



PRESS RELEASE

Regulated Information

Unaudited Financial Results for the Fourth Quarter and Twelve Months Ended 31 December 2022

Lagos, 27 January 2023 – Chemical and Allied Products Plc (“**CAP**” or the “**Company**”), Nigeria's leading paints and coatings company, today announced its unaudited results for the fourth quarter and twelve months ended 31 December 2022.

Q4 2022 Highlights

- Revenue 27% ahead of Q4 2021 at ₦6.1 billion.
- Gross profit 28% higher on the back of strong revenue growth.
- Operating profit 71% higher at ₦1.1 billion driven by our focus on delivering operational efficiencies.

FY 2022 Highlights

- Revenue at ₦19.2 billion, an increase of 35% compared to ₦14.2 billion in FY 2021.
- Gross profit 67% higher at ₦7.6 billion. Gross margin at 40%, a significant improvement from 32% last year.
- Operating profit 90% ahead of FY 2021 at ₦3.0 billion.
- Profit before tax of ₦3.1 billion, up 79% from ₦1.7 billion in FY 2021.

Commenting on the results, **Managing Director, Bolarin Okunowo**, stated:

“Our strong performance in the fourth quarter, is proof of our resilience as a business. Although the macroeconomic environment has been challenging, we continue to deliver on our key objectives of providing high quality products and services that delight our customers. Going forward, we will consolidate on the positive momentum built from investments in our people, brands as well as operational and distribution infrastructure to continue to meet and exceed our customers' expectations”.

Performance Summary

In million ₦, unless otherwise stated	Q4 2022	Q4 2021	YoY	FY 2022	FY 2021	YoY
Revenue	6,148	4,850	27%	19,208	14,208	35%
Gross Profit	2,364	1,840	28%	7,627	4,558	67%
Gross Margin (% of Revenue)	38%	38%	52 bps	40%	32%	763 bps
Other Operating Income	114	42	170%	255	375	(32%)
Selling & Marketing expenses	(557)	(495)	12%	(1,919)	(988)	94%
Administrative expenses	(811)	(739)	10%	(3,004)	(2,391)	26%
Operating Expenses	(1,368)	(1,234)	11%	(4,923)	(3,379)	46%
Operating Expenses (% of Revenue)	22%	25%	(319 bps)	26%	24%	185 bps
Operating Profit	1,110	648	71 %	2,959	1,555	90%
Operating Margin (% of Revenue)	18%	13%	469 bps	15%	11%	446 bps
Finance Income	59	35	67%	167	180	(7%)
Finance Cost	(29)	(7)	(331%)	(34)	(8)	341%
Net Finance Income	30	29	6%	134	173	(23%)
Profit Before Tax	1,140	677	69%	3,093	1,727	79%
Profit before Tax Margin (% of Revenue)	19%	14%	460 bps	16%	12%	394 bps
Income Tax Expense	(371)	(217)	71%	(1,005)	(605)	66%

Chemical and Allied Products Plc – Q4 and FY 2022 Unaudited Results
NGX Ticker: CAP

Profit After Tax	770	460	67%	2,087	1,123	86%
Profit after Tax Margin (% of Revenue)	13%	9%	303 bps	11%	8%	145 bps
Earnings Per Share (kobo)	94	58	62%	256	151	70%

In million ₦, unless otherwise stated	Dec-22	Dec-21	YoY
Non-current Assets	2,155	1,599	35%
Current Assets	11,425	10,275	11%
Assets Held for Sale	238	242	(2%)
Total Assets	13,818	12,116	14%
Non-current Liabilities	174	174	-
Current Liabilities	7,614	7,532	1%
Total Liabilities	7,788	7,706	1%
Equity	6,030	4,410	37%
Total Liabilities and Equity	13,818	12,116	14%

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About CAP Plc

Chemical and Allied Products Plc (CAP) is a leading paints and coatings company in Nigeria with globally recognised brands such as Dulux, Sandtex, Caplux and Hempel. CAP manufactures and sells decorative paints and industrial coatings. CAP is the sole technological licensee of Akzo Nobel Coatings International B.V. and is the Nigerian representative of Hempel Paints South Africa (Pty) Limited. CAP pioneered the colour centre concept in Nigeria in 2005, which resulted in the evolution of the Nigerian paint industry. CAP is a public company listed on The Nigerian Exchange ("NGX"). It is a subsidiary of UAC of Nigeria PLC which holds 57.85% of the company's shares. For more information visit <https://www.capplc.com/>

CAP's Investors Portal

CAP has a dedicated investors' portal on its corporate website which can be accessed via this link: <https://www.capplc.com/investor-relations/> . This Earnings Press Release should be read in conjunction with the Unaudited Financial Statements for the period ended 31 December, 2022 available on our website. For any investment related enquiry, please contact Lolade Bashiru, Investor Relations by electronic mail at investorrelations@capplc.com or telephone on: +234 815 949 3070.

Disclaimer

This announcement contains or will contain forward-looking statements which reflect management's expectations regarding the Company's future growth, results of operations, performance, business prospects and opportunities. Wherever possible, words such as "anticipate", "believe", "expects", "intend" "estimate", "project", "target", "risks", "goals" and similar terms and phrases have been used to identify the forward- looking statements. These statements reflect management's current beliefs and are based on information currently available to management. Certain material factors or assumptions have been applied in drawing the conclusions contained in the forward-looking statements. These factors or assumptions are subject to inherent risks and uncertainties surrounding future expectations generally. Chemical and Allied Products Plc cautions readers that several factors could cause actual results, performance, or achievements to differ materially from the results discussed or implied in the forward-looking statements. These factors should be considered carefully, and undue reliance should not be placed on the forward-looking statements. For additional information with respect to certain of these risks or factors, reference should be made to the Company's disclosure materials filed from time to time with Securities and Exchange Commission of Nigeria. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether because of new information, future events or otherwise.