



Transnational Corporation Plc
Unaudited Condensed Consolidated Financial Statements
For the Period Ended 30 June 2023

Transnational Corporation Plc
Statement of Profit or Loss and Other Comprehensive Income
For the Period Ended 30 June 2023

	Note	Group		Company	
		30 June 2023 N'000	30 June 2022 N'000	30 June 2023 N'000	30 June 2022 N'000
Revenue	21	82,123,727	62,889,025	6,483,410	4,516,711
Cost of sales	22	(38,884,238)	(31,783,807)	-	-
Gross profit		43,239,489	31,105,218	6,483,410	4,516,711
Administrative expenses	25	(14,135,891)	(10,891,559)	(1,078,511)	(764,302)
Impairment (loss) on financial assets		(1,779,707)	(335,000)	-	-
Other income	23	1,963,700	723,265	1,679,225	1,289,372
Other gains / (losses) - net	24	658,051	(123,308)	8,893	-
Operating profit		29,945,642	20,478,616	7,093,017	5,041,781
Finance cost - Net	26	(6,595,365)	(6,072,562)	(2,515,916)	(1,744,514)
Foreign exchange (loss) on financing activities	27	(4,828,827)	(1,043,939)	-	-
Profit before taxation		18,521,450	13,362,115	4,577,101	3,297,267
Taxation	16	(2,417,458)	(1,350,381)	(703,126)	(549,141)
Profit for the period		16,103,992	12,011,734	3,873,975	2,748,126
Profit attributable to:					
Owners of the parent		11,058,007	5,852,428	3,873,975	2,748,126
Non controlling interest		5,045,985	6,159,306	-	-
Other comprehensive income/(loss)					
<i>Items that will not be reclassified to profit or loss:</i>					
Net (loss)/gain on equity instruments designated at fair value through OCI	24	2,244,405	(846)	2,244,405	(846)
Total comprehensive income for the period		18,348,397	12,010,888	6,118,380	2,747,280
Attributable to:					
Owners of the parent		13,302,412	5,851,582	6,118,380	2,747,280
Non controlling interest		5,045,985	6,159,306	-	-
Basic EPS (kobo)	28	27.20	14.40	9.53	6.76
Diluted EPS (kobo)	28	27.20	14.40	9.53	6.76

The results shown above relate to continuing operations. There are no incomes or expenses from discontinued operations.

The notes on pages 7 to 19 are an integral part of these financial statements.

Transnational Corporation Plc
Statement of Profit or Loss and Other Comprehensive Income
Three Months Ended 30 June 2023

	Group		Company	
	April - June 2023 N'000	Apr -June 2022 N'000	April - June 2023 N'000	Apr -June 2022 N'000
Revenue	49,729,885	31,499,897	5,097,260	2,213,306
Cost of sales	(20,709,448)	(15,620,075)	-	-
Gross profit	29,020,437	15,879,822	5,097,260	2,213,306
Administrative expenses	(8,230,206)	(5,675,953)	(618,957)	(228,817)
Impairment (loss) on financial assets	(1,702,085)	(200,000)	-	-
Other income	1,725,601	553,126	1,284,748	810,253
Other gains /(losses) - net	639,442	(95,517)	9,607	-
Operating profit	21,453,189	10,461,478	5,772,658	2,794,742
Finance cost - Net	(3,378,071)	(2,284,776)	(1,326,732)	(852,422)
Foreign exchange (loss) on financing activities	(2,406,425)	(540,350)	-	-
Profit before taxation	15,668,693	7,636,352	4,445,926	1,942,320
Taxation	(1,423,648)	(659,945)	(561,100)	(315,304)
Profit for the period	14,245,045	6,976,407	3,884,826	1,627,016
Profit attributable to:				
Owners of the parent	10,009,757	3,752,747	3,884,826	1,627,016
Non controlling interest	4,235,288	3,223,660	-	-
Other comprehensive income/(loss)				
<i>Items that will not be reclassified to profit or loss:</i>				
Net (loss)/gain on equity instruments designated at fair value through OCI	1,883,519	(120,560)	1,883,519	(120,506)
Total comprehensive income for the period	16,128,564	6,855,847	5,768,345	1,506,510
Attributable to:				
Owners of the parent	11,893,276	3,633,033	5,768,345	1,506,456
Non controlling interest	4,235,288	3,222,814	-	-
Basic EPS (kobo)	27.20	9.23	9.53	4.00
Diluted EPS (kobo)	27.20	9.23	9.53	4.00

The results shown above relate to continuing operations. There are no incomes or expenses from discontinued operations.

The notes on pages 7 to 19 are an integral part of these financial statements.

Transnational Corporation Plc
Statement of Financial Position
As at 30 June 2023

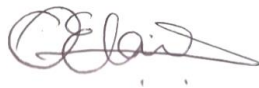
	Note	Group		Company	
		30 June 2023 N'000	31 December 2022 N'000	30 June 2023 N'000	31 December 2022 N'000
Assets					
Non-current assets					
Property, plant and equipment	5	300,489,400	288,442,355	64,264	69,457
Right of use assets	5	404,142	231,765	203,386	231,765
Intangible assets	6	41,321,150	41,318,329	5,075,818	5,075,818
Investment property	7	3,740,000	3,740,000	3,740,000	3,740,000
Investment in subsidiaries	8	0	-	44,669,388	44,669,388
Debt and equity securities	13	7,888,908	5,278,575	5,916,710	3,672,305
Other Investment	18	1,800,450	1,800,450	400,100	400,100
Prepayments and other assets	12	79,623	21,572	79,623	21,572
		355,723,673	340,833,046	60,149,289	57,880,405
Current assets					
Inventories	10	1,709,596	5,419,123	-	-
Trade and other receivables	11	125,659,774	82,641,127	39,006,063	37,230,650
Prepayments and other assets	12	1,883,436	4,431,381	97,317	26,366
Cash and cash equivalents	14	10,359,267	9,378,246	705,994	740,907
		139,612,073	101,869,877	39,809,374	37,997,923
Total assets		495,335,746	442,702,923	99,958,664	95,878,328
Liabilities					
Current liabilities					
Trade and other payables	15	178,798,689	145,998,276	8,962,218	9,958,252
Tax Payable	16	6,822,934	6,803,600	276,042	419,754
Contract Liabilities		300,970	258,284	-	-
Defined Benefit Liability		33,008	33,008	-	-
Deferred income		333,000	447,756	-	-
Borrowings (short term)	17	33,358,212	46,606,260	25,489,879	25,649,776
		219,646,813	200,147,184	34,728,139	36,027,782
Non-current liabilities					
Borrowings (long term)	17	69,709,298	58,039,134	13,252,667	11,958,773
Deposit for shares	19	12,935,000	12,935,000	-	-
Defined Benefit Liability		194,245	161,705	-	-
Contract Liabilities		2,101,348	2,139,555	-	-
Deferred income		1,436,921	1,544,322	-	-
Deferred tax	9	12,962,285	12,962,286	-	-
		99,339,097	87,782,002	13,252,667	11,958,773
Total liabilities		318,985,910	287,929,186	47,980,806	47,986,555
Equity					
Ordinary share capital	29	20,323,996	20,323,996	20,323,996	20,323,996
Share premium	29	6,249,871	6,249,871	6,249,871	6,249,871
Other reserves		28,480,735	26,236,330	3,834,818	1,590,413
Retained earnings		63,602,726	54,577,014	21,569,173	19,727,493
Equity attributable to owners of the parent		118,657,327	107,387,211	51,977,858	47,891,773
Non controlling interest		57,692,509	47,386,526	-	-
Total equity		176,349,836	154,773,737	51,977,858	47,891,773
Net equity and liabilities		495,335,746	442,702,923	99,958,664	95,878,328

The notes on pages 7 to 19 are an integral part of these financial statements.

The Unaudited financial statements on pages 1 to 19 were approved and authorised for issue by the Board of Directors on 27 July 2023 and were signed on its behalf by



Oluwatobiloba Ojediran
Ag Group Chief Finance Officer
FRC/2020/001/00000020314



Owen Omogiafo
President/Chief Executive Officer
FRC/2019/IODN/00000019827



Emmanuel Nnorom
Director
FRC/2014/ICAN/00000007402

Transnational Corporation Plc
Statement of Changes in Equity
For the Period Ended 30 June 2023

Group	Attributable to owners of the parent					Non Controlling interest N'000	Total equity N'000
	Share capital N'000	Share premium N'000	Other reserves N'000	Retained earnings N'000	Total Attributable to owners of the parents N'000		
As at 1 January 2022	20,323,996	6,249,871	26,451,986	47,602,138	100,627,991	45,664,289	146,292,280
Profit /(Loss) for the period	-	-	-	7,787,836	7,787,836	9,051,888	16,839,724
Dividend paid	-	-	-	(812,960)	(812,960)	-7,329,652	-8,142,612
Other comprehensive income	-	-	(215,656)	-	(215,656)	-	(215,656)
Balance at 31 December 2022	20,323,996	6,249,871	26,236,330	54,577,014	107,387,211	47,386,525	154,773,736
As at 1 January 2023	20,323,996	6,249,871	26,236,330	54,577,014	107,387,211	47,386,525	154,773,736
Profit for the period	-	-	-	11,058,007	11,058,007	5,045,985	16,103,992
Dividend paid	-	-	-	(2,032,295)	(2,032,295)	5,259,999	3,227,704
Other comprehensive income	-	-	2,244,405	-	2,244,405	-	2,244,405
Balance at 30 June 2023	20,323,996	6,249,871	28,480,735	63,602,726	118,657,328	57,692,509	176,349,837

Transnational Corporation Plc
Statement of Changes in Equity
For the Period Ended 30 June 2023

Company	Share capital N'000	Share premium N'000	Other reserves N'000	Retained earnings N'000	Total Controlling interest N'000	Non Controlling interest N'000	Total equity N'000
As at 1 January 2022	20,323,996	6,249,871	1,806,069	13,324,478	41,704,414	-	41,704,414
Profit for the period	-	-	-	7,215,975	7,215,975	-	7,215,975
Dividend paid	-	-	-	(812,960)	(812,960)	-	-812,960
Other comprehensive income	-	-	-215,656	-	(215,656)	-	-215,656
Balance at 31 December 2022	20,323,996	6,249,871	1,590,413	19,727,493	47,891,773	-	47,891,773
As at 1 January 2023	20,323,996	6,249,871	1,590,413	19,727,493	47,891,773	-	47,891,773
Profit for the period	-	-	-	3,873,975	3,873,975	-	3,873,975
Dividend paid	-	-	-	(2,032,295)	(2,032,295)	-	(2,032,295)
Other comprehensive income	-	-	2,244,405	-	2,244,405	-	2,244,405
Balance at 30 June 2023	20,323,996	6,249,871	3,834,818	21,569,173	51,977,858	-	51,977,858

Transnational Corporation Plc
Statement of Cash Flows
For the Period Ended 30 June 2023

	Note	Group		Company	
		30 June 2023 N'000	30 June 2022 N'000	30 June 2023 N'000	30 June 2022 N'000
Cash flows from operating activities					
Cash generated from operations	28	31,818,610	7,477,836	3,574,131	2,542,281
Tax paid		(1,749,783)	(2,287,141)	(198,497)	(11,916)
Net cash flows generated from/(used in) operating activities		30,068,827	5,190,695	3,375,634	2,530,365
Cash flows from investing activities					
Dividend Income on equity security		-	128,675	-	128,675
Interest received/paid		(1,697,582)	(521,095)	581,284	(436,845)
Proceed from sale of property, plant and equipment (loss) on		(13,309)	151,363	-	-
Purchase of property, plant and equipment		(16,131,838)	(3,305,575)	(5,226)	(20,084)
Net cash flows (used in)/generated from investing activities		(17,842,729)	(3,546,632)	576,058	(328,254)
Cash flows from financing activities					
Net movement in borrowings		(1,577,884)	(3,022,016)	1,133,997	842,539
Dividend paid		(2,032,295)	(812,959)	(2,032,295)	(812,959)
Interest paid		(8,292,949)	(6,593,657)	(3,097,200)	(2,181,359)
Net cash flows (used in)/generated from financing activities		(11,903,128)	(10,428,632)	(3,995,498)	(2,151,779)
Net (decrease)/increase in cash and cash equivalents		322,970	(8,784,569)	(43,806)	50,332
Cash and cash equivalents at the beginning of the period		9,378,246	14,231,648	740,907	493,255
Foreign exchange loss/(gain) on cash and cash equivalents		658,051	(123,306)	8,893	-
Cash and cash equivalents at the end of the period		10,359,267	5,323,773	705,994	543,587

The notes on pages 7 to 19 are an integral part of these financial statements.

Transnational Corporation Plc

Notes to the Financial Statements

For the Period Ended 30 June 2023

1. General information

Transnational Corporation Plc, ("the Company" or "Transcorp"), was incorporated on 16 November, 2004 as a private limited liability Company domiciled in Nigeria in accordance with the requirements of the Companies and Allied Matters Act. Following a successful initial public offer (IPO), the Company was in December 2006, listed on the Nigerian Exchange Group (Formerly Nigeria Stock Exchange). The shares of the Company have continued to be traded on the floor of the Exchange. The Company is domiciled in Nigeria and the address of its registered office is 38 Glover Road, Ikoyi, Lagos, Nigeria.

The company recently changed its name from "Transnational Corporation of Nigeria Plc" to **Transnational Corporation Plc**

The Company maintains controlling interests in the following companies. The Company, together with the subsidiaries are known as the Transcorp Group, ("the Group")

- Trans Afam Power Limited
- Transcorp Hotels Plc
- Transcorp Hotels Calabar Limited
- Transcorp Energy Limited
- Aura by Transcorp Hotels
- Transcorp Power Limited
- Transcorp Properties Limited
- Transcorp OPL 281 Limited
- Transcorp Hotels Ikoyi Limited
- Transcorp Hotels Port Harcourt Limited

The Company's business is investment and operation of portfolio companies in the hospitality, power, agro-allied and oil & gas sectors.

2. Summary of significant accounting policies

Basis of preparation

The condensed consolidated financial statements have been prepared in accordance with the Companies and Allied Matters Act (CAMA), IAS 34 Interim Financial Reporting, International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements have been prepared on a historical cost basis except for available-for-sale financial assets, financial assets and liabilities and investment property – measured at fair value.

The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 30 June 2023.

The preparation of 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. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

The preparation of financial statements, in conformity with generally accepted accounting principles under IFRS, requires the directors to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the directors' best knowledge of the amounts, events or actions, actual results ultimately may differ from those estimates.

Transnational Corporation Plc

Notes to the Financial Statements

For the Period Ended 30 June 2023

2.1 Going Concern

Management believes that a going concern assumption is appropriate for the Group due to sufficient capital adequacy ratio and projected liquidity. This is based on historical experience that short-term obligations will be re-financed as required in the normal course of business.

Liquidity ratio and continuous evaluation of current ratio of the Group is carried out on an ongoing basis to ensure that there are no going concern threats to the operations of the Group.

2.2 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Transcorp.

2.3 Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved when the Company:

- a) Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- b) Exposure, or rights, to variable returns from its involvement with the investee
- c) The ability to use its power over the investee to affect its returns

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- a) The size of the Company's holding of voting rights relative to the size and dispersion of holding of the other vote holders.
- b) Potential voting rights held by the Company, other vote holders or other parties.
- c) Rights arising from other contractual arrangements.
- d) Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Transnational Corporation Plc

Notes to the Financial Statements

For the Period Ended 30 June 2023

3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- (Level 1): Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (Level 2): Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- (Level 3): Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Assets	At 30 June, 2023.			Total
	Level 1	Level 2	Level 3	
Financial assets at fair value through other comprehensive income				
Equity securities at fair value through OCI	7,888,908	-	-	7,888,908

Assets	At 31 December 2022			Total
	Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss				
Profit attributable to:	5,278,575	-	-	5,278,575

There were no transfers between levels 1 and 2 during the year.

(a) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily equity investments listed on the Nigerian Exchange (NGX) classified as equity securities at fair value through other comprehensive income.

4 Segment analysis

The Group

The chief operating decision-maker has been identified as the Board of Directors of Transcorp. The Board reviews the Group's internal reporting in order to assess performance and allocate resources. The directors have determined the operating segments based on these reports. The Board considers the business from an industry perspective and has identified 5 operating segments.

i Hospitality

The hospitality business is made up of its direct subsidiary Transcorp Hotels Plc. (THP) and indirect subsidiaries, Transcorp Hotels Calabar Limited (THC), Transcorp Hotels Ikoyi Limited, Transcorp Hotels Port Harcourt Limited and Aura by Transcorp Hotels. These entities render hospitality services to customers.

ii Agro-allied

This relates to a subsidiary Teragro Commodities Limited. The subsidiary is engaged in the manufacturing/processing of fruit concentrates from fruits from which the Group derives revenue.

iii Power

This relates to a subsidiary Transcorp Power Limited (TPL) and TransAfam Power Limited (TAPL). The subsidiary is engaged in generation of electric power.

iv Oil & Gas

Two subsidiaries make up the oil & gas segment namely Transcorp Energy Limited and Transcorp OPL 281 Limited. The companies are into the exploration, refining and marketing of petroleum products. The subsidiaries are in the start-up phase and have not started generating revenue.

v Corporate Centre

This segment is the parent Company, Transnational Corporation Plc and the other non-operational subsidiaries.

The Board is the Chief Operating Decision Maker (CODM) and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements. Also, the Group's financing (including finance costs, finance income and other income) and income taxes are managed on a Group basis and are not allocated to operating segments. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Sales between segments are carried out at arm's length. The revenue from external parties reported to the group is measured in a manner consistent with that in the income statement.

Transnational Corporation Plc
Notes to the Financial Statements
For the Period Ended 30 June 2023

Total segment assets are included in the reconciliation to the total statement of financial position assets.

As at 30 June 2023

	Hospitality N'000	Oil & gas N'000	Agro-allied N'000	Power N'000	Corporate centre N'000	Intersegment elimination N'000	Total N'000
Revenue	18,983,693	-	-	63,140,034	6,483,410	(6,483,410)	82,123,727
Other income	964,754	-	-	-	1,688,118	(581,284)	2,071,588
Finance cost	1,987,805	-	-	3,207,944	3,097,200	(581,284)	7,711,665
Depreciation and amortisation	1,306,929	-	-	2,089,351	38,799	-	3,435,079
Profit/(loss) before taxation	3,525,640	-	-	16,870,039	4,577,102	(6,451,331)	18,521,450
Segmental assets	122,593,840	9,429,834	55,073	203,496,090	99,958,664	59,802,245	495,335,746
Segmental liabilities	57,342,337	11,096,857	1,766,561	149,292,129	47,980,806	51,507,220	318,985,910
Net assets	65,251,503	(1,667,023)	(1,711,488)	54,203,961	51,977,858	8,295,025	176,349,836

As at 30 June 2022

	Hospitality N'000	Oil & gas N'000	Agro-allied N'000	Power N'000	Corporate centre N'000	Intersegment elimination N'000	Total N'000
Revenue	14,984,334	-	-	47,904,691	4,516,711	(4,516,711)	62,889,025
Other income	288,465	-	-	-	1,289,372	(436,845)	1,140,992
Finance cost	2,040,056	-	-	2,683,653	2,181,359	(436,845)	6,468,223
Depreciation and amortisation	1,267,000	-	-	2,146,611	38,708	-	3,452,319
Profit/(loss) before taxation	2,441,153	-	-	12,104,729	3,297,268	(4,481,035)	13,362,115
Segmental assets	114,519,329	7,365,115	55,073	159,751,923	90,984,453	44,510,742	417,186,635
Segmental liabilities	50,019,067	8,277,528	1,766,561	113,507,599	47,345,614	38,780,057	259,696,426
Net assets	64,500,262	(912,413)	(1,711,488)	46,244,324	43,638,839	5,730,685	157,490,209

Revenues from transactions with other operating segments relates to dividend income from Transcorp Hotels Plc and Transcorp Power Limited to the Company, Transnational Corporation Plc.

The totals presented for the Group's operating segments reconcile to the key financial figures as presented in its financial statements as follows:

Revenue	30 June 2023 N'000	30 June 2022 N'000
Total revenue for reportable segments	88,607,137	67,405,736
Elimination of inter-segment revenue (i)	(6,483,410)	(4,516,711)
External revenue	82,123,727	62,889,025
Profit or loss		
Total (loss) or profit for reportable segments	24,972,781	17,843,150
Elimination of inter-segment profits (ii)	(6,451,331)	(4,481,035)
Consolidated (loss) or profit before taxation	18,521,450	13,362,115
Assets	30 June 2023	31 December 2022
Total assets of reportable segments	435,533,501	529,162,714
Consolidation eliminations (iii)	(59,802,245)	(86,459,792)
Consolidated total assets	495,335,746	442,702,922
Liabilities		
Total liabilities of reportable segments	267,478,690	345,777,448
Consolidation eliminations (iv)	(51,507,220)	(57,848,265)
Consolidated total liabilities	318,985,910	287,929,183

The nature of differences between the measurements of the reportable segment's assets/liabilities and the assets/liabilities of the Group is as follows:

Transnational Corporation Plc

Notes to the Financial Statements

For the Period Ended 30 June 2023

4 Segment analysis (continued)

(i) Elimination of inter-segment revenue relates to dividend income from Transcorp Power Limited and Transcorp Hotels Plc to Transnational Corporation Plc.

(ii) Elimination of inter-segment profits relates to dividend income between the segments and other income arising from transactions with non-controlling interests.

(iii) Investments of Transnational Corporation Plc in its subsidiaries and investment of Transcorp Hotels Plc in Transcorp Hotels Calabar Limited, Transcorp Hotels Port Harcourt Limited, Transcorp Hotels Ikoyi Limited and Aura by Transcorp Hotels respectively accounts for the consolidation eliminations of total assets of reportable segments. Inter-segment receivables were also eliminated to arrive at the consolidated total assets.

(iv) Inter-segment payables, dividend payable to segments within the Group and management fees payable and interest payable to Transnational Corporation Plc from Transcorp Hotels Plc accounts for the consolidation eliminations in total liabilities of the reportable segments.

Entity-wide information

The following is an analysis of the Group's revenue from continuing operations from its major products and services.

Analysis of revenue by category:

	30 June 2023	30 June 2022
	N'000	N'000
Rooms	12,540,317	4,509,819
Food and beverage	5,253,265	2,175,788
Shop rental	545,553	248,711
Service charge	149,484	29,622
Other operating revenue	495,074	76,294
Capacity charge	22,078,049	9,046,134
Energy sent out	41,052,985	15,302,760
Ancillary services	9,000	-
Total	82,123,727	31,389,128

The Group is domiciled in Nigeria where it generates all its external revenue. The total non-current assets of the Group are all located in Nigeria.

Transnational Corporation Plc
Notes to the Financial Statements
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5 Property, plant and equipment (PP&E)

Group	Land N'000	Building & improvements N'000	Plant & machinery N'000	Computer & office equipments N'000	Motor vehicles N'000	Capital work in progress N'000	Total N'000
Balance as at 1 January 2022	39,524,249	55,183,828	184,033,527	18,865,134	870,846	19,291,755	317,769,339
Transfer of cost of assets from Trans Afam Power Ltd							0
Additions	1,788,612.00	258,492	2,147,627	1,417,579	26,892	11,965,075	17,604,277
Reclassification	1,100,000.00		3,971,036	16,457	-	(5,094,594)	(7,101.00)
Disposals	(4,413.00)	-	-	(29,455)	(8,025)	-	(41,893)
Balance as at 31 December 2022	42,408,448	55,442,320	190,152,190	20,269,715	889,713	26,162,236	335,324,622
Balance as at 1 January 2023	42,408,448	55,442,320	190,152,190	20,269,715	889,713	26,162,236	335,324,622
Additions	227,041	8,096	3,556,650	431,350	98,331	11,810,371	16,131,838
Reclassification			12,325,569			(12,325,569)	-
Disposals					(83,575)		(83,575)
Balance as at 30 June 2023	42,635,489	55,450,416	206,034,409	20,701,065	904,469	25,647,038	351,372,885
Depreciation and Impairment losses							
Balance as at 1 January 2022	-	6,145,602	26,989,303	6,200,850	616,967	-	39,952,722
Depreciation for the period	-	1,217,507	4,461,211	1,226,105	61,017	-	6,965,840
Disposal	-	-	-	(29,070)	(7,225)	-	(36,295)
Write-off	-	-	-	-	-	-	-
Profit attributable to:							
Balance as at 31 December 2022	-	7,363,109	31,450,514	7,397,885	670,759	-	46,882,267
Balance as at 1 January 2023	-	7,363,109	31,450,514	7,397,885	670,759	-	46,882,267
Depreciation for the period	-	594,606	2,716,305	650,771	123,112	-	4,084,794
Disposals	-	-	-	-	(83,575)	-	(83,575)
Balance as at 30 June 2023	-	7,957,715	34,166,819	8,048,656	710,296	-	50,883,485
Net book value							
At 30 June 2023	42,635,489	47,492,701	171,867,590	12,652,409	194,173	25,647,038	300,489,400
At 31 December 2022	42,408,448	48,079,211	158,701,676	12,871,830	218,954	26,162,236	288,442,355

Transnational Corporation Plc
Notes to the Financial Statements
For the Period Ended 30 June 2023

5 Property, plant and equipment (continued)

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Company	Building & improvements N'000	Plant & Machinery N'000	Computer & office equipments N'000	Motor vehicles N'000	Capital work in progress N'000	Total N'000
Cost						
Balance as at 1 January 2022	36,366	8,771	80,555	15,553	23,558	164,803
Additions	1,476	13,945	18,704	-	6,570	40,695
Reclassification			16,457		-23,558	(7,101)
Disposals	-	-	(3,583)	(8,025)	-	(11,608)
Balance as at 31 December 2022	37,842	22,716	112,133	7,528	6,570	186,789
Balance as at 1 January 2023	37,842	22,716	112,133	7,528	6,570	186,789
Additions			4,183		1,043	5,226
Reclassification	5,345		323		(5,668)	-
Disposals						-
Write-off				-		-
Balance as at 30 June 2023	43,187	22,716	116,639	7,528	1,945	192,015
Depreciation and impairment losses						
Balance as at 1 January 2022	29,175	4,535	67,645	12,297		113,652
Depreciation for the period	2,055	1,934	8,551	1,824	-	14,364
Disposals			(3,459)	(7,225)	-	-10,684
Write-off				-		-
Balance as at 31 December 2022	31,230	6,469	72,737	6,896	-	117,332
Balance as at 1 January 2023	31,230	6,469	72,737	6,896		117,332
Depreciation for the period	1,791	1,083	6,937	608		10,419
Disposals					-	-
Balance as at 30 June 2023	33,021	7,552	79,674	7,504	0	127,751
Net book value						
At 30 June 2023	10,166	15,164	36,965	24	1,945	64,264
At 31 December 2022	6,612	16,247	39,396	632	6,570	69,457

Depreciation is allocated as follows;

Cost of sales
Administrative expenses

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	N'000	N'000	N'000	N'000
Cost of sales	2,646,522	1,113,106	-	-
Administrative expenses	1,381,506	678,515	38,799	32,138
	4,028,028	1,791,621	38,799	32,138

All depreciation expenses for the company are charged to administrative expenses.

Transnational Corporation Plc
Notes to the Financial Statements
For the Period Ended 30 June 2023

Right of use assets

	Group	Company
Cost		
Balance as at 1 January 2022	462,151	462,151
Additions	-	-
Balance as at 31 December 2022	<u>462,151</u>	<u>462,151</u>
Balance as at 1 January 2023	462,151	462,151
Additions	211,281	-
Balance as at 30 June 2023	<u>673,432</u>	<u>462,151</u>
Depreciation and Impairment losses		
Balance as at 1 January 2022	173,627	173,627
Depreciation for the period	56,759	56,759
Balance as at 31 December 2022	<u>230,386</u>	<u>230,386</u>
Balance as at 1 January 2023	230,386	230,386
Depreciation for the period	38,904	28,379
Balance as at 30 June 2023	<u>269,290</u>	<u>258,765</u>
Net book value		
At 30 June 2023	404,142	203,386
At 31 December 2022	231,765	231,765

Transnational Corporation Plc
Notes to the Financial Statements
For the Period Ended 30 June 2023

6 Intangible assets

	Group					Company		
	Goodwill	Computer software	Oil Prospecting License	Exploration and evaluation expenditure	Total	Computer software	Oil Prospecting License	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cost								
At 1 January 2022	30,934,143	395,241	5,075,818	5,031,292	41,436,494	12,966	5,075,818	5,088,784
Addition	-	32,653	58,912	68,636	160,201	-	-	-
As at 31 December 2022	30,934,143	427,894	5,134,730	5,099,928	41,596,695	12,966	5,075,818	5,088,784
At 1 January 2023	30,934,143	427,894	5,134,730	5,099,928	41,596,695	12,966	5,075,818	5,088,784
Addition	-	13,309	-	-	13,309	-	-	-
As at 30 June 2023	30,934,143	441,203	5,134,730	5,099,928	41,610,004	12,966	5,075,818	5,088,784
Accumulated amortisation								
At 1 January 2022	-	236,636	-	-	236,636	12,966	-	12,966
Amortisation charge	-	32,402	9,328	-	41,730	-	-	-
As at 31 December 2022	-	269,038	9,328	-	278,366	12,966	-	12,966
At 1 January 2023	-	269,038	9,328	-	278,366	12,966	-	12,966
Amortisation charge	-	10,488	-	-	10,488	-	-	-
As at 30 June 2023	-	279,526	9,328	-	288,854	12,966	-	12,966
Net book value								
As at 30 June 2023	30,934,143	161,677	5,125,402	5,099,928	41,321,150	-	5,075,818	5,075,818
At 31 December 2022	30,934,143	158,856	5,125,402	5,099,928	41,318,329	-	5,075,818	5,075,818

Goodwill is not amortised but tested for impairment annually.

Transnational Corporation Plc
Notes to the Financial Statements
For the Period Ended 30 June 2023

7 Investment property

	Group		Company	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	N'000	N'000	N'000	N'000
At 1 January	3,740,000	2,194,000	3,740,000	2,194,000
Net gain from fair value remeasurement	-	1,546,000	-	1,546,000
	3,740,000	3,740,000	3,740,000	3,740,000

8 Investment in subsidiaries

	Company	
	30 June 2023	31 December 2022
	N'000	N'000
Transcorp Hotels Plc	25,470,755	25,470,755
Transcorp Power Limited	19,100,213	19,100,213
Trans Afam Nigeria Limited	47,500	47,500
Other subsidiaries	50,920	50,920
	44,669,388	44,669,388

Movement in investment in subsidiaries is analysed as follows:

	Company	
	30 June 2023	31 December 2022
	N'000	N'000
At 1 January	44,669,388	42,395,763
Transfer to Intercompany	-	2,273,625
	44,669,388	44,669,388

9 Deferred tax

The balance of Deferred tax assets/ (Liabilities) is as follows:
Deferred tax Laibility

Group	
30 June 2023	31 December 2022
N'000	N'000
(12,962,285)	12,962,286
(12,962,285)	12,962,286

10 Inventories

	Group	
	30 June 2023	31 December 2022
	N'000	N'000
Food and beverage	200,763	-
Engineering spares	334,752	5,042,667
Guest supplies	501,464	169,110
Fuel	672,617	207,346
	1,709,596	5,419,123

Transnational Corporation Plc
Notes to the Financial Statements
For the Period Ended 30 June 2023

11 Trade and other receivables

	Group		Company	
	30 June 2023 N'000	31 December 2022 N'000	30 June 2023 N'000	31 December 2022 N'000
Trade receivables	120,345,224	89,653,456	-	36,896,511
Related Parties and Other receivables	11,816,583	-	40,103,397	1,998,558
	132,161,807	89,653,456	40,103,397	38,895,069
Less: provision for impairment	(6,502,033)	(7,012,329)	(1,097,333)	(1,664,419)
	125,659,774	82,641,127	39,006,064	37,230,649

A significant portion of the trade receivable relates to receivable from the Transmission Company of Nigeria Plc and Nigerian Bulk Electricity Trading Plc which are the regulatory bodies for the power business.

12 Prepayments and Other Assets

	Group		Company	
	30 June 2023 N'000	31 December 2022 N'000	30 June 2023 N'000	31 December 2022 N'000
Prepayments	1,963,059	3,993,382	97,317	47,938
Other assets	0	459,571	79,623	-
	1,963,059	4,452,953	176,940	47,938
Non-current	79,623	21,572	79,623	21,572
Current	1,883,436	4,431,381	97,317	26,366

13 Debt and equity securities

	Group	
	30 June 2023 N'000	31 December 2022 N'000
Non-current portion		
Equity securities at fair value through OCI	7,888,908	5,411,024
	7,888,908	5,411,024

	Company	
	30 June 2023 N'000	31 December 2022 N'000
At 1 January	3,672,305	3,887,961
Fair value gain/(loss)	2,244,405	(215,656)
	5,916,710	3,672,305

14 Cash and cash equivalents

	Group		Company	
	30 June 2023 N'000	31 December 2022 N'000	30 June 2023 N'000	31 December 2022 N'000
Cash and bank balance	10,359,267	9,378,246	705,994	740,907

15 Trade and other payables

	Group		Company	
	30 June 2023 N'000	31 December 2022 N'000	30 June 2023 N'000	31 December 2022 N'000
Trade Creditors	163,588,286	114,049,002	-	-
Accruals and other liabilities	5,528,379	19,181,054	7,660,715	8,569,466
Dividend payable	7,804,005	7,656,988	-	-
Deffered Income	170,518	-	-	-
VAT payable	528,690	3,619,903	122,692	209,975
Unclaimed Dividend	1,178,811	1,325,828	1,178,811	1,178,811
Advance Deposit	-	165,501	-	-
	178,798,689	145,998,276	8,962,218	9,958,252

Transnational Corporation Plc
Notes to the Financial Statements
For the Period Ended 30 June 2023

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	N'000	N'000	N'000	N'000
Income tax	1,405,146	986,410	54,785	97,470
Education tax	363,971	363,971	-	-
	1,769,117	1,350,381	54,785	97,470
Tax on franked investment income	648,341	-	648,341	451,671
Deferred tax	-	-	-	-
	2,417,458	1,350,381	703,126	549,141

The movement in tax payable is as follows:

	Group		Company	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	N'000	N'000	N'000	N'000
At 1 January	6,803,600	3,645,712	419,754	288,087
Provision for the period	1,769,117	6,358,083	54,785	143,710
Payment during the period	(1,749,783)	(3,200,195)	(198,497)	(12,043)
	6,822,934	6,803,600	276,042	419,754

	Group		Company	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	N'000	N'000	N'000	N'000
Falling due within the period	33,358,212	46,606,260	25,489,879	25,649,776
	33,358,212	46,606,260	25,489,879	25,649,776
Falling due after one year	69,709,298	58,039,133	13,252,667	11,958,773
	69,709,298	58,039,133	13,252,667	11,958,773
Total	103,067,510	104,645,393	38,742,546	37,608,549

	Group		Company	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	N'000	N'000	N'000	N'000
Other Investment	1,800,450	1,800,450	400,100	400,100

	Group		Company	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	N'000	N'000	N'000	N'000
Deposit for shares-THIL	2,410,000	2,410,000	-	-
Deposit for shares-TAPL	10,525,000	10,525,000	-	-
	12,935,000	12,935,000	-	-

Deposit for shares (THIL) relates to Heirs Holdings Limited's contribution to the development of Transcorp Hotels Ikoyi Limited (THIL). Based on the Memorandum of Understanding between Transcorp Hotels Plc and Heirs Holdings Limited, THIL will repay or issue shares to Heirs Holdings Limited on completion of the construction and start of operation of the hotel.

Deposit for shares- TAPL relates to other parties contribution to Trans Afam Power Limited (TAPL) towards the acquisition cost for the Afam Power Genco.

	Group & company	
	30 June 2023	31 December 2022
	N'000	N'000
Sacoil / Equity, Energy and Resource (EER) farm-in fees	-	12,935,000

Payment of N1.875 billion (2016: N1.875 billion) relates to farm-in fee of \$12.5 million received from EER/SacOil being part of the consideration for the interest of EER and SacOil in Oil Prospecting License 281 (OPL 281). The farm-in process has not been completed.

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21 Revenue	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	N'000	N'000	N'000	N'000
The group derives the following types of revenue:				
Rooms	12,540,317	9,613,712	-	-
Food and beverage	5,253,265	4,635,856	-	-
Shop rental	545,553	500,566	-	-
Service charge	149,484	46,224	-	-
Other operating revenue	495,074	187,976	-	-
Dividend income	-	-	6,483,410	4,516,711
Capacity charge	22,078,049	17,095,134	-	-
Energy sent out	41,052,985	25,745,475	-	-
Ancillary services	9,000	5,064,082	-	-
	82,123,727	62,889,025	6,483,410	4,516,711

All recognised revenue were generated in Nigeria.

22 Cost of sales	Group	
	30 June 2023	30 June 2022
	N'000	N'000
Rooms	1,722,993	1,339,890
Staff costs	482,733	454,302
Food and beverage	3,320,442	2,600,582
Natural gas and fuel costs	28,401,818	21,465,360
Other direct expenses	272,468	29,375
Repairs and maintenance	1,486,686	2,984,952
Depreciation	2,646,522	2,525,657
Insurance	272,035	152,246
Other operating cost	278,541	231,443
	38,884,238	31,783,807

23 Other income	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	N'000	N'000	N'000	N'000
Dividend income on equity securities	128,675	128,675	-	128,675
Management fees from subsidiaries	-	-	310,982	960,333
Director's Refund	-	-	44,828	10,910
Other income	1,835,025	594,590	1,323,415	189,454
	1,963,700	723,265	1,679,225	1,289,372

24 Other gains/(losses) - net	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	N'000	N'000	N'000	N'000
Included in profit or loss				
Foreign exchange gain/(loss)	658,051	(123,308)	8,893	-
	658,051	(123,308)	8,893	-

Included in other comprehensive income

Fair value gain/(loss) on equity securities	2,244,405	(846)	2,244,405	(846)
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For the Period Ended 30 June 2023

25 Administrative and general expenses

	Group		Company	
	30 June 2023 N'000	30 June 2022 N'000	30 June 2023 N'000	30 June 2022 N'000
Staff costs	1,901,432	1,590,714	277,805	226,803
Depreciation	1,381,506	1,357,790	38,799	38,708
Amortisation	17,856	14,091	-	-
Auditors' remuneration	103,741	73,387	20,318	15,856
Management and incentive fees	2,367,538	1,773,094	-	-
Professional fees	1,105,768	544,887	251,676	249,785
Director's remuneration	438,800	250,390	181,832	89,157
Repairs and maintenance	933,363	765,287	2,835	3,416
Advertising	83,117	698,137	7,117	2,987.00
Group service benefits	369,129	290,203	-	-
Insurance	345,733	231,725	14,008	8,864
Electricity and diesel cost	1,438,765	1,112,144	16,611	19,864
Travel and accommodation	295,873	213,478	37,660	45,180
Licenses and fees	49,872	11,369	24,959	11,369
Bank charges	261,168	244,262	16,573	3,214
Other operating expenses	3,042,230	1,720,601	188,318	49,099
	14,135,891	10,891,559	1,078,511	764,302

26 Finance costs and income

	Group		Company	
	30 June 2023 N'000	30 June 2022 N'000	30 June 2023 N'000	30 June 2022 N'000
Finance costs:				
Interest expense on loans	8,292,949	6,593,657	3,097,200	2,181,359
Interest expense on loans	8,292,949	6,593,657	3,097,200	2,181,359
Finance income:				
Interest on loan	(1,697,584)	(521,095)	581,284	(436,845)
	(1,697,584)	(521,095)	581,284	(436,845)
Finance Cost - net	6,595,365	6,072,562	2,515,916	1,744,514

27 Net foreign exchange losses

The exchange differences charged/credited to the income statement are included as follows:

	Group		Company	
	30 June 2023 N'000	30 June 2022 N'000	30 June 2023 N'000	30 June 2022 N'000
Foreign exchange loss on borrowings	4,828,827	1,043,939	-	-

28 Earnings per share

Basic earnings/ (loss) per share is calculated by dividing the profit/ (loss) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year excluding ordinary shares purchased by the Company and held as treasury shares.

	Group		Company	
	30 June 2023 N'000	30 June 2022 N'000	30 June 2023 N'000	30 June 2022 N'000
Profit attributable to shareholders	11,058,007	5,852,428	3,873,975	2,748,126
Weighted average number of ordinary shares in issue	40,647,991	40,647,991	40,647,991	40,647,991
Basic earnings per share (Kobo)	27.20	14.40	9.53	6.76
Diluted earnings per share (Kobo)	27.20	14.40	9.53	6.76

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29 Share capital

a Authorised:

45,000,000,000 ordinary shares of 50kobo each

Allotted, called up and fully paid:

Group		Company	
30 June 2023	31 December 2022	30 June 2023	31 December 2022
20,323,996	22,500,000	20,323,996	22,500,000

At 1 January 2023

Group and Company			
	Number of shares (thousands)	Ordinary shares N'000	Total N'000
At 1 January 2023	40,647,991	20,323,996	20,323,996
	40,647,991	20,323,996	20,323,996

b Share premium

At 1 January

At 30 June 2023

Group and Company	
30 June 2023 N'000	31 December 2022 N'000
6,249,871	6,249,871
6,249,871	6,249,871

28 Cash generated from operating activities

Profit before tax

Adjustment for:

Depreciation of PP&E

Amortization of intangible assets

Impairment allowance on financial assets

Dividend Income on equity securities

Finance cost

Finance income

Adjustment for tax on franked income

Foreign Exchange loss/(gain)

Changes in working capital:

(Increase) in trade and other receivables

(Increase)/Decrease in prepayment and other

(Increase)/Decrease in inventories

Decrease in Deferred Income

Increase/(Decrease) in trade and other payables

**Net cash generated from/(used in)
operations**

	Group		Company	
	30 June 2023 N'000	30 June 2022 N'000	30 June 2023 N'000	30 June 2022 N'000
Profit before tax	18,521,450	13,362,115	4,577,101	3,297,267
Adjustment for:				
Depreciation of PP&E	4,084,794	3,850,229	38,799	38,708
Amortization of intangible assets	17,856	14,091	-	-
Impairment allowance on financial assets	1,779,707	335,000	-	-
Dividend Income on equity securities	-	(128,675)	-	(128,675)
Finance cost	8,292,949	6,593,657	3,097,200	2,181,359
Finance income	(1,697,584)	(521,095)	(581,284)	436,845
Adjustment for tax on franked income	-	1,043,939	-	-
Foreign Exchange loss/(gain)	4,828,827	-	-	-
Changes in working capital:				
(Increase) in trade and other receivables	(43,018,648)	(8,861,865)	(2,626,808)	(1,011,480)
(Increase)/Decrease in prepayment and other	2,489,894	(312,977)	(129,003)	(397,836)
(Increase)/Decrease in inventories	3,709,527	(1,428,677)	-	-
Decrease in Deferred Income	(0)	(621,383)	(0)	(621,383)
Increase/(Decrease) in trade and other payables	32,809,838	-5,846,523	(801,875)	(1,252,524)
Net cash generated from/(used in) operations	31,818,610	7,477,836	3,574,131	2,542,281

29 Contingent liabilities

There was no material litigation in the ordinary course of business as at the balance sheet date. The directors are of the opinion that all known liabilities which are relevant in assessing the state of affairs of the Company have been taken into consideration in the preparation of these financial statements.

30 Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) Transnational Corporation Plc (the Company) maintains effective Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy is regularly reviewed and updated by the Board. The Company has made specific inquiries of all the directors and other insiders and is not aware of any infringement of the policy during the period

31 Subsequent events

No subsequent event after the balance sheet date came to the notice of the directors, which would materially affect the position shown by the financial statements on the balance sheet date.