	-	(1,030)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	(1,295)	(2,712)	4,007	-
Transfer to stage 3	-	-	-	-
At 31 December 2020	**4,206**	**3,256**	**4,645**	**12,107**

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	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
11 Finance lease receivables				
11.1 Not due for recovery				
Gross finance lease receivable	**3,924,254**	5,302,711	**3,924,254**	5,302,711
Unearned lease interest/maintenance (Note 11.3)	**(2,191,472)**	(3,011,660)	**(2,191,472)**	(3,011,660)
Net investment in finance lease not due	**1,732,782**	2,291,051	**1,732,782**	2,291,051
Impairment allowance (Note 11.4)	**(1,527)**	(4,666)	**(1,527)**	(4,666)
Carrying amount finance lease not due	**1,731,255**	2,286,385	**1,731,255**	2,286,385

11.1 Included in unearned lease interest/maintenance is deferred maintenance charge.
Deferred maintenance charge relates to estimate for maintenance obligations on fleet managements under finance lease arrangement. The reimbursements are included in finance lease receivables from customers, while the maintenance charge is recognised in the statement of profit or loss over the tenor of the fleet management contracts.

11.2 Impairment allowance on finance lease receivables not due for recovery
Analysis of changes in the gross carrying amount and the corresponding ECL allowance in relation to finance lease receivables not due for recovery is as follows:

	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
Group				
Gross carrying amount as at 1 January 2021	**2,291,051**	**-**	**-**	**2,291,051**
New assets originated or purchased	**-**	**-**	**-**	**-**
Assets derecognised or repaid	**(558,269)**	**-**	**-**	**(558,269)**
Amount written off	**-**	**-**	**-**	**-**
Transfer to stage 1	**-**	**-**	**-**	**-**
Transfer to stage 2	**-**	**-**	**-**	**-**
Transfer to stage 3	**-**	**-**	**-**	**-**
At 31 December 2021	**1,732,782**	**-**	**-**	**1,732,782**
ECL impairment allowance as at 1 January 2021	**4,666**	**-**	**-**	**4,666**
New assets originated or purchased	**-**	**-**	**-**	**-**
Assets derecognised or repaid	**(3,139)**	**-**	**-**	**(3,139)**
Amount written off	**-**	**-**	**-**	**-**
Transfer to stage 1	**-**	**-**	**-**	**-**
Transfer to stage 2	**-**	**-**	**-**	**-**
Transfer to stage 3	**-**	**-**	**-**	**-**
At 31 December 2021	**1,527**	**-**	**-**	**1,527**
Group				
Gross carrying amount as at 1 January 2020	**3,105,961**	**-**	**-**	**3,105,961**
New assets originated or purchased	2,579,099	-	-	2,579,099
Assets derecognised or repaid	(1,255,231)	-	-	(1,255,231)
Amount written off	-	-	-	-
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Reclassified (Note 13.2)	(2,138,778)	-	-	(2,138,778)
At 31 December 2020	**2,291,051**	**-**	**-**	**2,291,051**
ECL impairment allowance as at 1 January 2020	**15,140**	**-**	**-**	**15,140**
New assets originated or purchased	(7,512)	-	-	(7,512)
Assets derecognised or repaid	(1,037)	-	-	(1,037)
Amount written off	-	-	-	-
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Reclassified (Note 13.2)	(1,925)	-	-	(1,925)
At 31 December 2020	**4,666**	**-**	**-**	**4,666**

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Company	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
Gross carrying amount as at 1 January 2021	**2,291,051**	**-**	**-**	**2,291,051**
New assets originated or purchased	**-**	**-**	**-**	**-**
Assets derecognised or repaid	**(558,269)**	**-**	**-**	**(558,269)**
Amount written off	**-**	**-**	**-**	**-**
Transfer to stage 1	**-**	**-**	**-**	**-**
Transfer to stage 2	**-**	**-**	**-**	**-**
Transfer to stage 3	**-**	**-**	**-**	**-**
At 31 December 2021	**1,732,782**	**-**	**-**	**1,732,782**
ECL impairment allowance as at 1 January 2021	**4,666**	**-**	**-**	**4,666**
New assets originated or purchased	**-**	**-**	**-**	**-**
Assets derecognised or repaid	**(3,139)**	**-**	**-**	**(3,139)**
Amount written off	**-**	**-**	**-**	**-**
Transfer to stage 1	**-**	**-**	**-**	**-**
Transfer to stage 2	**-**	**-**	**-**	**-**
Transfer to stage 3	**-**	**-**	**-**	**-**
At 31 December 2021	**1,527**	**-**	**-**	**1,527**

Company				
Gross carrying amount as at 1 January 2020	**3,003,248**	**-**	**-**	**3,003,248**
New assets originated or purchased	2,579,099	-	-	2,579,099
Assets derecognised or repaid	(1,152,518)	-	-	(1,152,518)
Amount written off	-	-	-	-
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Reclassified (Note 13.2)	(2,138,778)	-	-	(2,138,778)
At 31 December 2020	**2,291,051**	**-**	**-**	**2,291,051**
ECL impairment allowance as at 1 January 2020	**15,140**	**-**	**-**	**15,140**
New assets originated or purchased	**(7,512)**	**-**	**-**	**(7,512)**
Assets derecognised or repaid	**(1,037)**	**-**	**-**	**(1,037)**
Amount written off	**-**	**-**	**-**	**-**
Transfer to stage 1	**-**	**-**	**-**	**-**
Transfer to stage 2	**-**	**-**	**-**	**-**
Transfer to stage 3	**-**	**-**	**-**	**-**
Reclassified (Note 13.2)	**(1,925)**	**-**	**-**	**(1,925)**
At 31 December 2020	**4,666**	**-**	**-**	**4,666**

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	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
12. Investment securities at fair value through other comprehensive income				
Listed equity (Note 12.1)	**9,668**	7,335	**9,668**	7,335
12.1 Movement in investment securities at fair value through other comprehensive income				
At 1 January	**28,500**	28,500	**28,500**	28,500
Addition	**-**	-	**-**	-
Disposal	**-**	-	**-**	-
	28,500	28,500	**28,500**	28,500
Fairvlaue loss/Impairment allowance (Note 12.3)	**(18,832)**	(21,165)	**(18,832)**	(21,165)
At 31 December 2021/ 31 December 2020	**9,668**	7,335	**9,668**	7,335
12.2 Analysis of equity instruments				
FBN Holdings Plc	**16,500**	16,500	**16,500**	16,500
Fidelity Bank Plc	**12,000**	12,000	**12,000**	12,000
	28,500	28,500	**28,500**	28,500
12.3 Movement in fair value reserve/impairment allowance				
At 1 January	**21,165**	22,938	**21,165**	22,938
Loss from changes in fair value recognised in OCI (Note 31)	**(2,333)**	(1,773)	**(2,333)**	(1,773)
At the end	**18,832**	21,165	**18,832**	21,165
13. Trade and other receivables				
Plant and equipment for lease receivables	**5,860,676**	5,640,109	**4,821,787**	4,086,279
Account receivable others	**1,423,012**	483,445	**1,098,376**	176,870
Receivable from related companies (Note 13.1)	**912,036**	565,869	**6,325,831**	5,573,935
	8,195,724	6,689,423	**12,245,994**	9,837,084
Impairment allowance (Note 13.2)	**(200,827)**	(132,455)	**(124,330)**	(92,017)
	7,994,897	6,556,968	**12,121,664**	9,745,067
13.1 Analysis of receivable from related companies:				
Leasafric Ghana Limited	**-**	-	**-**	(265,087)
Leasafric Ghana Logistics limited	**67,594**	121,617	**-**	-
C&I Leasing FZE	**-**	-	**-**	46,596
C&I/Sifax JV Current account	**776,512**	401,090	**776,512**	401,090
OCS/C&I JV Current account	**71,881**	44,585	**71,881**	44,585
EPIC International FZE, United Arab Emirates	**-**	-	**5,503,046**	5,370,928
C&I Motors Ltd.	**-**	-	**-**	-
CI-Trans Global	**-**	-	**-**	-
Gross receivable from related parties	**915,987**	567,292	**6,351,439**	5,598,112
Impairment allowance	**(3,951)**	(1,423)	**(25,608)**	(24,177)
Net receivable from related parties	**912,036**	565,869	**6,325,831**	5,573,935

13.2 Impairment allowance on trade and other receivables

Analysis of changes in the gross carrying amount and the corresponding ECL allowance in relation to trade and other receivables excluding on receivable from related parties is as follows:

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Group	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
Gross carrying amount as at 1 January 2021	**5,802,285**	**713,823**	**173,315**	**6,689,423**
New assets originated or purchased	**4,021,479**	**286,560**	**-**	**4,308,039**
Assets derecognised or repaid	**(3,632,230)**	**(81,544)**	**-**	**(3,713,774)**
Amount written off	**-**	**-**	**-**	**-**
Transfer to stage 1	**-**	**13,422**	**(13,422)**	**-**
Transfer to stage 2	**-**	**-**	**-**	**-**
Transfer to stage 3	**-**	**-**	**-**	**-**
At 31 December 2021	**6,191,534**	**932,261**	**159,893**	**7,283,688**
ECL impairment allowance as at 1 January 2021	**15,345**	**20,783**	**96,327**	**132,455**
New assets originated or purchased	**31,787**	**36,585**	**-**	**68,372**
Assets derecognised or repaid		**-**		**-**
Amount written off	**-**	**-**	**-**	**-**
Transfer to stage 1	**-**	**-**	**-**	**-**
Transfer to stage 2	**(2,645)**	**2,645**	**-**	**-**
Transfer to stage 3	**-**	**-**	**-**	**-**
At 31 December 2021	**44,487**	**60,013**	**96,327**	**200,827**

Group	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
Gross carrying amount as at 1 January 2020	**8,458,439**	**302,054**	**212,137**	**8,972,630**
New assets originated or purchased	814,910	-	-	814,910
Assets derecognised or repaid	(5,198,073)	-	(38,822)	(5,236,895)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	(411,769)	411,769	-	-
Transfer to stage 3	-	-	-	-
Reclassified (Note 11.2)	2,138,778	-	-	2,138,778
At 31 December 2020	**5,802,285**	**713,823**	**173,315**	**6,689,423**
ECL impairment allowance as at 1 January 2020	**91,298**	**4,828**	**175,996**	**272,122**
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid	(59,998)	-	35,069	(24,929)
Amount written off	(1,925)	-	(114,738)	(116,663)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	(15,955)	15,955	-	-
Transfer to stage 3	-	-	-	-
Reclassified (Note 11.2)	1,925			1,925
At 31 December 2020	**15,345**	**20,783**	**96,327**	**132,455**

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Company	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
Gross carrying amount as at 1 January 2021	**3,639,114**	**450,720**	**173,315**	**4,263,149**
New assets originated or purchased	**1,370,454**	**286,560**	**-**	**1,657,014**
Assets derecognised or repaid	**-**	**-**	**-**	**-**
Amount written off	**-**	**-**	**-**	**-**
Transfer to stage 1	**-**	**13,422**	**(13,422)**	**-**
Transfer to stage 2	**-**	**-**	**-**	**-**
Transfer to stage 3	**-**	**-**	**-**	**-**
At 31 December 2021	**5,009,568**	**750,702**	**159,893**	**5,920,163**
ECL impairment allowance as at 1 January 2021	**5,239**	**21,929**	**64,849**	**92,017**
New assets originated or purchased	**17,074**	**15,239**	**-**	**32,313**
Assets derecognised or repaid	**-**	**-**		**-**
Amount written off	**-**	**-**	**-**	**-**
Transfer to stage 1	**-**	**-**	**-**	**-**
Transfer to stage 2	**-**	**-**	**-**	**-**
Transfer to stage 3	**-**	**-**	**-**	**-**
At 31 December 2021	**22,313**	**37,168**	**64,849**	**124,330**

Company	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
Gross carrying amount as at 1 January 2020	**7,110,179**	**38,951**	**212,137**	**7,361,267**
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid	(5,198,074)	-	(38,822)	(5,236,896)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	(411,769)	411,769	-	-
Transfer to stage 3	-	-	-	-
Reclassified (Note 11.2)	2,138,778	-	-	2,138,778
At 31 December 2020	**3,639,114**	**450,720**	**173,315**	**4,263,149**
ECL impairment allowance as at 1 January 2020	**81,192**	**5,974**	**175,996**	**263,162**
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid	(59,998)	-	35,069	(24,929)
Amount written off	(1,925)	-	(146,216)	(148,141)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	(15,955)	15,955	-	-
Transfer to stage 3	-	-	-	-
Reclassified (Note 11.2)	1,925			1,925
At 31 December 2020	**5,239**	**21,929**	**64,849**	**92,017**

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	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
14. Other assets				
Prepayments	**301,873**	415,994	**236,498**	325,619
Withholding tax receivables	**5,773,489**	5,179,697	**5,825,064**	5,229,174
Insurance claims receivables	**-**	-	**-**	-
Value added tax Receivable	**46,575**	14,638	**-**	-
Dividend receivables	**-**	-	**665,528**	513,276
Inventories (Note 14.1)	**2,628,962**	2,000,910	**2,613,809**	1,981,933
Other debit balances	**364,968**	206,188	**169,177**	61,839
	9,115,867	7,817,427	**9,510,076**	8,111,841
Impairment allowance on other assets (Note 14.3)	**(13,464)**	(35,919)	**(13,463)**	(35,919)
	9,102,404	7,781,508	**9,496,613**	8,075,922
14.1 Analysis of Inventories				
Spare parts	**2,033,588**	1,967,216	**2,023,826**	1,951,760
Tracking devices	**-**	65,734	**-**	65,734
Fuel Dump-PMS	**5,397**	20,034	**7**	16,513
Goods in transit	**642,051**	-	**642,050**	-
	2,681,036	2,052,984	**2,665,883**	2,034,007
Impairment allowance on inventories	**(52,074)**	(52,074)	**(52,074)**	(52,074)
	2,628,962	2,000,910	**2,613,809**	1,981,933

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14.2 Impairment allowance on other assets

Analysis of changes in the gross carrying amount and the corresponding ECL allowance in relation to other assets excluding inventories is as follows:

	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
Group				
Gross carrying amount as at 1 January 2021	**5,544,052**	**236,706**	**35,759**	**5,816,517**
New assets originated or purchased	**670,388**	**-**	**-**	**670,388**
Assets derecognised or repaid	**-**	**-**	**-**	**-**
Amount written off	**-**	**-**	**-**	**-**
Transfer to stage 1	**-**	**-**	**-**	**-**
Transfer to stage 2	**-**	**-**	**-**	**-**
Transfer to stage 3	**-**	**-**	**-**	**-**
At 31 December 2021	**6,214,440**	**236,706**	**35,759**	**6,486,905**
ECL impairment allowance as at 1 January 2021	**17,777**	**17,957**	**185**	**35,919**
New assets originated or purchased	**-**	**-**	**270**	**270**
Assets derecognised or repaid	**(12,028)**	**(10,698)**	**-**	**(22,726)**
Amount written off	**-**	**-**	**-**	**-**
Transfer to stage 1	**-**	**-**	**-**	**-**
Transfer to stage 2	**-**	**-**	**-**	**-**
Transfer to stage 3	**-**	**-**	**-**	**-**
At 31 December 2021	**5,749**	**7,259**	**455**	**13,464**
Group				
Gross carrying amount as at 1 January 2020	**4,929,308**	**485,670**	**262,253**	**5,677,231**
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid	614,744	-	-	614,744
Amount written off	-	-	(226,494)	(226,494)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	(248,964)	-	(248,964)
Transfer to stage 3	-	-	-	-
At 31 December 2020	**5,544,052**	**236,706**	**35,759**	**5,816,517**
ECL impairment allowance as at 1 January 2020	**-**	**14,922**	**238,587**	**253,509**
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid	17,777	-	-	17,777
Amount written off	-	-	(238,402)	(238,402)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	3,035	-	3,035
Transfer to stage 3	-	-	-	-
At 31 December 2020	**17,777**	**17,957**	**185**	**35,919**

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Company	Stage 1	Stage 2	Stage 3	Total
	N'000	N'000	N'000	N'000
Gross carrying amount as at 1 January 2021	**5,857,443**	**236,706**	**35,759**	**6,129,908**
New assets originated or purchased	**766,359**	**-**	**-**	**766,359**
Assets derecognised or repaid	**-**	**-**	**-**	**-**
Amount written off	**-**	**-**	**-**	**-**
Transfer to stage 1	**-**	**-**	**-**	**-**
Transfer to stage 2	**-**	**-**	**-**	**-**
Transfer to stage 3	**-**	**-**	**-**	**-**
At 31 December 2021	**6,623,802**	**236,706**	**35,759**	**6,896,267**
ECL impairment allowance as at 1 January 2021	**17,777**	**17,957**	**185**	**35,919**
New assets originated or purchased	**-**	**-**	**270**	**270**
Assets derecognised or repaid	**(12,028)**	**(10,698)**	**-**	**(22,726)**
Amount written off	**-**	**-**	**-**	**-**
Transfer to stage 1	**-**	**-**	**-**	**-**
Transfer to stage 2	**-**	**-**	**-**	**-**
Transfer to stage 3	**-**	**-**	**-**	**-**
At 31 December 2021	**5,749**	**7,259**	**455**	**13,463**

Company				
Gross carrying amount as at 1 January 2020	**4,647,783**	**485,670**	**262,253**	**5,395,706**
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid	1,209,660	-	-	1,209,660
Amount written off	-	-	(226,494)	(226,494)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	(248,964)	-	(248,964)
Transfer to stage 3	-	-	-	-
At 31 December 2020	**5,857,443**	**236,706**	**35,759**	**6,129,908**
ECL impairment allowance as at 1 January 2020	**-**	**14,922**	**238,587**	**253,509**
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid	17,777	-	-	17,777
Amount written off	-	-	(238,402)	(238,402)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	3,035	-	3,035
Transfer to stage 3	-	-	-	-
At 31 December 2020	**17,777**	**17,957**	**185**	**35,919**

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	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
15. Investment in subsidiaries				
Leasafric Ghana Limited	**-**	-	**754,735**	754,736
EPIC International FZE, United Arab Emirates	**-**	-	**4,232**	4,232
C&I Leasing FZE, Nigeria	**-**	-	**500**	500
	-	-	**759,467**	**759,468**

15.1 Subsidiary undertakings
All shares in subsidiaries undertakings are ordinary shares.

Subsidiary	Principal activities	Country of incorporation	Percentage held	Statutory year end
Leasafric Ghana Limited (Note 15.1.1)	Leasing	Ghana	70.89%	31 December
EPIC International FZE, United Arab Emirates (U.A.E.) (Note 15.1.2)	Trading in ships and boats	United Arab Emirates	100%	31 December
C&I Leasing FZE, Nigeria (Note 15.1.3)	Provision of	Nigeria	99%	31 December

15.1.1 Leasafric Ghana Limited

Leasafric Ghana Limited is a company incorporated in Ghana under the Companies Code, 1963 (Act 179) of Ghana as a Ghanaian company authorised by the Bank of Ghana to provide leasing business. The requisite approval for C&I Leasing Plc investment in Leasafric Ghana Limited was obtained from the Central Bank of Nigeria.

15.1.2 EPIC International FZE, U.A.E.

EPIC International FZE is a Free Zone Establishment (the Enterprise) registered in Ras Al khaimah, United Arab Emirates (U.A.E.) under a license issued by the Ras Al Khaimah Free Trade Zone Authority in accordance with the Emiri Decree dated 1 May 2000 of late H.H. Sheikh Saqr Bin Mohammed Bin Salem Al Quasi, Ruler of Ras Al Khaimah. The licensed activities of the Enterprise is trading in ships and boats, its parts, components and automobile. However, the Enterprise is engaged in the busines of leasing vessels. EPIC FZE was registered on 29 December 2010 under the license no. 5006480 and commenced its operations in 15 June 2011.

15.1.3 C&I Leasing FZE, Nigeria

C&I Leasing FZE is a Free Zone Enterprise (the Enterprise) registered in Dangote Free Zone in Lekki Free Trade Zone, under a license issued by the Nigeria Export Processing Zones Authority in accordance with the Nigeria Export Processing Zones Authority Act, 1992. The licensed activities of the Enterprise is providing marine servies. The Enterprise was resgistered on 18 December 2017 and commenced operations in 2019.

15.2 Condensed results of consolidated entities

The consolidated results of the consolidated entities of C & I Leasing Plc are shown in Note 15.2.1-4.
The C&I Leasing Plc Group in the condensed results includes the results of the under listed entities:
C&I Leasing Plc
Leasafric Ghana Limited
EPIC International FZE, U.A.E.
C&I Leasing FZE, Nigeria

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15.2.1 Condensed results of consolidated entities

31 December 2021

	Parent - C&I Leasing Plc N'000	Leasafric Ghana Limited N'000	EPIC International FZE, U.A.E N'000	C&I Leasing FZE N'000	Total N'000	Elimination N'000	Group N'000
Condensed statement of profit or loss and other comprehensive income							
Gross earnings	15,166,097	3,594,819	3,424,591	1,743,271	23,928,778	(5,886,798)	18,041,980
Net operating income	5,293,549	2,534,402	1,743,271	93,783	9,665,005	159,444	9,824,449
Interest income	7,508	30,264	19	-	37,791	-	37,791
Investment income	2,261,493	121,022	-	-	2,382,515	(835,886)	1,546,629
Other operating income	104,191	18,943	23,147	-	146,280	-	146,280
Impairment charge	(78,700)	(63,180)	-	-	(141,879)	-	(141,879)
Depreciation and amortisation expense	(2,057,542)	(1,291,760)	(839,420)	-	(4,188,722)	-	(4,188,722)
Personnel expenses	(1,143,973)	(141,371)	-	-	(1,285,344)	-	(1,285,344)
Distribution expenses	(5,835)	(1,348)	-	-	(7,183)	-	(7,183)
Other operating expenses	(593,366)	(347,508)	(7,066)	(500)	(948,439)	-	(948,439)
Operating profit	3,787,326	859,464	919,952	93,283	5,660,024	(676,442)	4,983,583
Finance cost	(4,180,417)	(555,490)	(297,403)	-	(5,033,310)	-	(5,033,310)
Share of profit from Joint venture	591,620	-	-	-	591,620	-	591,620
Profit before tax	198,529	303,973	622,549	93,283	1,218,334	(676,442)	541,893
Income tax expense	(394,820)	(115,797)	-	-	(510,617)	-	(510,617)
(Loss)/profit after tax	(196,291)	188,176	622,549	93,283	707,717	(676,442)	31,276

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15.2.2 Condensed statement of financial position

31 December 2021

	C&I Leasing Plc N'000	Leasafric Ghana Limited N'000	EPIC International FZE, U.A.E N'000	C&I Leasing FZE N'000	Total N'000	Elimination N'000	Group N'000
Assets							
Cash and balances with banks	2,932,822	251,994	5,127	100	3,190,044	-	3,190,044
Loans and advances to customers	789,831	11,458	-	-	801,289	-	801,289
Finance lease receivables	1,731,255	-	-	-	1,731,255	-	1,731,255
At fair value through other comprehensive income	9,668	35,369	-	-	45,037	(35,369)	9,668
Trade and other receivables	12,121,664	1,427,575	-	631,237	14,180,476	(6,185,579)	7,994,897
Other assets	9,496,613	345,264	-	-	9,841,878	(739,475)	9,102,403
Investment in subsidiaries	759,467	-	-	-	759,467	(759,467)	-
Investment in Joint ventures	2,857,475	-	-	-	2,857,475	-	2,857,475
Current income tax assets	-	-	-	-	-	-	-
Deferred income tax assets	854,607	-	-	-	854,607	36,776	891,383
Intangible assets	40,442	89	-	-	40,531	-	40,531
Property,plant and equipment for lease	15,276,079	1,783,377	13,163,867	-	30,223,323	-	30,223,323
Property,plant and equipment own	1,164,502	127,053	-	-	1,291,555	-	1,291,555
Total assets	48,034,425	3,982,179	13,168,994	631,337	65,816,935	(7,683,113)	58,133,822
Liabilities and equity							
Balance due to banks	978,185	11	-	-	978,196	-	978,196
Commercial notes	11,602,430	-	-	-	11,602,430	(101,405)	11,501,025
Trade and other payables	5,456,059	689,549	8,975,631	525,877	15,647,115	(9,727,833)	5,919,283
Current income tax liability	347,432	100,893	-	-	448,326	-	448,326
Deferred income tax liability	-	(36,776)	-	-	(36,776)	36,776	-
Deposit for shares	1,975,000	-	-	-	1,975,000	-	1,975,000
Loans and borrowings	21,475,473	2,002,268	-	-	23,477,741	(28,305)	23,449,436
Equity and reserves	6,199,846	1,226,233	4,193,364	105,460	11,724,903	2,137,654	13,862,557
Total liabilities and equity	48,034,425	3,982,179	13,168,995	631,337	65,816,936	(7,683,113)	58,133,822

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15.2.3 Condensed results of consolidated entities (Cont'd)

31 December 2020

	C&I Leasing Plc N'000	Leasafric Ghana Limited N'000	EPIC International FZE, U.A.E N'000	C&I Leasing FZE N'000	Total N'000	Elimination N'000	Group N'000
Condensed statement of profit or loss and other comprehensive income							
Gross earnings	**14,709,508**	**3,791,230**	**3,599,758**	**1,684,602**	**23,785,098**	**(4,368,413)**	**19,416,685**
Net operating income	6,784,386	2,672,994	1,670,479	60,974	11,188,833	155,436	11,344,269
Interest income	17,593	92,197	5	-	109,795	-	109,795
Investment income	1,117,883	175,769	101,335	-	1,394,987	(726,343)	668,644
Other operating income	364,269	25,628	782	14,123	404,802	-	404,802
Impairment charge	46,001	(49,207)	-	-	(3,206)	-	(3,206)
Depreciation and amortisation expense	(1,712,618)	(1,520,300)	(773,798)	-	(4,006,716)	-	(4,006,716)
Personnel expenses	(1,217,244)	(156,122)	-	(3,600)	(1,376,966)	-	(1,376,966)
Distribution expenses	(16,244)	(1,134)	-	-	(17,378)	-	(17,378)
Other operating expenses	(1,200,605)	(330,561)	(3,784)	(700)	(1,535,650)	-	(1,535,650)
Operating profit	**4,183,420**	**909,264**	**995,019**	**70,797**	**6,158,500**	**(570,907)**	**5,587,593**
Finance cost	(4,145,342)	(855,215)	(484,538)	-	(5,485,095)	6,378	(5,478,716)
Share of profit from Joint venture	381,254	-	-	-	381,254	-	381,254
Profit/(loss) before tax	419,332	54,049	510,481	70,797	1,054,659	(564,529)	490,131
Income tax expense	(149,269)	(19,620)	-	-	(168,889)	-	(168,889)
Profit/(lpss) after tax	270,063	34,429	510,481	70,797	885,770	(564,529)	321,242

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15.2.4 Condensed results of consolidated entities (Cont'd)

30 December 2020

Condensed statement of financial position

	C&I Leasing Plc N'000	Leasafric Ghana Limited N'000	EPIC International FZE, U.A.E N'000	C&I Leasing FZE N'000	Total N'000	Elimination N'000	Group N'000
Assets							
Cash and balances with banks	1,155,040	78,846	185,084	-	1,418,970	-	1,418,970
Loans and advances to customers	481,520	17,890	-	-	499,410	-	499,410
Finance lease receivables	2,286,385	-	-	-	2,286,385	-	2,286,385
At fair value through other comprehensive income	7,335	121,178	-	-	128,513	(121,178)	7,335
Trade and other receivables	9,745,067	1,424,658	-	778,847	11,948,572	(5,391,603)	6,556,969
Other assets	8,075,922	275,892	-	-	8,351,814	(570,306)	7,781,508
Investment in subsidiaries	759,468	-	-	-	759,468	(759,467)	1
Investment in Joint ventures	2,470,854	-	-	-	2,470,854	-	2,470,854
Current income tax assets	-	-	-	-	-	-	-
Deferred income tax assets	854,607	-	-	-	854,607	-	854,607
Intangible assets	-	432	-	-	432	-	432
Property,plant and equipment for lease	17,437,838	2,220,586	12,972,639	-	32,631,063	-	32,631,063
Property,plant and equipment own	1,204,575	233,445	-	-	1,438,020	-	1,438,020
Total assets	**44,478,612**	**4,372,927**	**13,157,723**	**778,847**	**62,788,109**	**(6,842,554)**	**55,945,555**
Liabilities and equity Liabilities and equity							
Balance due to banks	918,761	9,373	-	-	928,134	-	928,134
Commercial notes	15,438,232	-	-	-	15,438,232	-	15,438,232
Trade and other payables	3,551,866	559,689	8,131,567	673,748	12,916,870	(8,146,010)	4,770,860
Current income tax liability	242,613	(22,342)	-	-	220,271	-	220,271
Deferred income tax liability	-	13,545	-	-	13,545	-	13,545
Deposit for shares	1,975,000	-	-	-	1,975,000	-	1,975,000
Loans and borrowings	15,374,818	2,774,606	1,148,901	-	19,298,325	(127,555)	19,170,770
Equity and reserves	6,977,322	1,038,056	3,877,255	105,099	11,997,732	1,431,011	13,428,743
Total liabilities and e Total liabilities and equity	**44,478,612**	**4,372,927**	**13,157,723**	**778,847**	**62,788,109**	**(6,842,554)**	**55,945,555**

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	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
16. Investment in Joint Venture Investment accounted for using equity method - in Joint venture				
Sifax C&I Marine Limited	**1,428,738**	1,235,428	**1,428,738**	1,235,427
Sifax C&I Leasing Marine Limited Seychelles	**1,428,738**	1,235,428	**1,428,738**	1,235,427
	2,857,475	2,470,856	**2,857,475**	2,470,854

16.1 Investment in Joint venture undertakings

Nature of Joint Ventures	Principal activities	Country of incorporation	Held by (Units) in thousand	% voting power
1. Sifax C&I Marine Ltd	Towage and pilotage services contract (Contract no B140133SDT and B180220SGA) awarded to the parties by the Nigeria LNG Limited.	Nigeria	**12,500,000**	**50%**
2. Sifax C&I Leasing Marine Ltd Seychelles	Plant and Equipment leasing	Seychelle,East Africa	**2,116,498**	**50%**

16.1a Summarised financial information of Joint Venture
The summarised financial information below represents amounts shown in the Joint ventures financial statements

	Sifax C&I Marine Ltd	**Sifax C&I Leasing Marine Ltd Seychelles**	Total	
	31 December 2021 N'000	**31 December 2021 N'000**	**31 December 2021 N'000**	31 December 2020 N'000
Current assets	**2,909,216**	**725,469**	**3,634,685**	3,130,665
Non-current assets	**11,514**	**9,937,034**	**9,948,548**	9,478,978
Total assets	**2,920,730**	**10,662,503**	**13,583,233**	12,609,643
Current liabilities	**2,405,590**	**505,530**	**2,911,120**	2,859,099
Non-current liabilities	**-**	**5,923,978**	**5,923,978**	5,401,351
Total liabilities	**2,405,590**	**6,429,508**	**8,835,098**	8,260,450
Net assets	**515,140**	**4,232,995**	**4,748,135**	4,349,193
The following amounts have been included in the amounts above:				
Cash and cash equivalents	**2,580,780**	**-**	**2,580,780**	1,900,377
Current financial liabilities (excluding trade and other payables and provisions)	**-**	**504,299**	**504,299**	1,021,230
Non-current financial liabilities (excluding trade and other payables and provisions)	**-**	**5,923,978**	**5,923,978**	5,401,351

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	Sifax C&I Marine Ltd	Sifax C&I Leasing Marine Ltd Seychelles	Total	
	31 December 2021 N'000	**31 December 2021 N'000**	**31 December 2021 N'000**	**31 December** 2020 N'000
Revenue	**1,367,466**	**1,144,289**	**2,511,755**	2,444,835
(Loss)/profit from contiuning operations	**(416,276)**	**679,619**	**263,343**	456,028
(Loss)/profit for the year	**(416,276)**	**679,619**	**263,343**	456,028
Other comprehensive (loss)/income for the year	**-**	**-**	**-**	-
Total comprehensive (loss)/profit for the year	**(416,276)**	**679,619**	**263,343**	456,028
The following amounts have been included in the amount above:				
Direct expenses	**(1,394,162)**	**(184,129)**	**(1,578,292)**	(1,705,404)
Other income	**47,100**	**-**	**47,100**	93,742
Impairment charge	**(422,749)**	**-**	**(422,749)**	-
Depreciation expense	**(3,136)**	**(278,565)**	**(281,701)**	(275,511)
Administrative expenses	**(10,795)**	**(1,976)**	**(12,771)**	(101,249)

16.1b Reconciliation of the summarised financial information to the carrying amount of the interest in the joint venture recognised in the Group's financial statements:

	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
Net assets of the joint ventures	**4,748,135**	4,349,193	**4,748,135**	4,349,193
Proportion of the Group's ownership interest in the joint ventures	50%	50%	50%	50%
Gross amount of Group's interest in the joint venture	**2,374,068**	2,174,597	**2,374,068**	2,174,597
Inter company's balances	**483,407**	285,723	**483,407**	285,723
Carrying amount of the Group's interest in the joint venture	**2,857,475**	2,460,320	**2,857,475**	2,460,320
16.1c Movement in investment in joint ventures:				
At 1 January	**2,174,597**	1,890,776	**2,174,597**	1,890,776
Less: Prior year inter company's balances	**(105,162)**	(556,550)	**(105,162)**	(556,550)
Share of profit in Joint Venture	**591,620**	381,254	**591,620**	381,254
Total investment holding by C & I Leasing Plc	**2,661,055**	1,715,480	**2,661,055**	1,715,480
Add:				
Management and operational fee from Joint Venture	**-**	105,162	**159,444**	105,162
Other inter company's balances	**2,087,081**	353,955	**(446,431)**	353,955
At 31 December	**4,748,135**	2,174,597	**2,374,068**	2,174,597

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	Group N'000	Company N'000
17. Intangible assets		
Computer software		
Cost:		
At 1 January 2020	**213,165**	**163,267**
Additions during the year	98	-
Exchange difference	(32,318)	-
At 31 December 2020	180,945	163,267
At 1 January 2021	**180,945**	**163,267**
Addition during the year	**45,085**	**45,085**
Exchange difference	**(166)**	**-**
At 31 December 2021	**225,864**	**208,352**
Accumulated amortisation and impairment:		
At 1 January 2020	**189,975**	**163,267**
Amortisation charge for the year	817	-
Exchange difference	(10,278)	-
At 31 December 2020	**180,514**	**163,267**
At 1 January 2021	**180,514**	**163,267**
Amortisation charge for the year	**4,986**	**4,642**
Exchange difference	**(167)**	-
At 31 December 2021	**185,333**	**167,909**
Carrying amount:		
At 31 December 2021	**40,531**	**40,442**
At 1 January 2021	431	-

17a Amortisation charged in the year is included in other operating expenses.

17b The software is not internally generated.

17c No impairment charge on intangible asset during the year.

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18.a Plant and equipment for lease-Group

	Autos and trucks N'000	Office equipmen N'000	Marine equipment N'000	Construction in progress N'000	Cranes N'000	Total N'000
Cost:						
At 1 January 2020	**12,769,914**	**36,856**	**32,889,059**	**1,221,170**	**365,148**	**47,282,147**
Additions	2,421,713	-	1,155,130	2,000,486	-	5,577,329
Disposal	(942,148)	-	-	-	-	(942,148)
Exchange difference	142,678	-	884,731	(545,017)	(55,135)	427,257
At 31 December 2020	**14,392,157**	**36,856**	**34,928,920**	**2,676,639**	**310,013**	**52,344,585**
At 1 January 2021	**14,392,157**	**36,856**	**34,928,920**	**2,676,639**	**310,013**	**52,344,585**
Additions	**561,666**	**8,709**	**1,077,575**	**89,608**	**-**	**1,737,558**
Disposal	**(2,972,457)**	**252**	**-**	**(105,118)**	**(289,013)**	**(3,366,336)**
Reclassified	**-**	**-**	**2,381,927**	**(2,381,927)**	**-**	**-**
Exchange difference	**418,736**	**(8,781)**	**1,154,406**	**(279,201)**	**-**	**1,285,160**
At 31 December 2021	**12,400,102**	**37,036**	**39,542,829**	**-**	**21,000**	**52,000,966**
Accumulated depreciation						
At 1 January 2020	**8,640,525**	**30,328**	**7,747,279**	**-**	**307,664**	**16,725,796**
Charge in the year	599,152	2,740	1,818,162	-	1,389,979	3,810,033
Disposals	(894,864)	-	-	-	-	(894,864)
Exchange difference	1,399,606	-	97,595	-	(1,424,645)	72,556
At 31 December 2020	**9,744,419**	**33,068**	**9,663,036**	**-**	**272,998**	**19,713,521**
At 1 January 2021	**9,744,419**	**33,068**	**9,663,036**	**-**	**272,998**	**19,713,521**
Charge in the year	**897,065**	**2,193**	**1,944,917**	**-**	**1,172,980**	**4,017,155**
Disposals	**(1,602,049)**	**101**	**-**	**-**	**(57,068)**	**(1,659,016)**
Exchange difference	**830,828**	**79**	**254,013**	**-**	**(1,378,935)**	**(294,015)**
At 31 December 2021	**9,870,263**	**35,440**	**11,861,966**	**-**	**9,975**	**21,777,645**
Carrying amount:						
At 31 December 2021	**2,529,839**	**1,595**	**27,680,863**	**-**	**11,025**	**30,223,322**
At 1 January 2021	4,647,738	3,788	25,265,884	2,676,639	37,015	32,631,064

Depreciation charge of N4,017,155,374.83 (December 2020: N3,810,032,777) is included in administrative expenses in the statement of profit or loss and other comprehensive income.

No impairment charge on plant and equipment during the year.

This represents transferred from one of the Company's Subsidiaries Epic International FZE during the year.

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18.b Plant and equipment for lease-Company

	Autos and trucks N'000	Office equipmen N'000	Marine equipment N'000	Construction in progress N'000	Cranes N'000	Total N'000
Cost						
At 1 January 2020	**5,496,229**	**36,856**	**18,438,232**	**381,441**	**310,013**	**24,662,771**
Additions	1,962,887	-	1,155,130	2,000,486		5,118,503
Disposals	(199,633)	-	-	-	-	(199,633)
At 31 December 2020	**7,259,483**	**36,856**	**19,593,362**	**2,381,927**	**310,013**	**29,581,641**
At 1 January 2021	**7,259,483**	**36,856**	**19,593,362**	**2,381,927**	**310,013**	**29,581,641**
Additions	**561,666**	**-**	**620,790**		**-**	**1,182,456**
Disposals	**(2,904,760)**	**-**	**-**	**-**	**(289,013)**	**(3,193,773)**
Reclassified	**-**	**-**	**2,381,927**	**(2,381,927)**	**-**	**-**
Exchange difference	**-**	**-**	**31,819**	**-**	**-**	**31,819**
At 31 December 2021	**4,916,389**	**36,856**	**22,627,898**	**-**	**21,000**	**27,602,143**
Accumulated depreciation						
At 1 January 2020	**4,432,587**	**30,332**	**5,961,041**	**-**	**252,589**	**10,676,549**
Charge for the year	599,152	2,740	1,044,364	-	20,406	1,666,662
Disposals	(199,408)	-	-	-	-	(199,408)
At 31 December 2020	**4,832,331**	**33,072**	**7,005,405**	**-**	**272,995**	**12,143,803**
At 1 January 2021	**4,832,331**	**33,072**	**7,005,405**	**-**	**272,995**	**12,143,803**
Charge for the year	**897,065**	**2,188**	**1,105,497**	**-**	**3,427**	**2,008,178**
Reclassified	**(11,359)**	**-**	**-**	**-**	**-**	**(11,359)**
Disposals	**(1,548,110)**	**-**	**-**	**-**	**(266,447)**	**(1,814,557)**
At 31 December 2021	**4,169,927**	**35,260**	**8,110,902**	**-**	**9,975**	**12,326,064**
Carrying amount						
At 31 December 2021	**746,462**	**1,596**	**14,516,996**	**-**	**11,025**	**15,276,079**
At 1 January 2021	2,427,152	3,784	12,587,957	2,381,927	37,018	17,437,838

i) Depreciation charge of N2,008,182,754.17 (December 2020: N1,666,661,500) is included in administrative expenses in the statement of profit or loss and other comprehensive income.

ii) No impairment charge on plant and equipment during the year.

iii) This represents transferred from one of the Company's Subsidiaries Epic International FZE during the year.

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19a Property,plant and equipment -Group

	Autos and trucks N'000	Furniture and fittings N'000	Office equipment N'000	Plant and machinery N'000	Marine equipment	Leasehold improvement	Buildings N'000	Land N'000	Construction in progress N'000	Total N'000
Valuation/Cost:										
At 1 January 2020	**1,067,600**	**96,338**	**392,378**	**61,510**	**11,133**	**-**	**471,567**	**860,734**	**-**	**2,961,260**
Additions	-	2,117	17,323	-	-	140	-	-		19,580
Disposals	(101,600)	-	-	-	-	-	-	-	-	(101,600)
Exchange difference	38,502	928	59,064	34,834	-	9,337	(8,918)	1,505	-	135,252
At 31 December 2020	**1,004,502**	**99,383**	**468,765**	**96,344**	**11,133**	**9,477**	**462,649**	**862,239**	**-**	**3,014,492**
At 1 January 2021	**1,004,502**	**99,383**	**468,765**	**96,344**	**11,133**	**9,477**	**462,649**	**862,239**	**-**	**3,014,492**
Additions	**-**	**-**	**5,871**	**-**	**-**	**-**	**-**	**-**	**33,457**	**39,328**
Disposals	**(13,280)**	**(280)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(13,559)**
Exchange difference	**(57,854)**	**261**	**5,204**	**16,537**	**-**	**-**	**-**	**(33,457)**	**-**	**(69,308)**
At 31 December 2021	**933,368**	**99,364**	**479,840**	**112,881**	**11,133**	**9,477**	**462,649**	**828,782**	**33,457**	**2,970,952**
Accumulated depreciation										
At 1 January 2020	**764,530**	**78,227**	**315,082**	**44,740**	**4,454**	**-**	**175,036**	**-**	**-**	**1,382,069**
Charge for year	131,534	6,933	27,605	17,817	2,227	1,764	7,987	-	-	195,867
Disposal in the year	(100,433)	-	-	-	-	-	-	-	-	(100,433)
Exchange difference	27,402	522	58,931	11,765	-	6,875	(6,527)	-	-	98,968
At 31 December 2020	**823,033**	**85,682**	**401,618**	**74,322**	**6,681**	**8,639**	**176,496**	**-**	**-**	**1,576,471**
At 1 January 2021	**823,033**	**85,682**	**401,618**	**74,322**	**6,681**	**8,639**	**176,496**	**-**	**-**	**1,576,471**
Charge for the year	**107,019**	**5,707**	**25,793**	**17,320**	**2,226**	**512**	**8,003**	**-**	**-**	**166,581**
Disposal in the year	**(13,280)**	**(140)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(13,420)**
Exchange difference	**(50,271)**	**39**	**(886)**	**883**	**(0)**	**1**	**(0)**	**-**	**-**	**(50,236)**
At 31 December 2021	**866,500**	**91,289**	**426,525**	**92,524**	**8,907**	**9,152**	**184,499**	**-**	**-**	**1,679,397**
Carrying amount:										
At 31 December 2021	**66,868**	**8,075**	**53,315**	**20,357**	**2,226**	**325**	**278,150**	**828,782**	**33,457**	**1,291,555**
At 1 January 2021	181,469	13,701	67,147	22,022	4,452	838	286,153	862,239	-	1,438,021

i) Construction in progress relates to capital cost incured in the Company's building complex. When completed and available for use, they are transfer to the respective property, plant and equipment classes and depreciation commences.
ii) Depreciation charge of N166,581,590 (December 2020: N195,867,00496,180,549) is included in administrative expenses in the statement of profit or loss and other comprehensive income.
iii) There is an All Asset Debenture Security for all the loans and borrowings by the Group.
iv) No impairment charge on property, plant and equipment during the year.

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19b Property,plant and equipment -Company

	Autos and trucks N'000	Furniture and fittings N'000	Office equipment N'000	Plant and machinery N'000	Marine equipment N'000	Buildings N'000	Land N'000	Total N'000
Valuation/Cost								
At 1 January 2020	**251,170**	**81,989**	**358,758**	**61,510**	**11,133**	**462,649**	**828,782**	**2,055,991**
Additions	-	2,117	16,121	-	-	-	-	18,238
Disposal	(22,200)	-	-	-	-	-	-	(22,200)
At 31 December 2020	**228,970**	**84,106**	**374,879**	**61,510**	**11,133**	**462,649**	**828,782**	**2,052,029**
At 1 January 2021	**228,970**	**84,106**	**374,879**	**61,510**	**11,133**	**462,649**	**828,782**	**2,052,029**
Additions	**-**	**-**	**4,643**	**-**	**-**	**-**	**-**	**4,643**
Disposal in the year	**(3,455)**	**-**	**-**	**-**	**-**	**-**	**-**	**(3,455)**
At 31 December 2021	**225,515**	**84,106**	**379,522**	**61,510**	**11,133**	**462,649**	**828,782**	**2,053,217**
Accumulated depreciation								
At 1 January 2020	**246,242**	**67,945**	**291,806**	**44,741**	**4,454**	**168,509**	**-**	**823,697**
Charge for the year	1,397	5,284	22,648	6,414	2,227	7,987	-	45,957
Disposal in the year	(22,200)	-	-	-	-	-	-	(22,200)
At 31 December 2020	**225,439**	**73,229**	**314,454**	**51,155**	**6,681**	**176,496**	**-**	**847,454**
At 1 January 2021	**225,439**	**73,229**	**314,454**	**51,155**	**6,681**	**176,496**	**-**	**847,454**
Charge for the year	**3,531**	**4,460**	**20,796**	**5,700**	**2,226**	**8,003**	**-**	**44,716**
Disposal in the year	**(3,455)**	**-**	**-**	**-**	**-**	**-**	**-**	**(3,455)**
At 31 December 2021	**225,515**	**77,689**	**335,250**	**56,855**	**8,907**	**184,499**	**-**	**888,715**
Carrying amount								
At 31 December 2021	**-**	**6,417**	**44,272**	**4,655**	**2,226**	**278,150**	**828,782**	**1,164,502**
At 1 January 2021	3,531	10,877	60,425	10,355	4,452	286,153	828,782	1,204,575

i) Depreciation charge of N44,717,241 (December 2020: N45,956,666) is included in administrative expenses in the statement of profit or loss and other comprehensive income.

ii) There is an All Asset Debenture Security for all the loans and borrowings by the Company.

iii) No impairment charge on property, plant and equipment during the year.

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	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
20. Balance due to banks (Note 20.1)	**978,197**	928,135	**978,185**	918,761
20.1 Analysis of bank overdrafts is as follows:				
First City Monument Bank Plc	**-**	15,010	**-**	15,010
Access Bank Plc	**462,539**	40,952	**462,539**	40,952
Access bank (formerly Diamond Bank Plc)	**9,964**	364,023	**9,964**	364,023
First Security Discount House	**6,258**	-	**6,258**	-
Guaranty Trust Company Plc	**185**	-	**185**	-
Fidelity Bank Plc	**499,230**	498,776	**499,230**	498,776
Zenith Bank Plc	**10**	1,166	**10**	-
United Bank for Africa Ghana	**11**	-	-	-
Intercontinental Bank - Cedi	**-**	8,208	**-**	-
	978,197	928,135	**978,185**	918,761

20.2 These are current accounts overdrawn during the year by the Group.

	Group		Company	
21. Commercial notes				
Institutional clients	**3,196,534**	4,290,820	**3,232,205**	4,300,783
Individual clients	**8,304,492**	11,147,413	**8,370,225**	11,137,449
	11,501,026	15,438,233	**11,602,430**	15,438,232
21.1 Analysis of commercial notes by tenure				
Current	**6,900,615**	15,438,233	**6,961,458**	15,438,232
Non-current	**4,600,410**	-	**4,640,972**	-
	11,501,026	15,438,232	**11,602,430**	15,438,232

21.2 These are commercial papers borrowed by the Group during the year from individuals and institutions.

	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
22. Trade and other payables				
Accounts payable	**4,242,374**	3,415,526	**3,726,659**	2,691,217
Payable to related companies	**-**	-	701,131	**-**
Accrued expenses	**529,245**	417,490	**76,785**	74,347
Dividend Payable	**71,810**	11,301	-	**-**
Witholding Taxes Payable	**140,574**	199,910	**124,675**	177,422
Value Added Tax (VAT) Payable	**207,717**	163,320	**150,613**	101,894
Other Statutory deductions (PAYE,NSIT etal)	**367,547**	196,136	**331,544**	153,421
Advance payment received on account	**301,100**	297,560	**301,100**	297,559
Deferred rental income	**24,243**	17,132	**8,921**	3,520
Defined contribution pension plan (Note 22.1)	**23,519**	43,401	**23,519**	43,401
Other payables	**11,155**	9,085	**11,111**	9,085
Total trade and other payables	**5,919,283**	4,770,861	**5,456,059**	3,551,866

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	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
22.1 Defined contribution pension plan				
At 1 January	**43,401**	20,991	**43,401**	20,991
Contributions in the year (Note 43)	**67,662**	165,338	**59,649**	157,657
Remittances	**(87,544)**	(142,928)	**(79,531)**	(135,247)
At 31 December	**23,519**	43,401	**23,519**	43,401

22.2 The Group make 10% and its employees make a contribution of 8% basic salary, housing and transport allowance to each employee's retirement savings account maintained with their nominated pension fund administrators.

	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
23. Taxation				
23.1 Income tax expense				
Income tax	**189,765**	133,191	**73,968**	113,570
Education tax	**18,492**	24,176	**18,492**	24,176
Technology tax	**21**	4,193	**21**	4,193
Police Trust Fund Levy	**-**	21	**-**	21
Capital gain tax	**62,460**	7,309	**62,460**	7,309
Current income tax	**270,738**	168,890	**154,941**	149,269
Back duty audit by FIRS	**239,879**	-	**239,879**	-
Deferred tax charge (Note 23.5)	**-**	-	**-**	-
Income tax expense	**510,617**	168,890	**394,820**	149,269
Reconciliation of effective tax rate				
The income tax expense for the year can be reconciled to the accounting profit as follows:				
Profit before tax	**541,897**	490,128	**198,529**	419,332
Tax calculated using the domestic corporation tax rate of 30%	**162,569**	147,038	**59,559**	125,800
Effect of tax rates in foreign jurisdictions	**-**	(155,606)	**-**	-
Tax income exempt	**-**	-	**-**	992,552
Non-deductible expenses	**-**	-	**-**	(594,160)
Effect of education tax levy	**18,492**	24,176	**18,492**	24,176
Effect of technology tax levy	**21**	4,193	**21**	4,193
Effect of minimum tax	**73,968**	-	**73,968**	57,385
Effect of police trust fund levy	**-**	21	**-**	21
Effect of disposal of items of PPE	**62,460**	7,309	**62,460**	7,309
Tax reliefs	**193,107**	141,759	**180,320**	(468,007)
Total income tax expense	**510,617**	168,890	**394,820**	149,269
23.2 Current income tax liability				
At 1 January	**220,271**	185,180	**242,613**	96,843
Charge in the year (Note 23.1)	**270,738**	168,890	**154,941**	149,269
Withholding tax credit notes utilised	**-**	-	-	-
Payments	**(290,001)**	(175,199)	**(290,001)**	(3,499)
Back duty tax	**239,879**	-	**239,879**	-
Exchange difference	**7,438**	41,400	**-**	-
At 31 December	**448,326**	220,271	**347,432**	242,613

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	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
23.3 Current income tax assets				
At 1 January	**-**	-	**-**	-
Charge	**-**	-	**-**	-
Refunds	**-**	-	**-**	-
At 31 December	**-**	-	**-**	-
23.4 Deferred tax assets				
At 31 December	**(891,383)**	(854,607)	**(854,607)**	(854,607)
23.4.1 Analysis of deferred tax assets				
Property, plant and equipment	**(854,607)**	(854,607)	**(854,607)**	(854,607)
	(854,607)	(854,607)	**(854,607)**	(854,607)
23.5 Deferred tax liability				
At 1 January	**13,545**	88,146	**-**	-
Charge in the year (Note 23.1)	**-**	-	**-**	-
Exchange difference	**(13,545)**	(74,601)	**-**	-
At 31 December	**-**	13,545	**-**	-
24. Loans and borrowings				
Secured amounts:				
Term loans (Note 24.1)	**6,022,285**	8,819,019	**6,050,590**	7,797,674
Finance lease facilities (Note 24.2)	**5,192,201**	6,475,584	**3,189,934**	3,700,979
Redeemable bonds (Note 24.3)	**12,234,949**	3,876,165	**12,234,949**	3,876,165
Total borrowed fund	**23,449,435**	19,170,768	**21,475,473**	15,374,818
24.1 Term loans				
First City Monument Bank Plc (Note 24.1.2)	**-**	10,470	**-**	10,470
B.V. Scheepswerf Damen Gorinchem, The Netherlands (Note Note 24.1.3)	**-**	1,148,901	**-**	-
Financial Derivative Company Limited (Note Note 24.1.4)	**1,142,713**	1,812,973	**1,142,713**	1,812,973
Bank of industry (Note Note 24.1.5)	**2,766,798**	3,683,350	**2,766,798**	3,683,350
Secured lease notes (Note Note 24.1.6)	**2,112,774**	2,163,325	**2,141,079**	2,290,881
	6,022,285	8,819,019	**6,050,590**	7,797,674
24.1.1 Analysis of term loans by tenure				
Current	**1,130,446**	1,655,423	**1,572,120**	2,026,063
Non-current	**4,891,839**	7,163,596	**4,478,470**	5,771,611
	6,022,285	8,819,019	**6,050,590**	7,797,674

24.1.2 First City Monument Bank Plc
Facility represents US $1,875,000 term loan secured from First City Monument Bank Plc in 2020 for a period of 48 months to part finance acquisition of a vessel and balance on the N500 million IDF line for marine operation. The interest on the loan is 9% per annum Dollar interest rate.

24.1.3 B.V. Scheepswerf Damen Gorinchem, The Netherlands
Facility represents US $22,185,680 term loan secured from B.V. Scheepswerf Damen Gorinchem, The Netherlands, for a period of five years . The interest on the loan is 4.8% per annum. The facility is required to enable the Company meets its financial obligations on new boat acquisition. The facility was obtained by EPIC International FZE, U.A.E. The loan stood at $4,378,632 as at 30 June, 2020

24.1.4 Financial Derivative Company Limited

Facility represents an amount obtained to augment the working capital of the Company especially the Marine Operations. The interest rates are given based on current market conditions. The loan tenor ranges between 12 - 48 months.

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24.1.5 Bank of Industry
On the 8th of February 2017 C & I Group had entered into financing agreement with Bank of Industry limited (Nigeria) for Long term Loan of $11,880,000 for acquisition of Epic Vessel. The loan is payable in five years inclusive of six months moratorium period. Rate of interest is 6.5% per annum. Loan is secured by bank guarantee from First City Monument Bank Plc.

24.1.6 Secured Leased Notes
Facility represents amount obtained from various individual and institutional investors under term loan agreement at interest of 9% per annum. The facility was obtained for construction of vessels for the Company. As security for the facility, the investors are given equity holdings in the vessels being constructed. The tenor for the facility ranges between 50 - 60 months.

	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
24.2 Finance lease facilities				
Acess Bank (formerly Diamond Bank Plc) (Note 24.2.2)	**48,953**	1,226,912	**48,953**	1,226,912
Stanbic IBTC Bank (Note Note 24.2.3)	**928,973**	778,575	**740,035**	289,066
Barclays Bank Ghana (Note 24.2.4)	**440,987**	851,195	**-**	-
Standby Letter of Credit-FCMB	**-**	26,582	**-**	26,582
FSDH Merchant Bank Ltd	**139,157**	556,626	**139,157**	556,626
WSTC FIN Serv	**381,687**	502,459	**381,687**	502,459
Growth & Development Ltd	**-**	217,778	**-**	217,778
Fidelity Bank Ltd	**418,910**	-	**418,910**	-
Lotus Capital	**984,809**	831,075	**984,809**	831,075
UBA Ghc CEDI Loan	**801,241**	591,784	**-**	-
Union Bank Plc	**26,569**	50,480	**26,569**	50,480
First Ally	**449,814**	-	**449,815**	-
Others (Note 24.2.5)	**571,101**	842,118	**-**	-
	5,192,201	6,475,584	**3,189,934**	3,700,979
24.2.1 Analysis of finance lease facilities by tenure				
Current	**2,521,642**	3,144,929	**1,595,940**	1,851,618
Non-current	**2,670,559**	3,330,655	**1,593,994**	1,849,360
	5,192,201	6,475,584	**3,189,934**	3,700,978

24.2.2 Access Bank Plc (formerly Diamond Bank Plc)
Facility represents N1.2 billion term loan secured from Access Bank Plc (former Diamond Bank Plc) for a period of 48 months and renew annually to finance lease contracts. The interest is 18% per annum. The loan is secured by the vehicles purchased with the loan.

24.2.3 Stanbic IBTC Bank Plc
Facility represents N700 million finance lease facility secured from Stanbic IBTC Bank Limited in February 2010 for a period of three years. The interest on the facility is 18% per annum. The facility was secured by legal ownership of assets finance under the lease contract.

24.2.4 Barclays Bank of Ghana
Facility represents US $750,000 finance lease facility secured from Barclays Bank of Ghana Limited in February 2012 for a period of three years. The interest on the facility is 8% per annum. The facility was secured by legal ownership of the leased assets.

24.2.5 Included in the amount is N1,254,304,725 OIKO Credit facility, N762,390,164 United bank of Africa Dollar loans and others.

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	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
24.3 Redeemable bonds				
Fixed rate 5 years senior secured bond (Note 24.3.2)	**2,366,398**	3,876,165	**2,366,398**	3,876,165
Fixed Rate 7 years senior secured bond (Note 24.3.3)	**9,868,551**	-	**9,868,551**	-
	12,234,949	3,876,165	**12,234,949**	3,876,165
24.3.1 Analysis of redeemable bonds by tenure				
Current	**1,132,268**	1,132,268	**-**	1,132,268
Non-current	**11,102,681**	2,743,897	**12,234,949**	2,743,897
	12,234,949	3,876,165	**12,234,949**	3,876,165

24.3.2 Fixed rate 5 years senior secured bond

a) Analysis of amount amortised	**N'000**
Total Bond Amount	7,000,000
Less: Costs of issue	(160,300)
Less: Underwriting Fees	(161,000)
Net proceeds received	**6,678,700**

b) Note
This is a five (5) years N7 billion series 1, 16.54% fixed rate senior secured bond due 11 June 2023, issued by C & I Leasing Plc on 11 June 2018, with an issue price of N1,000 at par. Coupon is at a minimum of 300bps above equivalent Federal Government of Nigeria bond yield. The proceeds of the bond are for business expansion, repayment and restructuring of existing facilities and commercial papers as well as working capital financing. The bonds are redeemable at par. The bonds are irrevocable, direct, secured, senior, and unconditional obligations of C & I Leasing Plc and rank pari passu among themselves.

24.4 Redeemable bonds include financial instruments classified as liabilities measured at amortised cost.

	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
24.5 Movement in loans and borrowings				
At 1 January	**19,170,768**	21,335,227	**15,374,818**	14,972,388
Proceeds of new loans during the year	**8,912,397**	2,608,470	**8,358,784**	2,120,632
Repayment of loans during the year	**(3,584,080)**	(5,217,169)	**(2,258,129)**	(1,718,202)
Exchange difference	**(1,049,650)**	444,240	**-**	-
At 31 December	**23,449,435**	19,170,768	**21,475,473**	15,374,818

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	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
25. Share capital				
25.1 Authorised share capital				
3,000,000,000 ordinary shares of 50k each	**1,500,000**	1,500,000	**1,500,000**	1,500,000
25.2 Issued and fully paid				
781,646,167 ordinary shares of 50k each				
At 1 January	**390,823**	202,126	**390,823**	202,126
Issued during the year	**-**	188,697	**-**	188,697
At 31 December	**390,823**	390,823	**390,823**	390,823
25.3 Share premium				
At 1 January	**3,361,609**	1,285,905	**3,361,609**	1,285,905
Issued during the year less cost	**-**	2,075,704	**-**	2,075,704
At 31 December	**3,361,609**	3,361,609	**3,361,609**	3,361,609

25.4 At the extra ordinary meeting of the Company held on 5 December, 2017, a right issue of 377,393,667 of ordinary shares was issued at N6 per share was approved. The CBN approved 16 June 2019 while SEC on 25 October, 2019.

	Group		Company	
26. Retained earnings				
At 1 January	**3,583,738**	3,224,283	**989,145**	682,945
Dividend declared and paid	**(583,520)**	(156,329)	**(583,520)**	(156,329)
(Loss)/profit for the year	**(24,431)**	310,510	**(196,289)**	270,061
Transfer to statutory reserve (Note 28)	**(33,350)**	(27,250)	**-**	(27,006)
Transfer from statutory credit reserve (Note 29)	**274,356**	232,525	**258,627**	219,474
At 31 December	**3,216,793**	3,583,738	**467,963**	989,145
27. Deposit for shares (Convertible)				
At 31 December	**1,975,000**	1,975,000	**1,975,000**	1,975,000

27.1 This represents US$12,486,143.09 unsecured variable coupon convertible notes issued to Aureos Africa LLC (now wholly owned by Abraaj Advisers Nigeria Limited) on 11 January 2010 for a period of five years.The interest to be paid on the notes, is equivalent, in any period, to dividend declared by C&I Leasing Plc and payable on the equivalent number of ordinary shares underlying the loan stock. At 31 December, the Company intended to convert the loan notes to its equity and had elected to include the notes in equity as deposit for shares. The amount outstanding at 31 December is US$10,000,000 (31 December 2020: US$10,000,000). This convertible notes has however been bought over by Peace Mass Transit (PMT) in January 2021.

	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
28. Statutory reserve				
At 1 January	**1,262,039**	1,234,789	**873,770**	846,763
Transfer from retained earnings (Note 26)	**33,350**	27,250	**-**	27,007
At 31 December	**1,295,389**	1,262,039	**873,770**	873,770

28.1 The Nigerian banking regulations requires the Group to make an annual appropriation to a statutory reserve. As stipulated in S. 16 (1) of the Banks and Other Financial Institutions Act 2020 and Central Bank of Nigeria (CBN) guidelines, an appropriation of 15% of profit after tax is made if the statutory reserve is less than the paid-up share capital and 10% of profit after tax if the statutory reserve is greater than the paid-up share capital.

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	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
29. Statutory credit reserve				
At 1 January	**625,728**	858,253	**638,779**	858,253
Transfer to retained earnings (Note 26)	**(274,356)**	(232,525)	**(258,627)**	(219,474)
At 31 December	**351,372**	625,728	**380,152**	638,779

29.1 The Group determines its loan loss provisions based on the requirements of IFRS. The difference between the loan loss provision as determined under IFRS and the provision as determined under Prudential Guidelines (as prescribed by the Central Bank of Nigeria) is recorded in this reserve. This reserve is non-distributable.

	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
29.2 Summary analysis of IFRS and prudential impairment allowance				
29.2.1 Analysis of IFRS impairment losses				
Loans and advances (Note 10)	**17,562**	1,764	**17,562**	1,764
Lease rental due	**51,109**	12,107	**51,109**	12,107
Finance lease receivables (Note 11)	**1,527**	4,666	**1,527**	4,666
Trade and other receivables (Note 13)	**200,827**	132,455	**124,330**	92,017
Receivable from related companies (Note 13.1)	**3,951**	1,423	**25,608**	24,177
Other Assets (Note 14)	**13,464**	35,919	**13,463**	35,919
Inventories (Note 14.1)	**52,074**	52,074	**52,074**	52,074
Total IFRS impairment losses	**340,514**	240,408	**285,673**	222,724
29.2.2 Analysis of provision for loan losses per prudential guidelines				
Loans and advances	**17,562**	17,652	**17,562**	17,652
Lease rental due	**152,648**	26,451	**152,648**	26,451
Finance lease receivables	**-**	8,100	**-**	3,466
Trade and other receivables	**400,866**	344,923	**374,805**	344,924
Receivable from related companies	**50,971**	61,515	**50,971**	61,515
Other Assets	**17,765**	355,420	**17,765**	355,420
Inventories	**52,074**	52,075	**52,074**	52,075
Total prudential provision for losses	**691,886**	866,136	**665,825**	861,503
Statutory credit reserve company only	**351,372**	625,728	**380,152**	638,779
30. Foreign currency translation reserve				
At 1 January	**2,856,142**	2,020,101	**-**	-
Arising in the year	**790,816**	836,041	**-**	-
At 31 December	**3,646,958**	2,856,142	**-**	-

30.1 This represents net exchange difference arising from translation of reserve balances of foreign entity at the CBN secondary market intervention (SMIS) window rate.The rate used in prior year was the CBN official rate.

	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
31. Fair value reserve				
At 1 January	**6,706**	4,933	**6,706**	4,933
Loss arising in the year (Note 12.3)	**2,333**	1,773	**2,333**	1,773
At 31 December	**9,039**	6,706	**9,039**	6,706

31.1 Fair value reserve represents gains or losses arising from marked to market valuation on equity instruments measured at fair value through other comprehensive income.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
32. Revaluation reserve				
At 1 January	**716,490**	716,490	**716,490**	716,490
At 31 December	**716,490**	716,490	**716,490**	716,490

32.1 Revaluation reserve relates to surplus arising from the revaluation of land and buildings included in property, plant and equipment. No revaluation was carried out as at the end of the reporting year.

	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
33. Non-controlling interest				
At 1 January	**625,467**	256,294	**-**	-
Share of profit for the year	**39,812**	8,727	**-**	-
Share of dividend	-	(602)	**-**	-
Share of credit risk transfer	**2,205**	1,902	**-**	-
Share of transfer to statutory reserve for the year	**13,695**	100	**-**	-
Share of translation gain for the year	**192,905**	359,045	**-**	-
At 31 December	**874,083**	625,467	**-**	-
34. Lease income				
Finance lease interest income	**2,213,262**	2,424,102	**2,163,070**	2,395,770
Rental income on plant and equipment for lease	**12,173,936**	13,647,535	**8,705,755**	8,652,186
	14,387,198	16,071,637	**10,868,825**	11,047,956
35. Lease expenses				
Operating lease maintenance expense	**808,840**	236,343	**273,014**	160,031
Finance lease assets maintenance	**4,476,267**	5,685,252	**6,219,538**	5,525,322
Lease insurance expense	**526,899**	532,188	**331,982**	304,632
	5,812,006	6,453,783	**6,824,534**	5,989,985
36. Outsourcing income				
Outsourcing rental	**11,485,100**	10,576,344	**11,485,100**	10,576,344
Outsourcing service expense	**(10,306,279)**	(8,973,914)	**(10,306,279)**	(8,973,914)
Net outsourcing income	**1,178,821**	1,602,430	**1,178,821**	1,602,430
37. Tracking and tagging income				
a) Tracking income	**153,639**	178,123	**153,639**	178,123
b) Tracking expenses	**(83,202)**	(54,138)	**(83,202)**	(54,138)
Net tracking and tagging income	**70,437**	123,985	**70,437**	123,985
38. Interest income				
Placements with banks	**37,791**	109,796	**7,508**	17,593

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	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
39. Investment income				
Gain on sale of plant and equipment for lease (Note 39.1)	**-**	175,769	**-**	-
Gain on sale of property,plant and equipment (Note 39.2)	**1,243,421**	206,206	**1,058,433**	206,206
Capital income	**284,354**	-	**284,354**	**-**
Investment income	**1,430**	76,067	**1,430**	76,067
Dividends received from EPIC FZE and C&I FZE	**(331)**	4,101	**740,075**	575,009
Management and operational fee from Joint Venture	**-**	105,162	**159,444**	105,162
Management fee from C&I FZE	**-**	-	**-**	155,436
Other income	**17,757**	101,338	**17,757**	3
	1,546,631	668,643	**2,261,493**	1,117,883
39.1 Gain on sale of plant and equipment for lease				
Gross value	**3,366,336**	942,148	**3,193,773**	199,633
Accumulated depreciation	**(1,659,016)**	(894,864)	**(1,814,557)**	(199,408)
Carrying amount	**1,707,320**	47,284	**1,379,216**	225
Proceeds from sale	**1,707,320**	223,053	**1,379,216**	(225)
Profit on disposal	**-**	175,769	**-**	-
39.2 Gain on sale of property, plant and equipment				
Gross value	**13,559**	101,600	**3,455**	22,200
Accumulated depreciation	**(13,420)**	(100,433)	**(3,455)**	(22,200)
Carrying amount	**140**	1,167	**0**	-
Proceeds from sale	**1,243,561**	207,373	**1,058,433**	206,206
Profit on disposal	**1,243,421**	206,206	**1,058,433**	206,206
40. Other operating income				
Insurance claims received	**69,791**	4,518	**69,791**	4,518
Insurance income on finance leases	**12,898**	5,450	**12,898**	5,450
Rent received	**19,520**	20,800	**19,520**	20,800
Foreign exchange gain	**(70)**	125,967	**-**	111,062
Miscellanous Income	**44,141**	248,067	**1,982**	222,439
	146,280	404,802	**104,191**	364,269
41. Impairment charges / (write-back)				
41.1 Impairment loss per statement of profit or loss and other comprehensive income:				
Loans and advances (Note 10.1c)	**15,798**	-	**15,798**	-
Finance lease receivables not due for recovery (Note 11.4	**-**	(10,473)	**-**	(10,473)
Finance lease receivables due for recovery (Note 10.1c)	**39,002**	(1,030)	**39,002**	(1,030)
Trade and other receivables (Note 13.2)	**-**	(24,912)	**-**	(24,912)
Receivable from related companies (Note 13.1)	**1,431**	(30,900)	**1,431**	(30,900)
Other Assets (Note 14)	**-**	20,812	**-**	20,812
Inventories (Note 14.1)	**69,897**	49,207	**6,718**	-
Dormant bank balances	**15,752**	502	**15,752**	502
	141,879	3,206	**78,700**	(46,001)

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	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
42. Depreciation and amortization expense				
42.1 Depreciation expenses:				
Plant and equipment for lease	**4,017,155**	3,810,033	**2,008,183**	1,666,661
Property,plant and equipment	**166,582**	195,867	**44,717**	45,957
42.2 Amortisation of intangible assets:				
- Computer software	**4,986**	817	**4,642**	-
	4,188,723	4,006,717	**2,057,542**	1,712,618
43. Personnel expenses				
Salaries and allowances	**1,104,893**	1,026,764	**1,019,417**	940,098
Pension contribution expense (Note 22.1)	**67,662**	165,338	**59,649**	157,657
Training and medical	**73,241**	94,507	**52,235**	82,251
Other Staff costs	**39,548**	90,357	**12,672**	37,238
	1,285,344	1,376,966	**1,143,973**	1,217,244
44. Distribution expenses				
Advertising	**7,183**	17,378	**5,835**	16,244
45. Administrative expenses				
Auditors' remuneration	**34,741**	35,123	**26,954**	27,034
Directors' emoluments	**132,732**	133,332	**111,710**	90,200
Foreign exchange loss	**(148,681)**	182,161	**(148,850)**	180,897
Bank charges	**17,027**	218,091	**2,680**	190,283
Fuel and maintenance	**216,359**	188,251	**66,238**	45,908
Insurance	**67,383**	104,447	**67,383**	104,447
Public relations	**1,910**	4,040	**1,910**	4,040
Travel and entertainment	**51,851**	91,775	**45,757**	85,172
Legal and professional expenses	**252,861**	228,688	**228,853**	215,535
Communications	**79,191**	110,154	**63,560**	93,892
Subscriptions	**40,545**	76,342	**25,841**	67,770
Levies and penalties	**24,185**	6,201	**5,248**	5,711
Penalties	**1,683**	-	**1,683**	-
Rent - Office	**32,814**	49,957	**9,829**	23,011
Printing and stationery	**10,832**	6,435	**10,050**	6,195
Electricity and other expenses	**17,337**	29,394	**14,519**	28,861
Security expenses	**23,949**	21,490	**23,949**	21,490
Other administrative expenses	**91,717**	49,770	**36,052**	10,160
	948,436	1,535,651	**593,366**	1,200,605

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	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
46. Finance Costs				
Finance lease	**1,462,028**	2,141,852	**609,135**	808,476
Commercial notes	**1,459,766**	1,973,722	**1,459,766**	1,973,722
Term loans interest	**339,495**	251,535	**339,495**	251,535
Bank of Industry	**258,940**	113,377	**258,940**	113,377
Redeemable bonds	**1,513,082**	998,232	**1,513,082**	998,232
	5,033,310	5,478,718	**4,180,417**	4,145,342

47. (Loss)/earnings per share

(Loss)/earnings per share (EPS) - basic, have been computed for each year on the profit after tax attributable to ordinary shareholders and divided by the weighted average number of issued N0.50 ordinary shares during the year. While diluted earnings per share is calculated by adjusting the weighted average ordinary shares outstanding to assume conversion of all diluted potential ordinary shares. There were no potential dilutive shares in the year ended December 2021 (December 2020 : Nil).

(Loss)/profit after taxation	**(24,431)**	310,508	**(196,291)**	270,063
	Number	Number	**Number**	Number
Number of shares at year end	**781,646**	781,646	**781,646**	781,646
Time weighted average number of shares in issue	**781,646**	781,646	**781,646**	781,646
Diluted number of shares	**1,769,147**	1,769,147	**1,769,147**	1,769,147
(Loss)/earnings per share (EPS) (kobo) - basic	**(3.13)**	39.72	**(25.11)**	34.55
(Loss)/earnings per share (EPS) (kobo) - diluted	**(1.38)**	17.55	**(11.10)**	15.27

48. Information regarding Directors and employees
48.1 Directors
48.1.1 Directors' emoluments

Fees	**62,901**	71,147	**41,879**	28,015
Other emoluments	**69,831**	62,185	**69,831**	62,185
	132,732	133,332	**111,710**	90,200

48.1.2 Fees and emoluments disclosed above excluding pension contributions include amounts

The Chairman	**2,900**	2,900	**2,900**	2,900
Other Directors	**129,832**	130,432	**108,810**	87,300

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	Group		Company	
	31 December 2021 N'000	31 December 2020 N'000	**31 December 2021 N'000**	31 December 2020 N'000
48.1.3 The number of Directors [including the Chairman and the highest paid Director] who received fees and other emoluments [excluding pension contributions] in the following ranges were:				
N - N				
240,001 - 400,000	**-**	-	**-**	-
400,001 - 1,550,000	**10**	10	**6**	6
1,550,001 - 5,000,000	**1**	1	**-**	-
5,000,000 - 8,000,000	**-**	-	**1**	1
8,000,001 - 11,000,000	**1**	1	**1**	1
	12	12	**8**	8

48.2 Employees

48.2.1 The average number of persons employed by the Group during the year was as follows:				
Managerial	**16**	15	**14**	13
Senior staff	**31**	32	**26**	27
Junior staff	**286**	305	**253**	270
	333	352	**293**	310

48.2.2 The number of employees of the Group, other than directors, who received emoluments in the following ranges (excluding pension contributions and certain benefits) were as follows:				
N - N				
250,001 - 370,000	**115**	124	**102**	109
370,001 - 420,000	**94**	98	**89**	93
430,001 - 580,000	**48**	52	**44**	48
580,001 - 700,000	**17**	19	**17**	19
700,001 - 750,000	**12**	13	**8**	9
840,001 - 850,000	**11**	13	**9**	11
1,000,001 - 1,100,000	**19**	13	**13**	7
1,100,001 - 1,150,000	**4**	5	**3**	4
1,200,001 - 1,400,000	**3**	4	**2**	3
1,500,000 - 1,550,000	**3**	4	**2**	3
1,650,000 - 2,050,000	**7**	7	**4**	4
	333	352	**293**	310

49. Reclassification of comparative figures
Certain comparative figures in these consolidated financial statements have been restated to give a more meaningful comparison.

50. Financial commitments
The Directors are of the opinion that all known commitments and liabilities, which are relevant in assessing the state of affairs of the Group have been take into consideration in the preparation of these consolidated financial statements.

51. Contingent assets/(liabilities)
The Group is not subject to any claim and other liabilities nor assets arising in the normal course of the business for the year ended 31 December 2021 (31 December 2020 : Nil).

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

52. Related party transactions
The Group is controlled by C & I Leasing Plc, whose shares are widely held. The parent company is a finance company.

A number of transactions are entered into with related parties in the normal course of business.

The volumes of related-party transactions, outstanding balances at the year end, and related expenses and incomes for the year are as follows:

52.1 Intercompany related transactions
The Company booked various intercompany related transactions with other companies within the group under agreeable terms that are comparable with other facilities held in the company's portfolio. Details of these transactions are described below;

			Total transaction value in the period		Balance receivable at:		Balance payable at	
			31 December 2021	31 December 2020	**31 December 2021**	31 December 2020	**31 December 2021**	31 December 2020
Name of related party	Nature of Relationship	Nature of transaction with related party	**₦'000**	₦'000	**₦'000**	₦'000	**₦'000**	₦'000
Leasafric Ghana Limited	Subsidiary	Purchases, payments, shared services, loans to and from each party	**-**	60,479	**-**	-	**-**	265,087
EPIC International FZE United Arab Emirates	Subsidiary	Purchases, payments, shared services, loans to and from each party	**-**	(246,237)	**5,503,046**	5,370,928	**-**	-
C&I Leasing FZE	Subsidiary	Provision of chartered vessels within the Free trade zone.	**-**	(47,383)	-	46,596	**-**	-
SIFAX	JV with C& I	Joint venture to execute marine vessle services	**-**	(134,739)	**776,512**	401,090	**-**	-
OCS/C&I JV Current account	JV with C& I	Joint venture to execute marine vessle services	**-**	7,178	**71,881**	44,585	**-**	-
			-	**(360,702)**	**6,351,439**	**5,863,199**	**-**	**265,086**

The loans to subsidiaries are non-collaterised loans and advances at below market rates of 10%. These loans have been eliminated on consolidation and do not form part of the reported Group loans and advances.

C & I LEASING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

53. Segment reporting
53.1 Segment results of operations
The segment information provided to the Group management committee for the reportable segments for the Year ended 31 December 2021:

	Fleet management N'000	Personnel outsourcing N'000	Marine services N'000	Citrack N'000	Total N'000
Gross earnings	**4,126,162**	**889,763**	**9,969,787**	**155,110**	**15,140,822**
Operating incomes	3,525,582	733,948	6,572,117	154,034	**10,985,681**
Operating expenses	(1,929,776)	-	(4,888,657)	(89,304)	**(6,907,737)**
Depreciation and amortisation	(1,028,138)	(6,252)	(1,022,504)	(648)	**(2,057,542)**
Personnel expense	(188,765)	(157,305)	(764,201)	(33,702)	**(1,143,973)**
Other operating expenses	(159,783)	(140,699)	(359,144)	(18,275)	**(677,901)**
Profit before taxation	**219,120**	**429,692**	**(462,389)**	**12,105**	**198,528**
Total assets employed	2,767,532	1,522,143	23,302,619	83,026	**27,675,320**
Interest expense	(600,580)	(155,815)	(3,422,946)	(1,076)	**(4,180,417)**
Earnings before interest and tax	819,700	585,506	2,960,557	13,182	**4,378,945**
ROCE (EBIT / total asset)	**30%**	**38%**	**13%**	**16%**	**16%**

	2021 N'000	2020 N'000
Geographical information		
1. Revenue		
Nigeria	**9,279,299**	10,341,095
Ghana	**3,594,819**	3,791,230
United Arab Emirates	**3,424,591**	3,599,758
C & I Leasing FZE	**1,743,271**	1,684,602
	18,041,980	19,416,685

	31 December 2021 N'000	31 December 2020 N'000
2. Total assets		
Nigeria	**40,351,312**	37,636,058
Ghana	**3,982,179**	4,372,927
United Arab Emirates	**13,168,994**	13,157,723
C & I Leasing FZE	**631,337**	778,847
	58,133,822	55,945,555

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

54. Impact of Covid-19 on Company's operation

As at 31 December 2019, China had reported to the World Health Organisation (WHO) of several cases of an unusual form of pneumonia in Wuhan, identified as coronavirus (COVID -19), there was little confirmed evidence of human-to-human transmission at that time and the WHO did not declare the outbreak to be a public health emergency of international concern until 31 January 2020.

Since 31 December 2019, the spread of COVID-19 has severely impacted many local economies around the world. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. The Federal Government of Nigeria (FGN) and the Central Bank of Nigeria (CBN) have responded with monetary and fiscal interventions to tackle the impact of the coronavirus and to stabilise economic conditions.

The CBN announced commencement of a three-month repayment moratorium for all Federal Government of Nigeria funded loans issued by the Bank of Industry, Bank of Agriculture and the Nigeria Export Import Bank. N1.1 trillion (USD 3 billion) to boost critical sectors of the economy. For on-lending facilities, financial institutions have been directed to engage International development partners and negotiate concessions to ease the pains of the borrowers. The Federal Government seeks to cut planned spending in the 2020 budget by about NGN1.5 trillion (USD4 billion), including a 20 percent cut to capital expenditure and a 25 percent cut to recurrent expenditure.

The Company has determined that these events are non-adjusting subsequent events. Accordingly, the financial position as at 31 December 2021 and financial performance for the Year ended 31 December 2021 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of Federal Government of Nigeria and Central Bank of Nigeria responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and financial performance of the Group for future years.

55. Events after the reporting date

There are no events after reproting date which could have a material effect on the financial statements of the Company as at 31 December 2021 or the financial performance for the year ended that have not been adequately provided for or disclosed.

C & I LEASING PLC

CONSOLIDATED STATEMENT OF VALUE ADDED
FOR THE YEAR ENDED 31 DECEMBER 2021

GROUP

	31 December 2021 N'000	%	31 December 2020 N'000	%
Gross income	**18,041,980**		19,416,685	
Interest expense	**(5,033,310)**		(5,478,718)	
	13,008,670		13,937,967	
Bought in goods and services:				
- Local	**(1,615,755)**		(2,429,110)	
- Foreign	**-**		-	
Value added	**11,392,915**	**100**	11,508,857	100
Distribution:				
Payment to employees:				
Salaries, wages and other benefits	**1,285,344**	**11**	1,376,966	12
To pay government:				
Current income tax	**270,738**	**2**	168,890	1
To pay shareholders:				
Dividend	**583,520**	**5**	156,329	1
To pay providers of capital:				
Interest	**5,033,310**	**44**	5,478,718	48
Retained for future replacement of assets and expansion of business:				
- Depreciation	**4,188,723**	**37**	4,006,717	35
- Profit for the year	**31,280**	**-**	321,238	3
	11,392,915	**100**	11,508,857	100

Value added is the additional wealth created by the efforts of the Group and its employees. This statement shows the allocation of that wealth between the employees, government, shareholders and that re-invested for the future creation of more wealth.

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CONSOLIDATED STATEMENT OF VALUE ADDED
FOR THE YEAR ENDED 31 DECEMBER 2021

COMPANY

	31 December 2021 N'000	%	31 December 2020 N'000	%
Gross income	**15,166,097**		14,709,508	
Interest expense	**(4,180,417)**		(4,145,342)	
	10,985,680		10,564,166	
Bought in goods and services:				
- Local	**(3,089,657)**		(3,069,630)	
- Foreign	**-**		-	
Value added	**7,896,023**	**100**	7,494,536	100
Distribution:				
Payment to employees:				
Salaries, wages and other benefits	**1,143,973**	**14**	1,217,244	16
To pay Government:				
Current income tax	**126,862**	**2**	149,269	2
To pay shareholders:				
Dividend	**583,520**	**7**	-	-
To pay providers of capital:				
Interest	**4,180,417**	**53**	4,145,342	55
Retained for future replacement of assets and expansion of business:				
- Depreciation of property, plant and equipment	**2,057,542**	**26**	1,712,618	23
- Profit for the year	**(196,291)**	**(2)**	270,063	4
	7,896,023	**100**	7,494,536	100

Value added is the additional wealth created by the efforts of the Company and its employees. This statement shows the allocation of that wealth between the employees, government, shareholders and that re-invested for the future creation of more wealth.

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FINANCIAL SUMMARY - GROUP

31 DECEMBER	2021 N'000	2020 N'000	2019 N'000	2018 N'000	2017 N'000
Statement of financial position					
Assets					
Cash and balances with banks	**3,190,044**	1,418,970	1,989,532	1,712,543	1,239,836
Loans and advances	**801,289**	499,410	557,587	387,148	351,957
Finance lease receivables	**1,731,255**	2,286,385	3,090,821	1,999,330	1,515,030
Investment securities at fair value through other comprehensive income	**9,668**	7,335	5,562	26,053	26,180
Trade and other receivables	**7,994,897**	6,556,968	8,700,509	7,754,625	6,584,292
Other assets	**9,102,404**	7,781,508	7,544,148	6,759,800	5,533,727
Investment in subsidiaries	**-**	-	-	-	-
Investment in joint ventures	**2,857,475**	2,470,856	1,334,226	755,205	52,634
Current income tax assets	**-**	-	-	-	55,178
Intangible assets	**40,531**	431	23,190	45,169	15,955
Plant and equipment for lease	**30,223,322**	32,631,064	30,556,351	30,686,724	27,167,387
Property,plant and equipment	**1,291,555**	1,438,021	1,579,191	1,631,281	1,584,522
Deferred income tax assets	**891,383**	854,607	854,607	854,607	854,607
Total assets	**58,133,823**	55,945,556	56,235,724	52,612,485	44,981,305
Liabilities					
Balance due to banks	**978,197**	928,135	1,311,860	883,917	1,120,306
Commercial notes	**11,501,026**	15,438,233	14,333,056	10,727,157	9,672,506
Trade and other payables	**5,919,283**	4,770,861	7,204,081	7,074,974	6,655,024
Current income tax liability	**448,326**	220,271	185,180	144,494	139,275
Deferred income tax liability	**-**	13,545	88,146	129,214	168,082
Deposit for shares	**1,975,000**	1,975,000	1,975,000	1,975,000	2,283,312
Loans and borrowings	**23,449,435**	19,170,768	21,335,227	21,825,128	18,125,421
Total liabilities	**44,271,267**	42,516,813	46,432,550	42,759,884	38,163,926
Equity					
Share capital	**390,823**	390,823	202,126	202,126	808,505
Share premium	**3,361,609**	3,361,609	1,285,905	1,285,905	679,526
Retained earnings	**3,216,793**	3,583,738	3,224,284	2,767,444	1,960,108
- Statutory reserve	**1,295,389**	1,262,039	1,234,788	1,187,206	1,121,580
- Statutory credit reserve	**351,372**	625,728	858,253	373,682	160,600
- Foreign currency translation reserve	**3,646,958**	2,856,142	2,020,101	2,978,402	1,126,805
- Fair value reserve	**9,039**	6,706	4,933	5,161	5,288
- Assets revaluation reserve	**716,490**	716,490	716,490	716,490	683,400
	12,988,473	12,803,276	9,546,880	9,516,416	6,545,812
Non-controlling interest	**874,083**	625,467	256,294	336,185	271,567
Total equity	**13,862,556**	13,428,743	9,803,174	9,852,601	6,817,379
Total liabilities and equity	**58,133,823**	55,945,556	56,235,724	52,612,485	44,981,305

C & I LEASING PLC

FINANCIAL SUMMARY - GROUP

31 DECEMBER	2021 N'000	2020 N'000	2019 N'000	2018 N'000	2017 N'000
Statement of profit or loss and other comprehensive income					
Gross earnings	**18,041,980**	19,416,685	31,912,153	27,674,198	21,390,439
Lease/outsourcing/tracking income	**26,025,937**	26,826,104	30,943,702	26,711,504	21,335,872
Lease/outsourcing/tracking expense	**(16,201,487)**	(15,481,835)	(18,209,534)	(15,069,602)	(14,002,757)
Net operating income	**9,824,450**	11,344,269	12,734,168	11,641,902	5,711,359
Other operating income	**1,730,702**	1,183,241	968,451	962,694	54,567
Impairment charge	**(141,879)**	(3,206)	(74,801)	(6,483)	(235,325)
Depreciation expenses	**(4,188,723)**	(4,006,717)	(3,942,596)	(3,782,011)	(3,037,925)
Personnel expenses	**(1,285,344)**	(1,376,966)	(1,682,923)	(1,438,454)	(1,227,219)
Distribution expenses	**(7,183)**	(17,378)	(18,690)	(15,218)	-
Other operating expenses	**(5,981,746)**	(7,014,369)	(7,549,969)	(6,329,991)	(1,591,105)
Share of profit from joint venture	**591,620**	381,254	579,021	507,794	20,531
Profit/(loss) before tax	**541,897**	490,129	1,012,661	1,540,233	(305,117)
Income tax expense	**(510,617)**	(168,890)	(73,239)	(342,470)	(162,783)
Profit/(loss) after tax	**31,280**	321,239	939,422	1,197,763	(467,900)
Profit from discontinued operation	**-**	-	-	-	15,294
	31,280	321,239	939,422	1,197,763	(452,606)
(Loss)/profit attributable to:					
Owners of the parent	**(24,431)**	310,508	1,019,313	1,133,146	1,064,854
Non-controlling interest	**55,711**	10,730	(79,891)	64,617	49,729
	31,280	321,238	939,422	1,197,763	1,114,583
(Loss)/earnings per share in kobo (basic)	**(3.13)**	39.72	252.00	280.31	65.85

C & I LEASING PLC

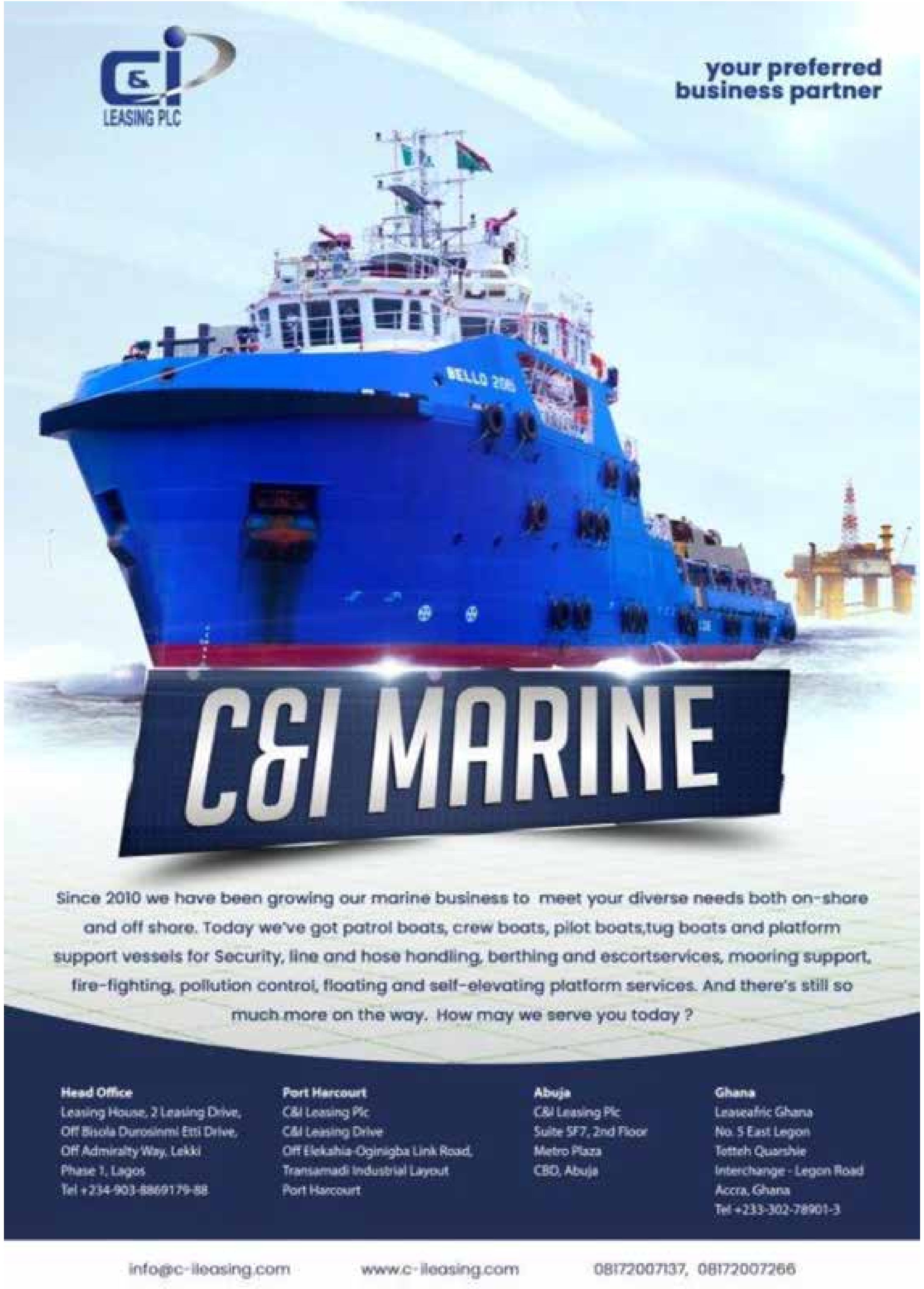
FINANCIAL SUMMARY - COMPANY

31 DECEMBER	2021 N'000	2020 N'000	2019 N'000	2018 N'000	2017 N'000
Statement of financial position					
Assets					
Cash and balances with banks	**2,932,822**	1,155,040	513,095	1,419,542	466,607
Loans and advances	**789,831**	481,520	544,563	387,151	334,507
Finance lease receivables	**1,731,255**	2,286,385	2,988,108	1,832,307	1,508,560
Investment securities at fair value through other comprehensive income	**9,668**	7,335	5,562	26,053	26,180
Trade and other receivables	**12,121,664**	9,745,067	13,327,408	16,791,293	13,987,462
Other assets	**9,496,613**	8,075,922	7,251,771	6,416,405	5,331,628
Investment in subsidiaries	**759,467**	759,468	759,467	758,967	758,967
Investment in joint ventures	**2,857,475**	2,470,854	1,334,226	755,205	52,634
Current income tax assets	**-**	-	-	-	-
Intangible assets	**40,442**	-	-	3,758	8,855
Plant and equipment for lease	**15,276,079**	17,437,838	13,986,222	5,767,999	4,764,096
Property,plant and equipment	**1,164,502**	1,204,575	1,232,294	1,236,624	1,186,743
Deferred income tax assets	**854,607**	854,607	854,607	854,607	854,607
Total assets	**48,034,425**	44,478,612	42,797,323	36,249,911	29,280,846
Liabilities					
Balance due to banks	**978,185**	918,761	1333775	847,441	1,062,622
Commercial notes	**11,602,430**	15,438,232	14303470	10,705,125	9,643,606
Trade and other payables	**5,456,059**	3,551,866	5518432	6,432,407	5,991,895
Current income tax liability	**347,432**	242,613	96843	85,559	139,274
Deferred income tax liability	**-**	-	-	-	-
Deposit for shares	**1,975,000**	1,975,000	1,975,000	1,975,000	2,283,312
Loans and borrowings	**21,475,473**	15,374,818	14972388	12,052,228	6,444,123
Total liabilities	**41,834,579**	37,501,290	38,199,908	32,097,760	25,564,832
Equity					
Share capital	**390,823**	390,823	202,126	808,505	808,505
Share premium	**3,361,609**	3,361,609	1,285,905	679,526	679,526
Retained earnings	**467,963**	989,145	682,945	769,604	657,899
- Statutory reserve	**873,770**	873,770	846,763	799,182	733,555
- Statutory credit reserve	**380,152**	638,779	858,253	373,682	147,842
- Fair value reserve	**9,039**	6,706	4,933	5,161	5,287
- Assets revaluation reserve	**716,490**	716,490	716,490	716,491	683,400
Total equity	**6,199,847**	6,977,322	4,597,415	4,152,151	3,716,014
Total liabilities and equity	**48,034,426**	44,478,612	42,797,323	36,249,911	29,280,846

C & I LEASING PLC

FINANCIAL SUMMARY - COMPANY

31 DECEMBER	2021 N'000	2020 N'000	2019 N'000	2018 N'000	2017 N'000
Statement of profit or loss and other comprehensive income					
Gross earnings	**15,166,097**	14,709,508	25,193,465	20,016,781	16,098,362
Lease/outsourcing/tracking income	**22,507,564**	21,802,423	23,652,225	19,269,576	16,279,121
Lease/outsourcing/tracking expense	**(17,214,015)**	(15,018,037)	(17,940,714)	(13,641,944)	(12,390,188)
Net operating income	**5,293,549**	6,784,386	5,711,511	5,627,632	3,888,933
Other operating income	**2,373,192**	1,499,745	1,540,601	561,340	54,567
Impairment (charge)/writeback	**(78,700)**	46,001	639	185,865	(235,326)
Depreciation expenses	**(2,057,542)**	(1,712,618)	(1,005,365)	(985,393)	(814,978)
Personel expenses	**(1,143,973)**	(1,217,244)	(1,239,318)	(1,058,617)	(88,042)
Distribution expenses	**(5,835)**	(16,244)	(13,334)	(11,816)	(23,818)
Other operating expenses	**(4,773,783)**	(5,345,947)	(5,001,096)	(4,158,464)	(2,294,955)
Share of profit from joint venture	**591,620**	381,254	579,021	507,794	20,531
Profit before tax	**198,529**	419,332	572,659	668,341	506,912
Income tax expense	**(394,820)**	(149,269)	(96,843)	(230,827)	(70,949)
Profit/(loss) after tax	**(196,291)**	270,063	475,816	437,514	435,963
Profit from discontinued operation	-	-	-	-	15,294
Profit/(loss) attributable to:					
Owners of the parent	**(196,291)**	270,063	475,816	437,514	451,257
	(196,291)	270,063	475,816	437,514	451,257
Earnings/(loss) per share in kobo (basic)	**(25.11)**	34.55	118.00	108.23	27.91



C&I LEASING PLC

CORDROS REGISTRARS

Proxy Form.

31ST ANNUAL GENERAL MEETING OF C & I LEASING PLC TO BE HELD AT C & I LEASING PLC., NO. 2, C & I LEASING DRIVE, OFF BISOLA DUROSINMI ETTI, LEKKI PHASE 1, LAGOS ON 20TH OCTOBER, 2022 BY 1.00 PM PROMPT.

I/We______________________being a member/members of C & I LEASING PLC hereby appoint________________or failing him, the selected proxy on the list below *(please select a proxy from the list provided below)* as my/our proxy to vote for me/us at the Annual General Meeting of the Company to be held on 20th October, 2022 and at any adjournment thereof.

Shareholder's Signature _____________ Dated this______day of ______ 2022.

To be effective, the Form of Proxy should be duly stamped by the Commissioner for Stamp Duties and signed before posting it to the address shown overleaf not later than 48 hours before the time for holding the meeting.

The Proxy Form should not be completed and sent to the address overleaf if the member will be attending the Meeting.

Please indicate with an "x" in the appropriate square on the proxy list below to appoint your alternate proxy.

- ☐ Dr. Samuel Maduka Onyishi
- ☐ Mr. Ugoji Lenin Ugoji
- ☐ Mr. Chukwuemeka Ndu
- ☐ Mr. Omotunde Alao-Olaifa
- ☐ Mr. Babatunde Edun
- ☐ Alhaji Sadiq Adamu
- ☐ Mrs. Florence Okoli
- ☐ Mr. Tom Achoda
- ☐ Mr. Oluyemi Abaolu-Johnson
- ☐ Comrade S.B Adenrele
- ☐ Mr. Fred Oduyemi
- ☐ Mrs. Christie Vincent-Uwalaka
- ☐ Mr. Clement Ikwegbue
- ☐ Mr. Moses Igbrude
- ☐ Chief Timothy Adesiyan
- ☐ Alhaji Wasiu Adebayo

Please indicate with an "x" in the appropriate square how you wish your votes to be cast on the resolution set out below. Unless otherwise instructed, the proxy will vote or abstain from voting at his discretion.

#	ORDINARY BUSINESS	FOR	AGAINST	ABSTAIN
1	To receive the audited financial statements for the year ended 31st December 2021 together with the reports of the Directors, Independent Auditors, and the Audit Committee thereon.			
2	To elect and re-elect retiring Directors: • Directors seeking re-election are; i. Mr. Omotunde Alao-Olaifa ii. Mr. Babatunde Edun			
3	To ratify the appointment of Ernst & Young as the External Auditors to the company from the date of this Annual General Meeting to the date of the 2022 Annual General Meeting.			
4	To authorize the Directors to fix the remuneration of the Auditors.			
5	To elect Shareholder-members of the Statutory Audit Committee for the ensuing year			`
6	To disclose the remuneration of managers of the company			

FOR COMPANY'S USE ONLY

Full Name and Address of Shareholder

Number of Shares held:

Admission Form

Please Admit

________________________ to the Annual General Meeting of C & I LEASING PLC to be held at C & I Leasing Plc., No. 2, C & I Leasing Drive, off Bisola Durosinmi Etti, Lekki Phase 1, Lagos by 1.00 pm prompt on 20th October, 2022 .

Signature of the person attending

____

Notes:

1. A member (shareholder) who is unable to attend the Annual General Meeting is allowed to appoint a Proxy to attend and vote instead of him/her. The Proxy Form has been prepared to enable you to exercise your right to vote if you cannot personally attend the meeting.

2. Please sign the Proxy if you are not attending the Meeting, have it duly stamped by the Commissioner for Stamp Duties, and post it so as to reach the Registrars Cordros Registrars Limited 21, Norman Williams Street, Ikoyi or contactcentre@cordros.com or the Company Secretary Mbanugo Udenze & Co. not later than 48 hours before the time of holding the meeting.

3. This Admission Form must be produced by the Shareholder or his proxy in order to obtain entrance to the Annual General Meeting.

4. Shareholders or their Proxies are required to sign the Admission Form before attending the Meeting.

G. MBANUGO UDENZE
FRC/2014/NBA/00000008124
For: **MBANUGO UDENZE & CO.**
COMPANY SECRETARY

Notes

E-Data Update Form.

CORDROS REGISTRARS

Please complete all section of this form to make it eligible for processing and return to the address below. * = Compulsory fields

PERSONAL INFORMATION

* Surname/Company's Name

* Other Names

Gender: Male Female Date of Birth / /

Phone Number 1

Phone Number 2

Email Address

Alternate Email Address

Address

Old Address (If Any)

Nationality

Occupation

Next of Kin Name

Next of Kin Relationship

Next of Kin Phone Number

Bank Verification Number (BVN)

Bank Account Number

Bank Name

CSCS Clearing House Number (CHN)

C

Name of Stockbroking Firm

Please list the company(ies) where you have shareholdings

SN	Company Name	Share Holder Number

DECLARATION

I/We hereby declare that the information I have provided is true and correct and that I shall be held personally liable for any of my personal details.

I/We also agree and consent that Cordros Registrars Limited may collect, use, disclose, process and deal in any manner whatsoever with my/our personal, biometric and shareholding informations out in this form and/or otherwise provided by me/us or possessed by Afriprud for administration of my/our shareholding and matters related thereto.

Name	Name (Joint/ Company Signatories)	Company Seal (if applicable)
Signature / Date	Signature / Date	

CORDROS REGISTRARS LIMITED
21, Norman Williams Street, Ikoyi, P.O. Box 75590 Victoria Island, Lagos, Nigeria.
E: contactcentre@cordros.com **M:** 07002673767 **W:** www.cordros.com

E-Dividend Mandate Activation Form.

CORDROS REGISTRARS

Please complete all section of this form to make it eligible for processing and return to the address below.

The Registrar,
Cordros Registrars Limited
21, Norman Wiliams Street, Ikoyi, Lagos

I/We hereby request that henceforth, all my/our Dividend Payment(s) due to me\us from my/our holdings in all the companies ticked at the right hand column be credited directly to my /our bank detailed below:

Affix Recent Passport Photograph

USE GUM ONLY NO STAPLE PINS (to be stamped by your banker)

ONLY CLEARING BANKS ARE ACCEPTABLE

Bank Verification Number (BVN)

Account Number

Bank Name

Account Opening Date` / /

Please list the company(ies) where you have shareholdings

SN	Company Name	Share Holder Number
1	CWG Plc	
2	C&I Leasing Plc	
3	Cordros Halal Fixed Income Fund	
4	Cordros Fixed Income Fund	
5	Capital Trust Halal Fixed Income Fund	
6	Cordros Dollar Fund	
7	Cordros Milestone Fund	

SHAREHOLDER ACCOUNT INFORMATION

Gender: Male Female Date of Birth / /

* Surname/Company's Name

* Other Names

Phone Number 1

Phone Number 2

Email Address

Address

CSCS Clearing House Number (CHN) C

Name of Stockbroking Firm

DECLARATION

I/We hereby declare that the information I have provided is true and correct and that I shall be held personally liable for any of my personal details.

I/We also agree and consent that Cordros Registrars Limited may collect, use, disclose, process and deal in any manner whatsoever with my/our personal, biometric and shareholding informations out in this form and/or otherwise provided by me/us or possessed by Cordros Registrars for administration of my/our shareholding and matters related thereto.

Name		Name (Joint/ Company Signatories)		Company Seal (if applicable)
Signature	Date	Signature	Date	

CORDROS REGISTRARS LIMITED
21, Norman Williams Street, Ikoyi, P.O. Box 75590 Victoria Island, Lagos, Nigeria.
E: contactcentre@cordros.com **M:** 07002673767 **W:** www.cordros.com

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Off Bisola Durosimi Etti Drive,
Off Admiralty Way, Lekki Phase 1,
Lagos.
Tel: +234-817-200-7144

PortHarcourt:
Leasing House, 2 C&I Leasing Drive,
Off Redemption Way/Off Oginiba
Way, Elekahia Link Road,
Trans Amadi Road.
Tel: +234-906-266-0985
+234-906-000-4026

Abuja:
C&I Leasing, 2nd Floor Nigeria
Reinsurance Building, Plot 784A,
Beside Unity Bank, Herbert
Macauley Way, CBD Abuja
Tel: +234-817-200-7247

Ghana:
Leaseafric Ghana
No. 5 East Legon Tetteh Quarshie
Interchange-Legon Road,
Accra Ghana
Tel: +233-302-78901-3

www.c-ileasing.com