



OMATEK VENTURES PLC

ANNUAL REPORT

& Consolidated
Financial Statements

2015 - 2019



Solar Lights



OMATEK VENTURES PLC

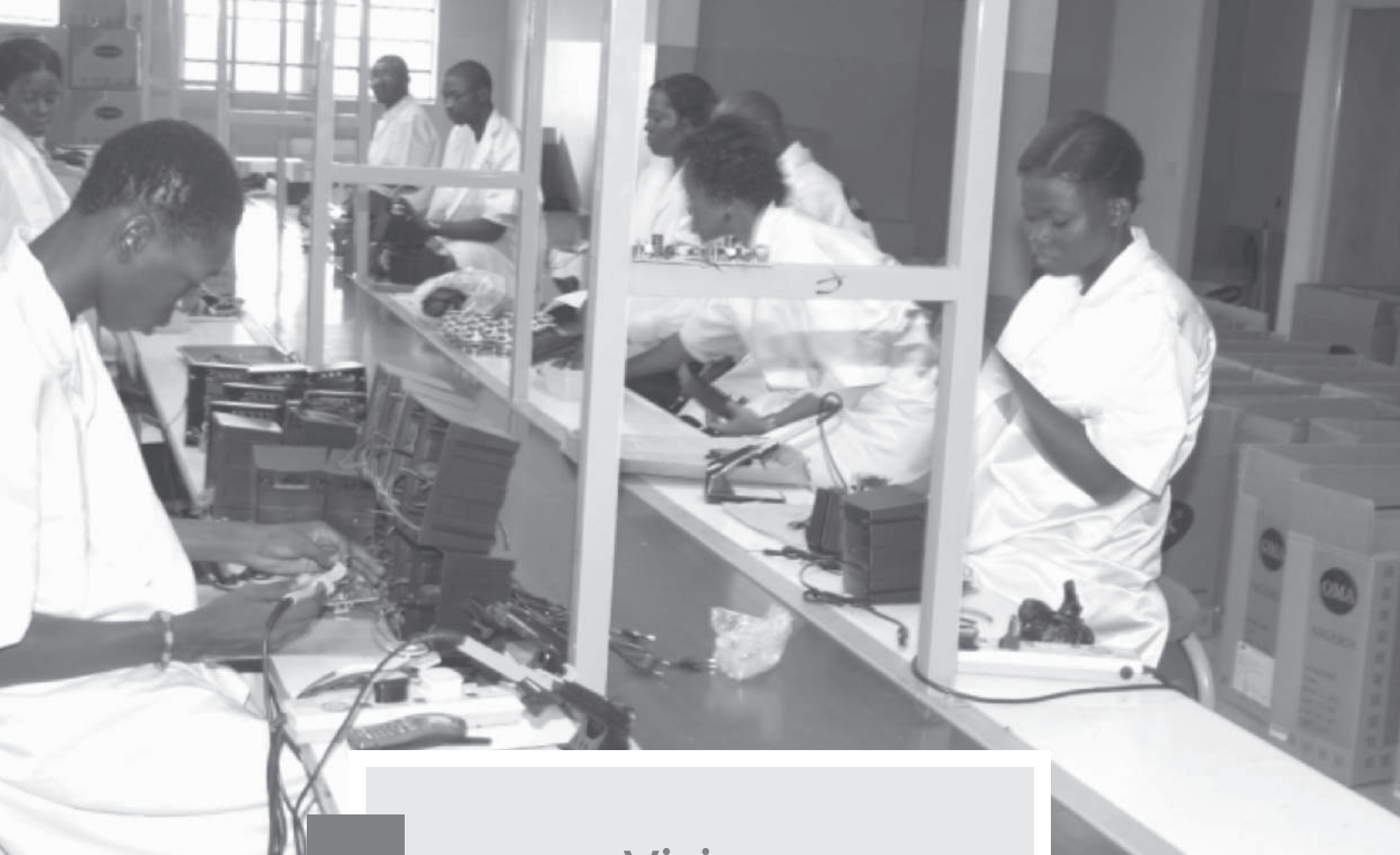
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www.omatek.ng

■ Servers ■ Laptops ■ Desktop Computers ■ Home Entertainment Systems
■ Power Solutions ■ AIO Solar ■ Tablets



Vision

To become the clear leader
in the African ICT industry

Mission Statement

To professionally provide
ICT products and solutions
that confer unsurpassed
value to our customers



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COMPANY PROFILE

WHO WE ARE

We are Omatek. We are and still remain Nigeria's leading technology company. We are the first quoted indigenous ICT company on the Nigerian Stock Exchange with an expanding portfolio of service and products. We have gone beyond our computer hardware manufacture/assembly at our ultra-modern Alausa Factory, Ikeja, Lagos.

We are now a total technology company with an expanding market for our solar energy/power management solutions. Our portfolio of service also include e-Learning and with this, we are changing the classroom or learning environment with solutions designed to bring vital knowledge of arts, science and student and teachers alike.

The Omatek brand has grown beyond just producing and selling computer hardware the Omatek brand is now increasingly associated with Solar Power or Energy Management Solution and e-Learning Solution in reflection of market trends, consumers' needs and our for growth.

We are pushing further into newer areas even as we consolidate on our old markets. We know that the smart classrooms will grow in leaps and bounds. We are ready for this. We know that national projects such as the National Identity Management exercise will take on highly sensitive technology deployment. We are already ready for this and already working in this project as partners. Omatek is steadily re-inventing itself to become the company for today and for the future.

What we are giving our investors is a sure proof confidence that they are investing in the company of the future which is already positioned to meet their business projections, even now.

GHANA & PAN ECOWAS SPREAD

Omatek is currently rejigging its Ghana market. Plans for strong penetration and operation of the mass to the top-end of the market are already in top gear. From our pan ECOWAS inroad is a holistic one Ghana is only a springboard to maintain progressive and profitable presence in countries such as The Gambia, Sierra Leone, Liberia and others where we hope to build synergy with government and private concern to firm up the Omatek brand.

INTERNATIONAL PARTNERSHIPS & BRAND EXPOSURES

To maintain products and service that meet global standard for its local market. Omatek has built and is continuously seeking partnership in Asia and the

rest of the world to bring workable solution and products to the market. We have strong technical partners in China, Singapore, Taiwan and Dubai etc to allow us leverage on best of breeds to serve our growing local markets.

Our continuous legacies and landmarks:

- First factory in African to produce locally assembled computer cases, speakers, flat screens and home entertainment speakers from completely knocked down {CKD} components
- West African Convergence Leader in e-Learning Solutions 2013
- First ICT Company to be listed on the floor of the Nigerian Stock Exchange
- First company to embark massively in kiddies Computer Training
- First company to generate employment and transfer of technology to youths
- First Factory in Nigeria to pioneer 24 hour solar hybrid power solution
- Best ICT Company of the year award 2007, 2008 & 2009 by the Nigeria Telecoms Award

Awards and Recognition (Corporate)

- Hardware Company of the year 2007, 2008, 2009- Lagos Enterprise Award
- Best Innovative Computer Company of the year 2007/2008- OAU MBA Executive
- Best IT Product of the year 2009 (Omatek 8 inch Hand PC)
- Nigeria's Global ICT Company of the year 2009
- Best IT Company of the Year 2008
- Distinguished Corporate Service Award 2008- The Nigerian Society of Engineers
- The Most Outstanding ICT Company of the year 2008- Niger Delta Advancement Award
- PC Company of the year 2008
- Computer Company of the year- Lagos Enterprise Awards 2007
- Best System Builder in West, East and Central African- 2005
- The Best System Builder Award for the Year 2005 at the Microsoft - African Partner Summit (MAPS) in South African

- Best Computer Company of the year 2005
- INTEL Channel Partner Premier Member 2006, 2007 & 2008
- Over 100 prestigious Awards from within and outside the shores of the country

BRIEF HISTORY OF OMATEK

Omatek started over 30 years ago when Mrs Florence Seriki saw an apparent need to champion the use and application of ICT in the day-to-day living. While it was fashionable at that time of her NYSC, for young graduates to seek employment in Blue Chip and Multinational Companies, the young Florence Seriki opted for one-on-one executive training for bank executives and their counterparts from the Oil and Gas Sector, Private Parastatals and especially the Legal industry on how to use their computers.

In 1988, the executive entrusted her with corporate staff training and also relied on her expertise to source for their personal computers. She then proceeded to become a premium partner for the foremost foreign brands in the likes of Compaq, HP, IBM and Apple and Datamini. The transformation continued and in 1990 Omatek Ventures Limited as the company was then known became a vendor of some of the world-class computer.

In 1993, after posting over \$ 1 Million in revenue from sales of these brands, Omatek commenced the assembly of Omatek brand of computer from Semi-Knocked-Down (SKD) parts purchased from key brand manufacturers in Asia. The high quality of these computers made its sales in the financial and key corporate sectors highly successful.

Omatek brand soon gained grounds as it could hardly meet up with the supply of products due to high demand.

Hence by 2002 the need to have its own factory was not only necessary but the company decided to establish the FIRST Factory in AFRICA to:

- Pioneer the production of Completely-Knocked-Down (CKD) factory in Africa Involved in the production of Omatek brands of Casings, Speakers, Computers and Notebooks, with its factories located in Nigeria and Ghana.
- Pioneer the production of 3-in-1 LCD Flat Screens and Plasmas
- Produce massively for the Nigerian and Ghana government under the Omatek e-Xpress Consumer Scheme Initiative that assisted public servants, teachers, lecturer and students to own computers with whilst paying over a period of time.

- Pioneer the 24hour Alternate Power Solution using Solar, UPS/Inverter, Battery, Led Bulb Hybrid
- And providing 24hrs lighting with no generate or Diesel, whilst REDUCING Power/Energy Consumption by 85%.
- Pioneer the establishment of Resource Centers at Tertiary Institutions: whilst providing Practical Hands-on and Technology transfer to students and providing Research and Development platform to the institutions.
- Create Derived SMEs.
- Generate Massive Employment for youths.
- Pioneer the e-Learning in schools and launched the first ever 8in notebooks for students on the Education sector.

As a result of the high demand for the brand and the increased capital required to purchased raw materials, the company went into a joint venture with two of the major banks in Nigeria, under the Small Medium Enterprise Scheme (SMEIS) in 2003, Which the company exited successfully in 2008. So in the ultimately to become a computer manufacturer.

As a strategy designed to enable it maintain the high quality of its products while also meeting up with the minimum order quantity requirement from the first class manufacturers of components, the company embarked on the first of a series of repositioning in 2008 by raising the required capital through Private Placement and subsequently got listed on the stock market, thus making Omatek the first Computer company to be listed in Nigeria.

It is on record that Omatek is one of the few companies with accelerated entrance into the stock market considering the short period between the private placement and the actual listing. It was another memorable day in history of the best hardware computer company out of the entire Africa when it got listed on the Nigerian Stock market on June 18, 2008 shortly after it exited SME scheme. The shares of the company were oversubscribed by a whooping N5 billion Naira. The enthusiasm is indicative of the kind of respect and acceptance that omatek has won for itself over the past two decades of its operation.

Today, Omatek has sustained buying its component parts from seasoned first class manufacturers that produce for other foreign brands.

In 2005, Omatek beat forty-two other Countries to become the Best System Builder in East, West and Central Africa and the only company in these regions

that produce Computers and Computer Casings from Completely-Knocked-Down {CKD} components sourced from the highest grades of manufacturers, thus making all Omatek computers of world-class standards comparable to any other foreign brand. This feat has not been matched till date.

The holding Company Omatek Ventures Plc has grown into a Group of Companies with the establishment of subsidiaries and associates to strengthen its operations Omatek Ventures Plc has therefore become the holding company for:

Omatek Computers (Nigeria) Limited (Factory)

Omatek Computers (Ghana) Limited (Factory)

Omatek Ventures Distribution (Ghana) Limited

Omatek Engineering Services Limited

Omatek Ventures Distribution Limited

Today the group is blessed with seasoned board members high level management team. As a result of the restructuring, some distinguished persons were appointed to the Board of Omatek Ventures Plc to add value to the operation of the group. Since coming on board, members of the Group Board of Directors have brought to bear their wealth of experience on the operations of the Company with the high caliber of industry giants and a combined hands-on experience of over 35 years, the Omatek Group Board members who are achievers in their own right are poised to drive the company to greater heights through a strong resilience to succeed.

OMATEK COMPUTERS (NIGERIA) LIMITED (OCL) THE FACTORY

Omatek Computers Limited (OCL) The Factory, will continue to be the manufacturing base for all Omatek products while the company also strives to sell capacity by producing similar products for other firms with brands that are acceptable. With its state of the art facility in Alausa Oregun, Lagos and in Accra, Ghana OCL products notebooks, desktops computers, serves, casings, speakers and The factory is involved in the following:

- (a) Assembly of OMATEK brand of Computers for OMATEK Ventures (Distribution) Limited

The OMATEK brand of computers ranging from

- Desktop
- Notebook
- Servers

- Multimedia Products like Plasmas, LCD Screens

The factory is capable of CUSTOMISING COMPUTERS, CASINGS, SPEAKERS for key Gold customers in the corporate and public sectors.

- (c) Assembly of OEM Brands

The Factory also sells production capacity to various system builders and OEM brands that have high volume requirement. These brands are customized in the OEM brand names

- (d) Assembly of OCL Brands of Casings, Speakers for the Local Channel and Export markets.

- (e) Assembly of Brands of Casings, Speakers for Omatek branded products.

THE CASE LINE

The factory production line produces casing of different forms and sizes for Omatek brands, OCL casing for Resellers as well as customized cases for other OEM builders, Gold Customers and for exports.

The Omatek casings can be customized for its corporate clients, as well as the Omatek e-Xpress consumer scheme, government initiatives like the Computer for all Nigerian initiative in Nigeria (CAN) and the Government assisted programme in Ghana GAPP-ADVANCE and any other organization that may require such value - added services of having their company's logo or names printed on them.

THE SPEAKER LINE

Equipped with well-trained and dedicated personnel, this production line produces quality speakers for.

The Omatek Speakers can also be customized for its corporate clients with corporate logos.

With a compliment of experienced and certified engineers manning production and quality control and the presence of some key staff from our technical partners abroad, the factory others engage students on Industrial Training on the production line so they could gain access to the production process and also participate in our quest to bridge the digital divide between nations.

OMATEK COMPUTERS (GHANA) LIMITED (OCL) THE FACTORY

Established in September 2007, OCL Ghana is a culmination of the company's strategic their second positioning its activities for the African and indeed the world market OCL is Located with in the city

Industrial centre with proximity to the trade center in Accra. The company has a compliment of engineers with requisite experience in system building.

OCL Ghana is set up with all processes put in place to meet the internationally accepted standards of quality. The parts are sourced directly from key first class manufacturers in Asia for both the Ghana and Nigerian factories and are shipped directly to Ghana and Nigeria respectively. The Ghana factory produces to meet the demand of the west coast states and other states on the African continents.

OMATEK VENTURES (DISTRIBUTION) LIMITED (OVDL) (Nigeria/Ghana)

Omatek Ventures Distribution Limited (OVDL) is saddled with the sales and distribution of All Omatek products and the management of the channel partner mandate for the Group.

The companies were incorporated in 2008 as part of the restructuring efforts out of the pre-existing Omatek Ventures Limited with outlets in major cities/regions across Nigeria and Ghana. OVDL is mandated to seek re-seller relationships with key franchise partners as well as develop chains of showrooms across/regions that will be exclusive outlets for the sale of Omatek brand of products.

A unique proposition of the Ghana set up is the complimentary presence of Omatek Ventures Distribution (Ghana) Limited. The company, just like its counterpart in Nigeria, is responsible for selling Omatek brand of products across the African continent and the intent to position Omatek brand of products within the African market.

We have achieved tremendous progress in engaging partners in Cotonou, Senegal, Monrovia, Kampala and Johannesburg in South Africa and hope of other countries and cities in the near future.

OVDL remains the sole distributor of all Omatek products with the capacity to engage end users as well as partners who have the desire to trade in products produced by the Omatek Group. OVDL also remains the driving force behind the e-Xpress scheme, the e-Learning scheme and all other Omatek Initiatives.

OMATEK ENGINEERING SERVICES LIMITED (OESL)

Omatek Engineering Services Limited provides all Technical Support for the Group.

This includes:

- Backup Support/After sales services
- New Product Development

- Order Management & Product Specification
- Research & Development
- RMA support
- Communication, ERP & Power

The company was formed out of the pre-existing Portable Engineering Limited, the erstwhile company responsible for after support service. OESL is a two-pronged entity with a complement of engineers responsible for deploying support services to the sales process as well as managing the warranty issues that may arise from the sales process. The other function and business angle for OESL is the sales and management of the power solution/products.

The new subsidiary which works in partnership with one of the foremost factories in Asia reputed to be one of the world's biggest UPS/Power back up manufacturers was recently commissioned to produce a range of UPS, inverters and power backup systems that can be used for telecommunications applications, in homes, offices, server rooms, medical institutions, industries, large corporations, banks, hotels, ATM points and other mission-critical environments, hotels, industries and factories.

OESL is required to sell own Omatek brand of Power Products ranging from Solar Power Inverter hybrid solutions, UPS, inverters, monitors as well as power switches and change over devices and Battery banks.

OESL is also responsible for the management of the Resource Centre Initiatives introduced by the Group as an avenue to provide research points, hands-on support, technology transfer, innovation, ICT skill development as well as serve as support outlets within key customer premises. Resource Centres are currently being positioned with institutions of learning across the country/regions and also within Government organizations as points of first line support and also where capacity can be developed and harnessed for future use of the institutions.

Omatek's partnership in this regard will help bolster the company's efforts to ensure there is absolute support within any geographic region. Service Centres located within the premises of OVDL are also managed by OESL to ensure there is division of function as well as division of labour.

Help Desk/After Sales Service

The company has been charged with the responsibility of managing the after sales service for all Omatek range of products to engender customer satisfaction. A help desk can also be created within client sites to facilitate easier access to technical assistance.

OMATEK SOLAR SYSTEM FOR HOME, OFFICES & BASE STATIONS

In its drive in providing an effective, environmentally and cost conscious solar power home and office solutions, Omatek with its foreign technical partner, Kehua design solar panels specially that is suitable for extreme weather conditions, capable of producing energy even on cloudy days and able to withstand vandalism and attempts at theft.

Based on our survey and study of the already deployed solar systems deployed in same homes and offices with their exhibited poor performance, we have come up with solutions that will resolve the present poor performance from the solar powered home and offices. Our solutions include the follow.

SOLAR PANEL TECHNOLOGIES

As the financial and environmental cost of relying on traditional fossil fuels rises, harnessing the energy of sun continually proves itself to be a renewable, clean, and affordable solution for a green future. Solar power is inexhaustible and virtually anywhere making it an ideal resource for energy generation. Solar solution is based simply on irradiation of the sun on the cells to produce electricity.

Solar panels are the anchor of any portable, residential or commercial solar energy system. Solar cells convert solar energy into electricity as part of interconnected module system that are laminated and framed in a durable, weatherproof package.

Our solar photovoltaic panel designs allow for installation options. A site with unobstructed blue sky exposure, such as the roof of a commercial

building, is a perfect candidate for PV panel installation. You can mount a solar system to a home roof or use stand-alone pole-mounts, specifically designed to withstand hurricane force wind. Omatek has a wider range of photovoltaic solar panels made up of silicon nitride crystalline that comes with working power output such as 100w, 150w, 200w etc and in 12w packages.

LED Lights

An LED light bulb can last you up to 100,000 hours compared to 8,000 hours for compact fluorescent and 1,000 hours for an incandescent. That averages out to 12 hours of light per day for 12 year light bulbs are so energy efficient that, depending on how often you have them on, they'll actually pay for themselves in just over a year.

The best way to conserve energy is to use less of it. LED light bulbs are directional - which means that only put the light where you aim it or where you need it. Incandescent bulbs, on the other hand, there and throw their glow all over the place - wasting electricity and generating heat. LED light bulbs run cool, so they're safer to use than fragile, burning hot halogen and incandescent bulbs. LEDs do not mercury like CFLS - so disposal concern isn't the same.

Unlike the yellow light we're so used to seeing from incandescent bulbs, the white light cast by LED are closer to the color temperature of daylight. Hence the white light of LEDs is easier on eyes.

We also have for signs, Backlights, channel letter and traffic signal. Omatek LED produce light available in colors: Blue, Red, White, Yellow, and Green.

**NOTICE OF ANNUAL GENERAL MEETING OF OMATEK VENTURES PLC.
RC NO: 115161 PURSUANT TO SECTION 213 OF CAMA, CAP C20, LFN 2004**

NOTICE IS HEREBY GIVEN that the 7th to 11th Annual General Meeting of **OMATEK VENTURES PLC** will be held at Golden Gate Restaurant, 25B, Glover Road, Ikoyi, Lagos State, on Tuesday, the 15th day of **December, 2020** at 11.00am prompt, and Via Zoom, to transact:

The ordinary business of an Annual General Meeting which shall include:

1. To lay before the members the Audited Financial Statements of the company for the year ended 31 December 2015, 31 December 2016, 31 December 2017, 31 December 2018, 31 December 2019 together with the Reports of the Directors and Auditors.
2. To elect /reelect Directors in the place of those retiring
3. Appointment of Auditors and to authorize Directors to fix their remuneration.
4. To elect members of the Statutory Audit Committee.

Special Business

To consider and if thought fit, to pass the following Special Resolutions:

1. A Resolution authorizing the Board of Directors of the Company to source for investors and or any other means of raising funds for the business of the Company.

Notes: Relevant documents in connection with the Meeting are available to all Shareholders from the date of this Notice on the Company's website www.omatek.ng

1. PROXY

A Member or Shareholder who is entitled to attend and vote at the Annual General Meeting is entitled to appoint a Proxy to attend and vote in his stead. A Proxy need not also be a Member or shareholder.

In view of the COVID-19 pandemic and the attendant restriction on mass gatherings in line with the Guidelines issued by the Corporate Affairs Commission on holding AGM's using proxies, attendance at the AGM shall only be by the proposed proxies.

2. ATTENDANCE BY PROXY:

In line with CAC guidelines, shareholders are required to appoint a proxy of their choice from the list of nominated persons below:

- a. Mr. Temidayo Seriki
- b. Mr. Yemi Ogundipe
- c. Mr. Basil Ubah
- d. Mr. Peter Eyanuku
- e. Mr. Chuks Nwosa Osadinizu
- f. Mainstreet Capital Limited

A Proxy Form is provided with the Annual Report and Financial Statement for the year ended 2019. To be valid for the purpose of the meeting, a duly stamped Proxy form must be completed and sent to the office of the registrars, Carnation Registrars Limited, Human Resources 2A, Gbagada Expressway Anthony, Lagos, or sent by mail to info@carnationregistrars.com, not later than 48 hours before the meeting: <https://www.carnationregistrars.com>

The cost of stamping the Proxy Forms shall be borne by the Company.

3. ONLINE STREAMING OF AGM:

To enable shareholders and other stakeholders who will not be attending the meeting physically to follow the proceedings, the meeting will be streamed live. The link for the live streaming shall be made available on the company's website at www.omatek.ng

4. ELECTION OF MEMBERS OF THE STATUTORY AUDIT COMMITTEE:

The Statutory Audit Committee consists of 3 shareholders and 3 Directors in accordance with the Companies and Allied Matters Act. Any member may nominate a shareholder as a member of the Audit Committee by giving Notice in writing, Notice of such nomination at least 21 days before the date of the Annual General Meeting. Nominees to the Statutory Audit Committee must be compliant with the laws, rules and regulations guiding listed companies in Nigeria.

5. RIGHT OF SHAREHOLDERS TO ASK QUESTIONS

Shareholders have a right to ask questions not only at the meeting but also in writing prior to the meeting and such questions must be submitted to the Company Secretary via email at: ikotunlawoffice@yahoo.co.uk on or before the 1st of December, 2020.

6. e-REPORT

The Company's Annual Report and Accounts are available online for viewing and downloading from our website www.omatek.ng.com

Dated this 10th day of November, 2020

BY ORDER OF THE BOARD



Femi David Ikotun Esq.
COMPANY SECRETARY
 Suite 201, 2nd Floor, Copper House,
 Plot 4, Algiers Street, Zone 5, Wuse, Abuja.

PROXY FORM

COMBINED 7TH TO 11TH ANNUAL GENERAL MEETING OF OMATEK VETURES PLC

TO BE HELD AT
GOLDEN GATE RESTAURANT, 25B GLOVER ROAD, IKOYI, LAGOS,
ON THE 15TH DAY OF DECEMBER 2020, AT 11:00 AM PROMPT AND VIA ZOOM

I/We.....(name
of shareholders in block letters)
of.....
being a member/members of Omatek
Ventures Plc., hereby appoint
.....
of.....or failing him / her
Chairman of the meeting as my / our Proxy to
act and vote for me/us on my / our behalf at
the combined 7th to 11th Annual General
Meeting for 31st December 2015, 31st
December 2016, 31st December 2017, 31st
December 2018, 31st December 2019
respectively, of the Members of Omatek
Ventures Plc. to be held on the 15th day of
December 2020 or at any adjournment
thereof. Date this.....day of.....2020
shareholder's Signature(s).....

The manner in which the proxy is to vote should be indicated by inserting "X" in the appropriate space.			
S/n	Number of Shares		
	RESOLUTIONS	FOR	AGAINST
	ORDINARY BUSINESS		
1	To receive Audited Financial Statements for the year ended 31st December 2015, 31st December 2016, 31st December 2017, 31st December 2018, 31st December 2019 together with the Report of the Auditors, Directors and Audit committee thereon.		
2	To elect /re-elect Directors in the place of those retiring a) Professor Ayodele Francis Ogunye; b) Otunba Solomon Oladunni; c) Alhaji Dasuki Nakande;		
3	Appointment of Messrs Olukayode Aina & CO (Chartered Accountants) as Auditors and to authorise the Directors to fix their remuneration		
4	To elect Members of the Statutory Audit Committee		
	SPECIAL BUSINESS		
1	A resolution authorising the Board of Directors of the Company to source for investors and / or other means of raising funds for the business of the Company		

In line with CAC guidelines, shareholders are required to appoint a proxy of their choice from the list of nominated persons below: a. Mr Temidayo Seriki, b. Mr Yemi Ogundipe, c. Mr Basil Ubah, d. Mr Peter Eyanuku, e. Mr Chuks Nwosa Osadinizu, f. Mainstreet Capital Limited.

A Proxy Form is provided with the Annual Report and Financial Statements for the year ended 31 December 2015 to 31 December 2019. To be valid for the purpose of the meeting, a duly stamped Proxy form must be completed and sent to the office of the registrars, Carnation Registrars Limited, Human Resources 2A, Gbagada Expressway Anthony, Lagos, or sent by mail to info@carnationregistrars.com, not later than 48 hours before the meeting: <https://www.carnationregistrars.com> The cost of stamping the Proxy Forms shall be borne by the Company.

**OMATEK VENTURES PLC****ADMISSION CARD****COMBINED 7TH TO 11TH ANNUAL GENERAL MEETING OF
OMATEK VENTURES PLC**

TO BE HELD AT
GOLDEN GATE RESTAURANT, 25B CLOVER ROAD, IKOYI, LAGOS,

ON THE 15TH DAY OF DECEMBER 2020, AT 11:00 AM PROMPT AND VIA ZOOM

Name of Shareholder _____

No of Shares _____

The proxy must produce the admission card sent with the notice of meeting to gain admission at the meeting.

In the interest of public safety, and having regard to the Nigerian Centre for Disease Control Covid 19 guidance for safe gathering in Nigeria, the guidelines of the Corporate Affairs Commission, on holding annual general meetings, and the restriction on public gatherings by the Lagos State Government, this Proxy form had been prepared to enable shareholders entitled to attend and vote at the annual general meeting, exercise their right to vote, despite not being physically present at the meeting.

If the shareholder is a corporation, this form must be executed under its common seal or under the hand of an officer or attorney duly authorised.

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<https://www.carnationregistrars.com> The cost of stamping the Proxy Forms shall be borne by the Company.

Signature of the person attending the meeting _____

ENGR. DR. (MRS.) FLORENCE UDEBU SERIKI, MFR - FORMER GROUP MANAGING DIRECTOR/CEO, OMATEK VENTURES PLC.



Engr. Dr. (Mrs.) Florence Udebu Seriki FNSE, MFR
Founder 1963 - 2017

A graduate of Chemical Engineering from the University of Ife (Now Obafemi Awolowo University, Engr. (Dr.) Florence Udebu Seriki (MFR) is the Founder, Group Managing Director/Chief Executive Officer of Omatek Ventures Plc, a company she founded over 30 years ago. She ranks high amongst Champions of the development and pioneering of local content and manufacturing in the ICT sector in Africa, when through her dogged determination she opened the first indigenous Computer Assembly plant in Lagos Nigeria and Ghana to pioneer the assembly of Computers, speakers and Casing from Completely-Knocked-Down components. She was also the National President of the Information Technology Association of Nigeria, and helped the improvement profile of Service Alliance (WITSA) where she serves as a board member.

She is a Fellow of notable association both within and outside the shores of the Country, including the Nigerian Society of Chemical Engineers, Nigerian Computer Society and had received over 100 Notable Awards. This include the First Hall of fame Award from her Alma matter, the Titan of Tech award, the Legend of Tech award, the African Amazon of Decode, the Entrepreneur of year 1992 award by the Nigerian American Chamber of Commerce in conjunction with the American Embassy, the West Africa Convergence Conference award for excellence in E-learning, and News Direct Award for Excellence Best Female Entrepreneur of the year.

Mrs. Florence Udebu Seriki of blessed memory was conferred with the honourary distinguished member of the Centre for Democratic Governance in Africa and was honoured with the National award of the Member of The Federal Republic (MFR). She is an alumnus and pioneer of the prestigious Lagos Business School after graduating from the AMP-1 class in 1993. She was inducted into the hall of fame at the Africa Digital Awards and was honoured with a Doctorate Degree in Business Administration by Caleb University.



Dr. Timothy Farinre

Group Chairman, Omatek Ventures Plc

DR. TIMOTHY FARINRE - GROUP CHAIRMAN, OMATEK VENTURE PLC, OMATEK VENTURES DISTRIBUTION LIMITED

Dr. Timothy Farinre holds a Bachelor of Science Degree from the University of Pennsylvania, a Masters Degree from Princeton University and a Doctorate Degree from the Pennsylvania, all in the United States of America.

He worked for a number of years at the David Sarnoff Research centre of RCA Corporation in the United State before returning to Nigeria in December 1970 to join Shell Petroleum Development Corporation, at where he become the first Nigeria Director of ICT.

He is well respected in the business circles for his forthrightness and intelligence.



Mr. Yemi Ogundipe, FCA
GMD/C.E.O.

Mr. Yemi Ogundipe FCA was appointed as Group Managing Director of Omatek Ventures Plc with effect from 14th March 2017. He graduated from University of Lagos in 1985, trained and qualified as a Chartered Accountant with prestigious firm of Messrs. Cooper & Lybrand, now (PricewaterhouseCoopers). He is a Fellow of Institute of Chartered Accountants of Nigeria and a Fellow of Nigerian Institute of Taxation.

He had worked severally in private sector and until his appointment, was running an Information Technology firm in Lagos. He has consulted widely for Omatek group in the recent past and will bring his wealth of management experience in both private and public sector in driving the group into the future.



Otunba (Dr.) Solomon Ayodele Oladunni

Group Chairman,
Omatek Ventures Distribution Ltd

OTUNBA (DR.) SOLOMON AYODELE OLADUNNI - DIRECTOR, CHAIRMAN, OMATEK VENTURES DISTRIBUTION LIMITED (Dr.)

Solomon Oladunni has served in so many capacities ranging from Executive Director, Executive Vice Chairman, Director, etc. in Oil and Management sectors, Human resources sector, security outfit, hotels etc. He rose to the position of Executive Vice Chairman of Mobil Producing Nigeria.

A 1972 graduate of Economics from University of Ibadan, Dr. Oladunni is a Fellow of several professional bodies such as the Ondo State College of Education (FCEIE), Fellow Chartered Institute of Management of Nigeria, Nigeria Institute of Professionals, Life Fellow, Nigeria Conservation Foundation, Fellow Paul Harris Rotary and many other institutions.

He has a Masters' Degree in Management from California American University in 1981 and a Doctor of Science (Honoris Causa), University of Calabar.



Prof. Ayodele Francis Ogunye
Chairman,
Omatek Engineering Services Limited

PROFESSOR AYODELE FRANCIS OGUNYE - DIRECTOR, CHAIRMAN, OMATEK ENGINEERING SERVICES LIMITED Prof. A. F. Ogunye is a Professor of Chemical Engineering with over 41 years' experience in academic and Oil & Gas industry. He was a pioneering Member of Staff, the Department of Chemical engineering at the University of Ife (now Obafemi Awolowo University), as well as the University of Lagos producing the first set of Nigerian trained Chemical Engineers.

He is a Chartered Engineer of the United Kingdom and COREN Registered Engineer of Nigeria.

He graduated from the Imperial College of Science, Technology and Medicine, London and University of Waterloo, Ontario, Canada. He is highly revered in the Chemical Engineering circles and has taught several generations of Chemical Engineers.



Alhaji Ibrahim Dasuki Nakande
Director

ALHAJI IBRAHIM DASUKI NAKANDE- DIRECTOR, OMATEK ENGINEERING SERVICES LIMITED Alhaji Ibrahim Dasuki Nakande graduated from Kaduna Polytechnic in 1980. He is alumnus of the Lagos Business School and Member, Chartered Institute of Administration.

He served as Secretary of the Jos North Local Government Area of Plateau State from 1991-1993.

He joined NITEL where rose to the post of Deputy General Manager/Territorial Manager in Lagos Island from 1997-2000 when he retired.

He was appointed the Minister of State, Information and Communications under President Umaru Musa Yar'dua's Administration in July 2007 where he served meritoriously till November 2008.



Dr. Timothy Farinre

Group Chairman, Omatek Ventures Plc

Preamble

I welcome you all to these combined AGMs for years 2015 to 2019. It has been a challenging period for the company after the death of the founder and first Group Managing Director / Chief Executive Officer, Engr. Dr. (Mrs) Florence Udebu Seriki FNSE, MFR, on 3rd February 2017. I request you to join me now to observe a minute of silence in her honour..... May the soul of the departed rest in peace.

Economic Outlook

Nigeria's economy had suffered from reduced cashflow due to fall in oil prices in the international markets also due to fallen demand, development of competing products like shale oil, effect of the ravaging Covid 19 pandemic. It is noteworthy that the Federal Government is looking at diversifying the economy from oil to ICT, Agriculture and enhance the export earning capacity of the country. The proposed FGN Budget is ₦13.08 trillion for year 2021. The key variables in the budget include the ability of the country to sell her Oil and the exchange rate bench mark of ₦379 to USD.

The exchange rate will continue to be a dominant factor in import dependent businesses. However, we should note that Omatek emphasis, is on local assembly and production, so in many respects we assist to reduce outflow of foreign currency to other nations by promoting local employment of our youth.

The Ministry of Communications was recently rechristened, Ministry of Communications and Digital Economy. This is indicative of the priority of Government's preference for developing the ICT sector as the engine of growth for our National Economy.

Recently, the Minister for Communications and Digital Economy Dr Isa Pantami, launched the broad band policy roadmap for Nigeria under the auspices of Nigerian Communication Commission. Omatek is prepared to participate and partner with willing investors to contribute our quota to this laudable project.

Financial Performance

The closure of the flagship factory in Oregon by the Bank of Industry has affected our operations. Our turnover had been dwindling since 2015 and in 2019 we hardly made any sales. We continue to make provisions for interest on financial obligations and hope to resolve issues around the debts with the lenders in year 2021.

The Board and management are looking at inviting fresh investors to inject working capital into the Group. The Board is also looking at starting new activities around software business and our light and solar businesses.

We are looking at engaging consultants to help in resolving the debt crisis, so Omatek can take her rightful place in the development of Nigeria's ICT sector. Omatek alone can employ over 1,500 of our teeming youth in our Oregon factory, both directly and indirectly if given the opportunity. We continue to receive telephone calls from students requesting to serve their Industrial break, youth service and even employment with Omatek. Many private and public institutions in and out of Nigeria had been calling us for excursion opportunities to our factory, for their students to gain first hand experience in the assembly of laptops, desktops, All in One (AIO) computers and other devices, but unfortunately, we have not been able to honour them due to our factory closure.

Status of Omatek

Shortly after the demise of the founder, Engr. Dr. (Mrs) Florence Udebu Seriki FNSE, MFR, Bank of Industry, appointed a receiver over some facility granted to Omatek. As we speak,

the case is still in court. BOI's appeal is slated for hearing at the Federal Appeal Court in Lagos in June 2021. We have been on this court case since year 2017.

The operation of the group had been constrained by the receiver order. The Board and management had made appeals for an out of court settlement with BOI, but not successful thus far.

Omatek is strategic to Nigeria's ICT sector. We are the first indigenous company to be quoted on the Nigerian Stock Exchange and had sold several thousands of quality laptops, smart phones, tablets, AIO computers, several devices, LED lights etc. to several Ministries, Departments, Agencies in public sector and in private sector. Omatek brand enjoys enormous GOODWILL.

Omatek is the first point of call for graduating students from tertiary institutions for job placements. We also have several resource centers in several tertiary institutions in Nigeria to assist students develop their ICT skills from school.

Locking up the factory with goods worth billions of Naira is not the better option. The stock in the warehouses have warranty and expiry period and should not be exposed to heat for a long time. Our factory runs on 24 hour 50 kva solar inverter system which we should service regularly. We have been denied access to this factory for over 3 years now.

The present management is not relenting in our effort to get back to production. We again appeal to the management of Bank of Industry to agree to the option of reopening the factory on common terms so we can restart business fully.

Our plan for expansion to solar production, assembly of phones and LED lights is presently on hold. We appeal to shareholders, stakeholders to join the advocacy to get Omatek back to production.

Omatek is a good brand with excellent retail and customer service profile in Nigeria and in the West African Coast.

We assure you that we will continue to do everything legally possible to get back to full business.

New Management

I thank the Board of Omatek Ventures Plc, shareholders and stakeholders for their support thus far. On behalf of the Board I thank the new Management led by Mr. Yemi Ogundipe FCA, Group Managing Director / Chief Executive Officer. They have worked assiduously to keep the Omatek brand alive. We enjoy them to continue with the good work.

Trading on Nigerian Stock Exchange

We are happy to inform you that our shares are back for trading on the floor of the Nigerian Stock Exchange. We look forward to your continued patronage.

We thank the various financial institutions, corporate entities, regulatory bodies, stakeholders, shareholders for their support in these trying period. We promise to continue the good work and will continue to engage BOI and other lenders to a meaningful settlement.

The challenge of Covid 19 is still very much around. Please keep safe and healthy. I wish you a merry Christmas and a prosperous new year ahead.

Thank you.



Dr. Timothy Farinre
Group Chairman

1. BOARD OF DIRECTORS

NAME	DESIGNATION	REMARKS
Dr. Timothy Farinre	Group Chairman Omatek Ventures Plc., Director OVDL, OCL	No Change
Late Engr. (Mrs.) Florence Udebu Seriki, FNSE, MFR	Former Group MD/CEO Omatek Ventures Plc., Former Director OVDL, OCL	Deceased – 3rd March, 2017.
Mr. Yemi Ogundipe, FCA	GMD/CEO Omatek Ventures Plc., Director OVDL, OCL	Appointed – 14th March, 2017
Professor Ayodele Francis Ogunye	Director Omatek Ventures Plc., OVDL	No Change
Otunba (Dr.) Solomon Ayodele Oladuni	Director Omatek Ventures Plc., Chairman OVDL	No Change
Chief (Senator) Kolawole Bajomo, MNI, FCA	Director Omatek Ventures Plc., OVDL, Chairman OCL	No Change
Alh. Ahmed Abdulkadir	Director Omatek Ventures Plc., OVDL, OCL	Removed -27/9/18
Professor Rahmon Ade Bello	Director Omatek Ventures Plc., OCL	Removed -27/9/18
Chief. John.O.O. Akinleye	Director Omatek Ventures Plc., OVDL	Removed -27/9/18
Alh. Dasuki Nakande	Director Omatek Ventures Plc., OCL	No Change
Dr. Olumide Phillips	Director Omatek Ventures Plc., OVDL	Removed -27/9/18
Mr. Akin Opeodu	Director Omatek Ventures Plc., OCL	Removed -27/9/18

OVDL - Omatek Ventures Distribution Limited

OCL - Omatek Computers Limited

2. COMPANY SECRETARY

Femi David Ikotun Esq.,
Ikotun Temowo & Co
Suite 201, 2nd Floor, Copper House
Plot 4, Algiers Street, Zone 5, Wuse, Abuja

3. CORPORATE HEADQUARTERS

Plot 11 Kudirat Abiola Way
Oregun Ikeja, Lagos, Nigeria.

4. BANKERS

Bank of Industries, Marina, Lagos.

Standard Chartered Bank Limited
Victoria Island, Lagos

First Bank of Nigeria Plc.
Victoria Island, Lagos.

Skye Bank Plc.
Victoria Island, Lagos

5. AUDITORS

Olaolu Olabimtan & Co (Chartered Accountants)
Suites 68 & 69 Nandu Plaza
Plot 566 Ndola Crescent, Wuse Zone 5,
Abuja - Federal Capital Territory, Nigeria.



AUDITED CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31st December, 2015

OMATEK VENTURES PLC				
CONSOLIDATED FINANCIAL STATEMENTS				
OPERATIONAL HIGHLIGHTS				
	GROUP		COMPANY	
	2015	2014	2015	2014
	N'M	N'M	N'M	N'M
Revenue	310	1,145	(1,989)	(358)
Total Comprehensive Income	(4,409)	(892)	(2,411)	(454)
Total Non-Current Assets	4,230	5,070	2,550	4,581
Total Equity	(2,352)	2,057	1,988	4,399
Earnings/(Loss) Per Share (NGN)	(1.50)	(0.30)		

The directors submit their report together with the financial statements of Omatek Ventures Plc. for the year ended 31st December 2015.

1. LEGAL FORM

The Group which commenced operation in Nigeria in 1988, was incorporated as a limited liability Company in Nigeria in 1988. It was converted into a Public Company in 2008 and its name was subsequently amended to reflect its current status as a public company. The company's shares are quoted and traded on the Nigerian Stock Exchange.

2. PRINCIPAL ACTIVITIES AND CORPORATE DEVELOPMENT

The Group has interests in subsidiaries and associates involved in manufacturing, distribution, selling and servicing of computer equipment and also provides engineering services.

3. BUSINESS REVIEW AND FUTURE DEVELOPMENT

The Group carried out business activities in accordance with its Memorandum and Articles of Association. A Comprehensive review of the business for the year and the prospects for the ensuing year are contained in the Managing Director's Report.

4. FIXED ASSETS

Movement in fixed assets during the year 2015 is shown in note 8 of the Notes to the Financial Statement herein. In the opinion of the directors, the market value of the Group's fixed assets is not less than the value shown in the accounts.

5. RESULTS

The highlights for the financial statements of the group for the year are as follows:

	GROUP			COMPANY	
	2015	2014		2015	2014
	N'M	N'M		N'M	N'M
Revenue	310	1,145		(1,989)	(358)
Total Comprehensive Income	(4,409)	(892)		(2,411)	(454)
Total Non-Current Assets	4,230	5,070		2,550	4,581
Total Equity	(2,352)	2,057		1,988	4,399
Earnings/(Loss) Per Share (NGN)	(1.50)	(0.30)			

6. DIVIDEND

In respect of the current year, the Directors do not recommend any dividend.

7. DIRECTORS

- The directors who were in office during the year are listed on page 3.
- The re-election of four Non-Executive Directors is presented to the members for approval.
- The Group Chairman, Dr. Timothy Farinre and the Group MD/CEO, Engr. Florence Seriki are life Directors for the group. The Group MD/CEO, Engr. Florence Seriki died on the 3rd of March, 2017.

8. DIRECTORS' RESPONSIBILITIES

The Directors are responsible for the preparation of the Group's financial statements which give a true and fair view of the state of affairs of the Group at the end of each financial year, and is in accordance with the provisions of the Companies and Allied Matters Act CAP C20 of the Laws of the Federal Republic of Nigeria, Securities and Exchange Commission Act 2007 as well as Corporate Governance Code of the Securities and Exchange Commission 2011, guidelines and circulars issued by the Nigerian Stock Exchange and other relevant regulators.

In doing so they ensure that:

- Proper accounting records are maintained;
- Internal control procedures are instituted which as far as is reasonably possible, safeguard the assets, prevent and detect fraud and other irregularities;
- Applicable accounting policies and standards are adhered to;
- Suitable accounting policies are adopted and consistently applied;
- The going concern basis is used, unless it is inappropriate to presume that the Group will continue in business; and
- Judgments and estimates made are reasonable and prudent.

9. DIRECTORS INTERESTS IN SHARES

The interest of the Directors in the issued share capital of the company as recorded in the register of Directors as at 31st December 2015 was as follows:

	Director	Direct shareholding of ordinary shares of 50kobo each	Indirect shareholding	Total	Percentage
1	Dr. Timothy Farinre - Group Chairman	Nil	100,357,894	100,357,894	3.411%
2	Late Engr. (Mrs.) Florence Seriki, MFR-Former GMD/CEO	1,552,315,285	165,717,635	1,718,032,899	58.40%
3	Professor Ayodele Francis Ogunye	1,000,000	Nil	1,000,000	0.034%
4	Otunba (Dr.) Solomon Ayodele Oladunni	3,101,478	Nil	3,101,478	0.105%
5	Chief (Senator) Kolawole Bajomo, MNI, FCA	100,000	Nil	00,000	0.003%
6	Alh. Dasuki Nakande	Nil	Nil		
7	Mr. Yemi Ogundipe, FCA GMD/CEO	Nil	Nil		

10. SHAREHOLDING ANALYSIS

The company has an authorised share capital of N3, 500,000,000.00 divided into 7,000,000,000 ordinary shares of 50 kobo each. The issued share capital is N1, 470,895,000.00 divided into 2,941,789,472 ordinary shares of 50 kobo each.

According to the Register of members, only three (3) members, namely, Late Engr. Mrs. Florence Seriki, Main Street Bank Plc. and Portables Investments Ltd. held more than 5% of the issued share capital as at 31st December 2015.

S/N	Names of shareholders	Units	Percent
1	Late Engr. Mrs. Florence Seriki	1,552,315,285	52.77%
2	Main Street Bank Plc	178,285,185	6.06%
3	Portables Investments Ltd	164,639,635	5.60%

The range analysis of the shareholding of the company is as shown in the table below:

Range	No. of Holders	Percent	Units	Percent
1 - 1,000	434	7.92%	286,348	0.01%
1,001 - 10,000	1,790	32.66%	10,065,876	0.34%
10,001 - 100,000	2,346	42.80%	107,208,495	3.64%
100,001 - 500,000	669	12.21%	158,070,842	5.37%
500,001 - 1,000,000	113	2.06%	93,911,413	3.19%
1,000,001 - 5,000,000	101	1.84%	253,700,254	8.62%
5,000,001 - 10,000,000	17	0.31%	135,346,918	4.60%
10,000,001 - 100,000,000	7	0.13%	187,601,327	6.38%
100,000,001 - 10,000,000,000	4	0.07%	1,995,597,999	67.84%
Total	5,481	100.00%	2,941,789,472	100.00%

11. EMPLOYMENT AND EMPLOYEES

a) Employment of physically challenged persons

It is the policy of the Group that there should be no discrimination in considering applications for employment including those from disabled persons. All employees are given equal opportunities for self-development. As at December 31, 2015, however, no disabled person was in the employment of the Group.

b) Health, Safety and Welfare of employees

Health and safety regulations are in force within the Group's premises and employees are aware of the existing regulations. The Group provides subsidy to all levels of employees, transportation, housing, etc.

c) Employee involvement and training

The Group is committed to keeping employees informed as much as possible regarding the Group's performance and progress and seeking their views whenever practicable on matters which particularly affect them as employees

Management, professional and technical expertise are the Group's major assets and investment in their further development continues. Training is carried out at various levels through both in-house and external courses.

12. POST BALANCE SHEET EVENTS

There are no post balance sheet events, which could have had material effect on the state of affairs of the Group, and the profit for the year ended, 31st, December 2015 which have not been adequately provided for or disclosed.

13. GOING CONCERN STATUS

The Directors are of the opinion that the going concern status of the company is satisfactory.

14. AUDIT COMMITTEE

Pursuant to Section 359 (3) of the Companies and Allied Matters Act CAP.C20, LFN 2004, the company has in place an Audit Committee comprising of three shareholders and three Director's representatives appointed at the last AGM as follows:

- Uba Basil (Chairman)
- Peter Eyanuku
- Chuks Osadinizu
- Chief John O. Akinleye; V Removed - 27/9/18
- Alh. Dasuki Nakanden
- Mr. Akin Opeodu; V Removed - 27/9/18

15. AUDITORS

The firm of Chartered Accountants, Messrs Olaolu Olabimtan & Co. (Chartered Accountants) was engaged to conduct the 2015 financial audit and in accordance with Section 357 (2) of the Companies and Allied Matters Act CAP. C20, LFN. 2004, they have indicated their willingness to continue in office as auditors.

A resolution will be proposed to re-appoint the auditors at the Annual General Meeting.

16. COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

As a company listed on the Nigerian Stock Exchange, Omatek complies with the provisions of the Code of best practice on Corporate Governance for public quoted companies. In its bid to maintain its strong pioneer status and transparency, the Group has adopted the Corporate Governance Code of the Securities and Exchange Commission and strives to maintain compliance with the rules of the Nigerian Stock Exchange, in addition to the relevant laws and guidelines operating in Nigeria.

BY ORDER OF THE BOARD



Femi David Ikotun Esq.,
Ikotun Temowo & Co
Company Secretary

Dated this 30th May 2018

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF OMATEK VENTURES PLC REPORT ON FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of OMATEK VENTURES Plc. and its subsidiaries ("the group"). These financial statements comprise the statement of financial position as at 31 December 2015, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements which includes a summary of significant accounting policies and other explanatory notes.

DIRECTOR'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and with the requirements of the Companies and Allied Matters Act and for such internal control, as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedure that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion the accompanying financial statements give a true and fair view of the state of the financial affairs of the group as at 31 December 2015 and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act and the Financial Reporting Council Act.

EMPHASIS OF MATTER


Without qualifying our opinion, we draw attention to Note 28 to the financial statements which indicates that the Group incurred a net loss of N1,193.21 million for the year ended 31 December 2015 (2014: N806.47 million) and interest cover was also negative 0.48(2014: -0.40).

These conditions indicate the existence of material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern.

REPORT ON OTHER LEGAL REQUIREMENTS

The Companies and Allied Matters Act require that in carrying out our audit we consider and report to you on the following matters. 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 purposes of our audit;
- ii. The group has kept proper books of account, so far as appears from our examination of those books;
- iii. The statement of financial position, income statement and statement of comprehensive income are in agreement with the books of account.


Hakeem Kareem FCA
FRC/ 2013/ ICAN/00000001751
For: Olaolu Olabimtan & Co
(Chartered Accountants)
5th June, 2018
Abuja, Nigeria.



REPORT OF THE AUDIT COMMITTEE TO THE MEMBERS OF OMATEK VENTURES PLC

In accordance with the provisions of Section 359 (6) of the Companies and Allied Matters Act (CAP20) Laws of the Federation of Nigeria 2004, the members of the Statutory Audit Committee of Omatek Ventures Plc hereby report as follows:

We have exercised our statutory functions under Section 359(6) of the Companies and Allied Matters Act (CAP20) Laws of the Federation of Nigeria, 2004 and we acknowledge the cooperation of management and staff in the conduct of their responsibilities.

We confirm that:

The accounting and reporting policies of the company are consistent with legal requirements and ethical practices.

The internal audit programs are extensive and provide a satisfactory evaluation of the efficiency of the internal controls systems.

We have considered the independent auditors' post-audit report in respect of year ended 31 December, 2017 and management responses thereon, and are satisfied thereto."

Members of the Audit Committee are:

- | | |
|--|---|
| 1) Mr. Basil Ubah | - Chairman & Shareholders' representative |
| 2) Mr. Peter Eyanuku | - Shareholders' representative |
| 3) Chucks Nwosa Ozadinizu | - Shareholders' representative |
| 4) Alhaji Dasuki Nakande | - Non-Executive Director |
| 5) Otunba (Dr.) Solomon Ayodele Oladunni | - Non-Executive Director |
| 6) Professor Ayodele Francis Ogunye | - Non-Executive Director |

Dated this 30h May 2018



Mr. Basil Ubah
Chairman Audit Committee

Omatek Ventures Plc obtained a waiver from the Financial Reporting Council for the Chairman to sign this report without an FRC number, pending compliance with registration requirement.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

OMATEK VENTURES PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2015

		GROUP		COMPANY	
	NOTE	2015 N'M	2014 N'M	2015 N'M	2014 N'M
ASSETS					
PROPERTY, PLANT & EQUIPMENT	8	1,830.39	1,871.46	1,828.57	1,870.57
INVESTMENT PROPERTY	9	2,200.00	2,200.00	2,200.00	2,200.00
INVESTMENTS	10	131.92	131.92	(1,365.63)	510.83
DEFERRED TAX ASSET	11	67.41	66.71	-	-
OTHER NON CURRENT ASSETS	25	-	800.00	-	-
TOTAL NON CURRENT ASSETS		4,229.72	5,070.10	2,662.95	4,581.40
INVENTORIES	12	586.72	1,377.77	-	-
TRADE & OTHER RECEIVABLES	13	45.21	1,473.87	-	3.13
PREPAYMENTS	14	10.19	4.90	10.19	4.90
CASH & CASH EQUIVALENTS	15	32.56	30.23	-	-
TOTAL CURRENT ASSETS		674.68	2,886.78	10.19	8.03
TOTAL ASSETS		4,904.40	7,956.87	2,673.13	4,589.43
EQUITY					
SHARE CAPITAL	16	1,470.89	1,470.89	1,470.89	1,470.89
SHARE PREMIUM	17	4,376.34	4,376.34	4,376.34	4,376.34
RETAINED EARNINGS		(6,784.24)	(4,495.05)	(4,361.91)	(2,063.55)
REVALUATION RESERVE	18	614.90	614.90	614.90	614.90
NON CONTROLLING INTEREST		(2,030.28)	89.69	-	-
TOTAL EQUITY		(2,352.38)	2,056.78	2,100.22	4,398.59
LIABILITIES					
CONSUMER SCHEMES & PROJECT FINANCE	19	3,909.31	4,012.41	-	-
DEFERRED TAX LIABILITY	11	30.49	30.49	-	-
TOTAL NON CURRENT LIABILITIES		3,939.80	4,042.90	-	-
BANK OVERDRAFT	15	291.81	229.25	-	-
TRADE & OTHER PAYABLES	20	2,515.66	1,455.23	515.15	142.75
ACCRUED TAX	11	186.30	172.70	57.76	48.10
LOANS & BORROWINGS	27	323.20	-	-	-
TOTAL CURRENT LIABILITIES		3,316.98	1,857.19	572.91	190.84
TOTAL LIABILITIES		7,256.78	5,900.09	572.91	190.84
TOTAL EQUITIES & LIABILITIES		4,904.40	7,956.87	2,673.13	4,589.43

The financial statements were approved by the Board of Directors on: 30th May, 2018.
and signed on it's behalf by;



Dr. Timothy Farinre
Group Chairman
FRC/2014/COREN/0000007564



Mr. Anthony O. Omhenke
Chief Finance Officer
FRC/2014/ICAN/00000008200



Mr. Yemi Ogundipe, FCA
Group Managing Director
FRC/2013/ICAN/00000001615

THE NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

OMATEK VENTURES PLC

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER 2015

		GROUP		COMPANY	
	NOTE	2015 N'M	2014 N'M	2015 N'M	2014 N'M
REVENUE	21	310.39	1,144.55	(1,876.45)	(358.16)
COST OF SALES		(29.66)	(1,098.32)	-	-
GROSS PROFIT		<u>280.73</u>	<u>46.23</u>	<u>(1,876.45)</u>	<u>(358.16)</u>
SELLING AND DISTRIBUTION EXPENSES		(63.03)	(8.67)		
ADMINISTRATION EXPENSES	23	<u>(603.74)</u>	<u>(266.74)</u>	<u>(412.24)</u>	<u>(71.99)</u>
RESULTS FROM OPERATING ACTIVITIES		(386.04)	(229.18)	(2,288.70)	(430.15)
FINANCE COST		<u>(807.16)</u>	<u>(577.29)</u>	<u>-</u>	<u>-</u>
PROFIT/(LOSS) BEFORE TAX		(1,193.21)	(806.47)	(2,288.70)	(430.15)
TAX EXPENSE	11	<u>(12.90)</u>	<u>(85.95)</u>	<u>(9.66)</u>	<u>(23.71)</u>
PROFIT/(LOSS) ON CONTINUING OPERATIONS		<u>(1,206.11)</u>	<u>(892.43)</u>	<u>(2,298.36)</u>	<u>(453.86)</u>
OTHER COMPREHENSIVE INCOME					
OTHER INCOME	22	0.02	0.0013	-	-
OTHER EXPENSE		<u>(3,203.08)</u>	<u>-</u>		
TOTAL OTHER COMPREHENSIVE INCOME		<u>(3,203.06)</u>	<u>0.0013</u>	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME		<u>(4,409.16)</u>	<u>(892.43)</u>	<u>(2,298.36)</u>	<u>(453.86)</u>
PROFIT ATTRIBUTABLE TO THE GROUP		(2,289.19)	(491.16)		
NON CONTROLLING INTEREST		(2,119.97)	(401.26)		
		<u>(4,409.16)</u>	<u>(892.43)</u>		
BASIC EARNINGS/(LOSS) PER SHARE (NGN)	24	<u>(1.50)</u>	<u>(0.30)</u>		
DILUTED EARNINGS/(LOSS) PER SHARE (NGN)		<u>(1.50)</u>	<u>(0.30)</u>		

THE NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

OMATEK VENTURES PLC
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2015
GROUP

	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	REVALUATION RESERVE	NON CONTROLLING INTEREST	TOTAL EQUITY
	N'M	N'M	N'M	N'M	N'M	N'M
BALANCE AT 1ST JANUARY 2015	1,470.89	4,376.34	(4,495.05)	614.90	89.69	2,056.78
TOTAL COMPREHENSIVE INCOME						
PROFIT/(LOSS) ON CONTINUING OPERATIONS			(655.63)		(550.47)	(1,206.11)
OTHER COMPREHENSIVE INCOME						
OTHER INCOME			0.01		0.01	0.02
OTHER EXPENSE			(1,633.57)		(1,569.51)	(3,203.08)
TOTAL OTHER COMPREHENSIVE INCOME			(1,633.56)	-	(1,569.50)	(3,203.06)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	-	(2,289.19)	-	(2,119.97)	(4,409.16)
BALANCE AT 31ST DECEMBER 2015	1,470.89	4,376.34	(6,784.24)	614.90	(2,030.28)	(2,352.38)
	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	REVALUATION RESERVE	NON CONTROLLING INTEREST	TOTAL EQUITY
	N'M	N'M	N'M	N'M	N'M	N'M
BALANCE AT 1ST JANUARY 2014	1,470.89	4,376.34	(4,037.13)	614.90	459.01	2,884.01
ADJUSTMENT			33.25		31.95	65.20
TOTAL COMPREHENSIVE INCOME						
PROFIT/(LOSS) ON CONTINUING OPERATIONS			(491.16)		(401.26)	(892.43)
OTHER COMPREHENSIVE INCOME						
OTHER INCOME			0.0005		0.0008	0.0013
TOTAL OTHER COMPREHENSIVE INCOME			0.0005	-	0.0008	0.0013
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	-	(491.16)	-	(401.26)	(892.43)
BALANCE AT 31ST DECEMBER 2014	1,470.89	4,376.34	(4,495.05)	614.90	89.69	2,056.78

COMPANY

	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	REVALUATION RESERVE	TOTAL EQUITY
	N'M	N'M	N'M	N'M	N'M
BALANCE AT 1ST JANUARY 2015	1,470.89	4,376.34	(2,063.55)	614.90	4,398.59
TOTAL COMPREHENSIVE INCOME					
PROFIT/(LOSS) ON CONTINUING OPERATIONS			(2,298.36)		(2,298.36)
OTHER COMPREHENSIVE INCOME					
TOTAL OTHER COMPREHENSIVE INCOME					
TOTAL COMPREHENSIVE INCOME FOR THE P	-	-	(2,298.36)	-	(2,298.36)
FAIR VALUE GAIN ON PROPERTY				-	-
BALANCE AT 31ST DECEMBER 2015	1,470.89	4,376.34	(4,361.91)	614.90	2,100.22
	SHARE CAPITAL N'M	SHARE PREMIUM N'M	RETAINED EARNINGS N'M	REVALUATION RESERVE N'M	TOTAL EQUITY N'M
BALANCE AT 1ST JANUARY 2014	1,470.89	4,376.34	(1,609.69)	614.90	4,852.45
TOTAL COMPREHENSIVE INCOME					
PROFIT/(LOSS) ON CONTINUING OPERATIONS			(453.86)		(453.86)
OTHER COMPREHENSIVE INCOME					
TOTAL OTHER COMPREHENSIVE INCOME			-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE P	-	-	(453.86)	-	(453.86)
BALANCE AT 31ST DECEMBER 2014	1,470.89	4,376.34	(2,063.55)	614.90	4,398.59

THE NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CASH FLOWS

OMATEK VENTURES PLC

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2015

		GROUP		COMPANY	
	NOTE	JANUARY - DECEMBER 2015 N'M	JANUARY - DECEMBER 2014 N'M	JANUARY - DECEMBER 2015 N'M	JANUARY - DECEMBER 2014 N'M
CASH FLOWS FROM OPERATING ACTIVITIES					
PROFIT/(LOSS)		(4,409.16)	(892.43)	(2,298.36)	(453.86)
ADJUSTMENTS FOR :					
DEPRECIATION		42.36	43.89	42.00	42.00
FAIR VALUE GAIN		-	-	-	-
CASH COLLATERAL ADJUSTMENT		800.00	-	-	-
FINANCE COST		807.16	577.29	-	-
TAX		12.90	85.95	9.66	23.71
INVESTMENT(INCOME)/LOSSES		<u>1,662.43</u>	<u>707.14</u>	<u>1,876.45</u>	<u>358.16</u>
				<u>1,928.12</u>	<u>423.87</u>
CHANGES IN CURRENT ASSETS :					
INVENTORIES		791.05	387.20	-	-
TRADE & OTHER RECEIVABLES		1,428.66	(26.64)	3.13	-
PREPAYMENTS		<u>(5.29)</u>	<u>7.35</u>	<u>(5.29)</u>	<u>7.35</u>
		<u>2,214.43</u>	<u>367.91</u>	<u>(2.16)</u>	<u>7.35</u>
CHANGES IN CURRENT LIABILITIES :					
TRADE & OTHER PAYABLES		1,060.43	58.66	372.40	22.64
		<u>1,060.43</u>	<u>58.66</u>	<u>372.40</u>	<u>22.64</u>
NET CASH FROM OPERATING ACTIVITIES		<u>528.12</u>	<u>241.29</u>	<u>-</u>	<u>0.00</u>
CASHFLOW FROM INVESTING ACTIVITIES					
PURCHASE OF FIXED ASSET INVESTMENT		(1.29)	(0.08)	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CASH FROM INVESTING ACTIVITIES		<u>(1.29)</u>	<u>(0.08)</u>	<u>-</u>	<u>-</u>
CASHFLOW FROM FINANCING ACTIVITIES					
FINANCE COST		(807.16)	(577.29)	-	-
LOANS & BORROWINGS		(103.10)	97.13	-	-
CONSUMER FINANCE		323.20	-	-	-
		<u>(587.06)</u>	<u>(480.16)</u>	<u>-</u>	<u>-</u>
NET CASH FROM FINANCING ACTIVITIES		<u>(587.06)</u>	<u>(480.16)</u>	<u>-</u>	<u>-</u>
NET CASH FLOW		<u>(60.23)</u>	<u>(238.95)</u>	<u>-</u>	<u>0.00</u>
CASH & CASH EQUIVALENTS @ 1ST JANUARY		(199.02)	39.93	0.00	-
CASH & CASH EQUIVALENTS @ END DECEMBER	15	<u>(259.25)</u>	<u>(199.02)</u>	<u>0.00</u>	<u>0.00</u>

THE NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

1 REPORTING ENTITY
(A) LEGAL FORM

Omatek Ventures Plc is a public limited liability company incorporated in Nigeria under the Companies and Allied Matters Act of 1990.

(B) MAIN ACTIVITIES

Omatek is a holding company which holds shares in the manufacturing, distribution and sales and service of various types of computers and home entertainment products

(C) REGISTERED ADDRESS

The registered address is 11 Kudirat Abiola Road, Ikeja, Lagos.

2 STATEMENT OF COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

The consolidated financial statements were authorised for issue by the Board of Directors on: 30th of May, 2018.

3 BASIS OF PREPARATION
(A) BASIS OF MEASUREMENT

The financial statements have been prepared on the historical cost basis and all applicable standard issued by the Financial Reporting Council of Nigeria

(B) FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Nigerian Naira, which is the Company's functional currency.

All financial information presented in naira has been rounded to nearest million.

(C) USE OF ESTIMATES AND JUDGEMENT

The preparation of the financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and into any future periods affected.

STANDARDS AND INTERPRETATIONS
(D) ISSUED BUT NOT YET EFFECTIVE

Standard	Title/Contents	Effective Year
IFRS10	Consolidated Financial Statements	1-Jan-2016
IFRS14	Regulatory Deferral Accounts	1-Jan-2016
IFRS15	Revenue from Contract with Customers	1-Jan-2017

Standards which were issued but will become effective after 2015 will not have material impact on the Company.

4 BASIS OF CONSOLIDATION

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The consolidated financial statements combine the financial statements of Omatek Ventures Plc, Omatek Ventures Distribution Limited and Omatek Computers Limited.

5 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

(A) FOREIGN CURRENCY

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

(B) PROPERTY, PLANT & EQUIPMENT
(I) RECOGNITION AND MEASUREMENT

Items of property, plant and equipment are measured at cost/revalued amounts less accumulated depreciation and accumulated impairment losses.

The building at Plot 11 Kudirat Abiola Way was valued on 2nd January 2011 as part of the IFRS Implementation Project by Adeniji Adele & Associates - Consulting Estate Surveyors & Valuers.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

(ii) DEPRECIATION

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

Leasehold Building	50 Years
Motor Vehicles	5 Years
Furniture, Fixtures & Fittings	10 Years
Office Equipment	10 Years
Plant & Machinery	5 Years
Computer Equipment	5 Years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

© INVENTORIES

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(D) IMPAIRMENT

(I) FINANCIAL ASSETS (INCLUDING RECEIVABLES)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired.

A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise and/or indications that a debtor or issuer will enter bankruptcy.

The Company considers evidence of impairment for receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment.

All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

In assessing collective impairment the Company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(ii) NON-FINANCIAL ASSETS

The carrying amounts of the Company's non-financial assets, other than biological assets, investment property, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the “cash-generating unit, or CGU”).

For the purposes of goodwill impairment testing, goodwill acquired in a business combination is allocated to the group of CGUs that is expected to benefit from the synergies of the combination. This allocation is subject to an operating segment ceiling test and reflects the lowest level at which that goodwill is monitored for internal reporting purposes.

The Company’s corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, 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.

(E) EMPLOYEE BENEFITS

(I) DEFINED CONTRIBUTION PLANS

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

For defined contribution plans, the Company pays contributions to publicly or privately administered pension fund administrators (PFA) on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid.

Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(H) SEGMENT REPORTING

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components.

All operating segments' operating results are reviewed regularly by the Group's CEO to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

6 FINANCIAL RISK MANAGEMENT

(A) OVERVIEW

The Company has exposure to the following risks from its use of financial instruments:

Credit Risk

Liquidity Risk

Market Risk

Operational Risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Further quantitative disclosures are included throughout these financial statements

(B) RISK MANAGEMENT FRAMEWORK

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework.

The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities.

The group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

(C) CREDIT RISK

Credit risk is the risk of financial loss to the group if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers.

**(I) TRADE &
OTHER RECEIVABLES**

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

(D) LIQUIDITY RISK

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

(E) OPERATIONAL RISK

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 other than credit, market and liquidity risks such as those arising from 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 business unit. This responsibility is supported by the development of overall group standards for the management of operational risk.

(F) MARKET RISK

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

7 OPERATING SEGMENTS

The Group has two reportable segments, as described below, which are the Group's strategic business units.

The strategic business units undertake different sectors of Group's activities and are managed separately based on the Group's management and internal reporting structure.

For each of the strategic business units, the Executive Management Committee reviews internal management reports on at least a quarterly basis.

OMATEK COMPUTERS LIMITED

The principal activities of the company are the assembling, and manufacturing of various types of computers and home entertainment products, UPS, inverters and solar systems

OMATEK VENTURES DISTRIBUTION LTD.

Omatek Ventures Distribution Limited is a computer company which was formed to take over the distribution and sales of all products of the Omatek Group which include various types of computers and home entertainment products, UPS, inverters and solar systems

	MANUFACTURING N'M	TRADING N'M	OTHER N'M	TOTAL N'M
REVENUE				
EXTERNAL CUSTOMERS	58.07	252.31	-	310.39
OTHER BUSINESS SEGMENT	38.72	-	-	38.72
TOTAL REVENUE	96.79	252.31	-	349.10
COST OF SALES	(36.38)	(4.58)		(40.97)
GROSS PROFIT	60.40	247.73	-	308.13
OTHER INCOME	72.35	0.02	(1,876.45)	(1,804.08)
FAIR VALUE GAIN			-	-
SELLING AND DISTRIBUTION EXPENSES	(1.09)	(61.94)		(63.03)
ADMINISTRATION EXPENSES	(247.08)	55.58	(412.24)	(603.74)
OTHER EXPENSES		(3,275.43)		
RESULT FROM OPERATIONS	(115.42)	241.40	(2,288.70)	(2,162.71)
FINANCE COST	(165.54)	(641.63)	-	(807.16)
NET PROFIT/(LOSS) BEFORE TAX	(280.95)	(3,675.66)	(2,288.70)	(2,969.87)
TAX EXPENSE	(1.10)	(3.11)	(9.66)	(13.88)
NET PROFIT/(LOSS) AFTER TAX	(282.05)	(3,678.77)	(2,298.36)	(2,983.75)
ASSETS	690.63	469.98	2,673.13	3,833.74
LIABILITIES	(1,098.65)	(5,897.25)	(572.91)	(7,568.81)
NET ASSETS	(408.02)	(5,427.27)	2,100.22	(3,735.07)

YEAR ENDED 31/12/14

	MANUFACTURING N'M	TRADING N'M	OTHER N'M	TOTAL N'M
REVENUE				
EXTERNAL CUSTOMERS	226.94	917.61		1,144.55
OTHER BUSINESS SEGMENT	151.29			151.29
TOTAL REVENUE	378.23	917.61	-	1,295.84
COST OF SALES	(72.62)	(1,052.91)		(1,125.52)
GROSS PROFIT	305.62	(135.30)	-	170.32
OTHER INCOME	-	-	(358.16)	(358.16)
SELLING AND DISTRIBUTION EXPENSES	(0.86)	(7.81)		(8.67)
ADMINISTRATION EXPENSES	(96.42)	(98.33)	(71.99)	(266.74)
RESULT FROM OPERATIONS	208.33	(241.43)	(430.15)	(463.25)
FINANCE COST	(13.77)	(563.52)		(577.29)
NET PROFIT/(LOSS) BEFORE TAX	194.56	(804.96)	(430.15)	(1,040.55)
TAX EXPENSE	(59.69)	(3.10)	(23.71)	(86.50)
NET PROFIT/(LOSS) AFTER TAX	134.87	(808.06)	(453.86)	(1,127.05)
ASSETS	1,665.60	3,455.28	4,589.43	9,710.31
LIABILITIES	(1,791.57)	(5,203.78)	(190.84)	(7,186.19)
NET ASSETS	(125.97)	(1,748.50)	4,398.59	2,524.12

8 PROPERTY, PLANT & EQUIPMENT - GROUP

	LEASEHOLD BUILDING N'M	PLANT & MACHINERY N'M	FIXTURES & FITTINGS N'M	OFFICE EQUIPMENT N'M	COMPUTER EQUIPMENT N'M	MOTOR VEHICLE N'M	RESOURCES CENTER N'M	QUALITY TEST EQUIPMENT N'M	TOTAL N'M
COST/VALUATION									
BALANCE AS AT 1ST JANUARY 2015	2,129.50	23.54	34.67	24.88	12.16	196.45	1.35	0.31	2,422.85
UNREALISED FAIR VALUE GAIN ADDITIONS	-	-	-	-	-	-	-	-	-
BALANCE AS AT 31ST DECEMBER 2015	2,129.50	23.54	34.69	26.15	12.16	196.45	1.35	0.31	2,424.14
DEPRECIATION									
BALANCE AS AT 1ST JANUARY 2015	258.38	23.53	34.65	24.86	12.00	196.33	1.34	0.30	551.39
CHARGE FOR THE YEAR	42.20	-	-	0.03	0.03	0.11	-	-	42.36
ADJUSTMENT									
BALANCE AS AT 31ST DECEMBER 2015	300.58	23.53	34.65	24.89	12.03	196.44	1.34	0.30	593.75
CARRYING AMOUNT									
AS AT 31ST DECEMBER 2015	1,828.92	0.01	0.04	1.26	0.13	0.01	0.01	0.01	1,830.39
AS AT 31ST DECEMBER 2014	1,871.12	0.01	0.02	0.02	0.16	0.12	0.01	0.01	1,871.46

**PROPERTY, PLANT & EQUIPMENT -
COMPANY**

	LEASEHOLD BUILDING N'M	PLANT & MACHINERY N'M	FIXTURES & FITTINGS N'M	OFFICE EQUIPMENT N'M	COMPUTER EQUIPMENT N'M	MOTOR VEHICLE N'M	RESOURCES CENTER N'M	QUALITY TEST EQUIPMENT N'M	TOTAL N'M
COST/VALUATION									
BALANCE AS AT 1ST JANUARY 2015	2,100.00	-	-	-	-	-	-	-	2,100.00
UNREALISED FAIR VALUE GAIN ADDITIONS	-	-	-	-	-	-	-	-	-
BALANCE AS AT 31ST DECEMBER 2015	2,100.00	-	-	-	-	-	-	-	2,100.00
DEPRECIATION									
BALANCE AS AT 1ST JANUARY 2015	229.43	-	-	-	-	-	-	-	229.43
CHARGE FOR THE YEAR	42.00	-	-	-	-	-	-	-	42.00
ADJUSTMENT									
BALANCE AS AT 31ST DECEMBER 2015	271.43	-	-	-	-	-	-	-	271.43
CARRYING AMOUNT									
AS AT 31ST DECEMBER 2015	1,828.57	-	-	-	-	-	-	-	1,828.57
AS AT 31ST DECEMBER 2014	1,870.57	-	-	-	-	-	-	-	1,870.57

	GROUP		COMPANY	
	TOTAL		TOTAL	
9 INVESTMENT PROPERTY	LEASEHOLD BUILDING N'M	N'M	LEASEHOLD BUILDING N'M	N'M
COST/VALUATION				
BALANCE AS AT 1ST JANUARY 2015	2,200.00	2,200.00	2,200.00	2,200.00
FAIR VALUE GAIN	-	-	-	-
DISPOSAL	-	-	-	-
ADJUSTMENT	-	-	-	-
BALANCE AS AT 31ST DECEMBER 2015	<u>2,200.00</u>	<u>2,200.00</u>	<u>2,200.00</u>	<u>2,200.00</u>
CARRYING AMOUNT				
AS AT 31ST DECEMBER 2015	<u>2,200.00</u>	<u>2,200.00</u>	<u>2,200.00</u>	<u>2,200.00</u>
AS AT 31ST DECEMBER 2014	<u>2,200.00</u>	<u>2,200.00</u>	<u>2,200.00</u>	<u>2,200.00</u>
10 INVESTMENTS	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M
OMATEK COMPUTERS GHANA	131.92	131.92	131.92	131.92
OMATEK VENTURES DISTRIBUTION LIMITED			(1,678.05)	198.13
OMATEK COMPUTERS NIGERIA			180.50	180.78
	<u>131.92</u>	<u>131.92</u>	<u>(1,365.63)</u>	<u>510.83</u>
11 TAX	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M
TAX EXPENSE				
COMPANIES INCOME TAX	-	55.82		
EDUCATION TAX	-	3.89		
MINIMUM TAX	13.60	27.36	9.66	23.71
DEFERRED TAX	0.28	(0.57)		
DEFERRED TAX ON CONSOLIDATION	(0.97)	(0.55)		
	<u>12.90</u>	<u>85.95</u>	<u>9.66</u>	<u>23.71</u>
ACCRUED TAX				
BALANCE BROUGHT FORWARD	172.70	85.63	48.10	24.38
CURRENT CHARGE	13.60	87.07	9.66	23.71
PAYMENTS DURING THE PERIOD	-			
BALANCE CARRIED FORWARD	<u>186.30</u>	<u>172.70</u>	<u>57.76</u>	<u>48.10</u>
DEFERRED TAX ASSET				
BALANCE BROUGHT FORWARD	66.71	65.59		-
CURRENT PROVISION	0.70	1.12		
WHT				
BALANCE CARRIED FORWARD	<u>67.41</u>	<u>66.71</u>	<u>-</u>	<u>-</u>
DEFERRED TAX LIABILITY				
BALANCE BROUGHT FORWARD	30.49	30.49		-
CURRENT PROVISION	-	-		
BALANCE CARRIED FORWARD	<u>30.49</u>	<u>30.49</u>	<u>-</u>	<u>-</u>
NET DEFERRED TAX ASSET	<u>36.92</u>	<u>36.22</u>		

12 INVENTORIES	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M
FINISHED GOODS	553.42	1,027.38		
RAW MATERIALS	36.54	305.05		
GOODS IN TRANSIT		47.18		
PROVISION FOR UNREALISED PROFIT	(3.25)	(1.84)		
	<u>586.72</u>	<u>1,377.77</u>	<u>-</u>	<u>-</u>
13 TRADE & OTHER RECEIVABLES	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M
TRADE RECEIVABLES	-	214.52		
STAFF RECEIVABLES	-	51.25		
INTERCOMPANY	-	1,106.69	-	3.13
OTHER RECEIVABLES	45.21	114.35		
PROVISION FOR DOUBTFUL TRADE RECEIVABLES	-	(12.94)		
	<u>45.21</u>	<u>1,473.87</u>	<u>-</u>	<u>3.13</u>
14 PREPAYMENTS	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M
PREPAID RENT	10.19	4.90	10.19	4.90
PREPAID INSURANCE	-	-		
	<u>10.19</u>	<u>4.90</u>	<u>10.19</u>	<u>4.90</u>
15 CASH & CASH EQUIVALENTS	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M
BANK BALANCES	32.56	28.31	-	-
CASH	-	1.92	-	-
CASH & CASH EQUIVALENTS - STATEMENT OF FINANCIAL POSITION	32.56	30.23	-	-
BANK OVERDRAFT	(291.81)	(229.25)	-	-
CASH & CASH EQUIVALENTS - STATEMENT OF CASH FLOWS	(259.25)	(199.03)	-	-
16 SHARE CAPITAL	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M
AUTHORISED 7,000,000,000 ORDINARY SHARES @ NGN0.50	3,500.00	3,500.00	3,500.00	3,500.00
ISSUED 2,941,789,472 ORDINARY SHARES @NGN0.50	1,470.89	1,470.89	1,470.89	1,470.89
17 SHARE PREMIUM	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M
	<u>4,376.34</u>	<u>4,376.34</u>	<u>4,376.34</u>	<u>4,376.34</u>

18 REVALUATION RESERVE

The factory building at Plot 11 Kudirat Abiola Way was valued on 31st December 2010 in accordance with IFRS by Adeniji Adele & Associates - Consulting Estate Surveyors & Valuers.

The investment property was valued on 31st December 2010 in accordance with IFRS by Adeniji Adele & Associates - Consulting Estate Surveyors & Valuers.

19 CONSUMER SCHEMES & PROJECT FINANCE

	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M
OPENING BALANCE	4,012.41	3,915.28		
NET MOVEMENT IN THE YEAR	(103.10)	97.13		
	<u>3,909.31</u>	<u>4,012.41</u>	<u>-</u>	<u>-</u>

20 TRADE & OTHER PAYABLES

	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M
TRADE PAYABLES	18.97	51.62		
STAFF PAYABLES	30.00	23.09		
ACCRUED EXPENSES	1,870.67	1,123.10	5.50	4.50
INTERCOMPANY	115.55		407.38	123.55
OTHER PAYABLES	480.46	257.43	102.27	14.70
	<u>2,515.66</u>	<u>1,455.23</u>	<u>515.15</u>	<u>142.75</u>

21 REVENUE

	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M
SALE OF GOODS TO 3RD PARTIES.	310.39	1,144.55	-	-
SHARE OF INCOME/(LOSS) OMATEK VENTURES DISTRIBUTION LIMITED			(1,876.17)	(412.11)
SHARE OF INCOME/(LOSS) OMATEK COMPUTERS NIGERIA			(0.28)	53.95
	<u>310.39</u>	<u>1,144.55</u>	<u>(1,876.45)</u>	<u>(358.16)</u>

22 OTHER INCOME

	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M
PROFIT ON SALE OF FIXED ASSETS	-	-	-	-
RENTAL INCOME	-	-	-	-
AFTER SALES SERVICE	0.02	0.0013	-	-
OTHERS	-	-	-	-
	<u>0.02</u>	<u>0.0013</u>	<u>-</u>	<u>-</u>

23 ADMINISTRATION EXPENSES	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M
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INCLUDED IN ADMINISTRATION EXPENSES ARE:

DEPRECIATION	42.36	43.89	42.00	42.00
AUDITORS FEES	3.00	3.00	1.00	1.00
	<u>45.36</u>	<u>46.89</u>	<u>43.00</u>	<u>43.00</u>

24 EARNINGS PER SHARE - BASIC & DILUTED	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M
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EARNINGS PER SHARE IS CALCULATED BY DIVIDING THE NET PROFIT AFTER TAX ATTRIBUTABLE TO EQUITY HOLDERS BY THE WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES IN ISSUE DURING THE YEAR

PROFIT/(LOSS) AFTER TAX ATTRIBUTABLE TO SHAREHOLDERS N'M	<u>(4,409.16)</u>	<u>(892.43)</u>
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	<u>2,941.79</u>	<u>2,941.79</u>
EARNINGS/(LOSS) PER SHARE (NGN)	<u>(1.50)</u>	<u>(0.30)</u>

25 OTHER NON CURRENT ASSETS	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M
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SBLC CASH COLLATERAL	-	800.00
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26 CONTINGENT LIABILITY

THERE IS A STANDBY LETTER OF CREDIT ISSUED BY FIRSTBANK IN THE AMOUNT OF USD2.5M FOR THE PURPOSE OF IMPORTATION OF INVENTORY

27 LOANS & BORROWINGS	31ST DECEMBER 2015 N'M	31ST DECEMBER 2014 N'M
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SHORT TERM LOAN	323.20
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28 GOING CONCERN

The Group incurred a net loss of N1,193.21 million for the year ended 31 December 2015 (2014 : N806.47 million) and interest cover was also negative 0.48 (2014 : - 0.40). These conditions indicate the existence of material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern.

The Management and Board have made adequate plans to reverse the trend by breaking new grounds in products and market development.

The financial statements are prepared on the basis of accounting policies applicable to a going concern. The basis presumes that the Group will be able to penetrate the new markets and sell the new products and that the realization of assets and settlement of liabilities will occur in the ordinary course of business.

OMATEK VENTURES PLC						
VALUE ADDED STATEMENT						
GROUP		2015			2014	
		N'M	%		N'M	%
REVENUE		310.39			1,144.55	
FAIR VALUE GAIN						
BOUGHT IN GOODS & SERVICES		(3,800.80)			(1,251.75)	
VALUE ADDED		(3,490.42)			(107.20)	
APPLIED AS FOLLOWS						
TO PAY EMPLOYEES		56.32	-2%		78.09	-73%
TO PAY GOVERNMENT		12.90	-0.4%		85.95	-80%
TO PAY PROVIDERS OF LOAN CAPITAL		807.16	-23%		577.29	-539%
NON CONTROLLING INTERESTS		(2,119.97)	61%		(401.26)	374%
RETAINED FOR GROWTH						
DEPRECIATION		42.36	-1%		43.89	-41%
RETAINED EARNINGS		(2,289.19)	66%		(491.16)	458%
		(3,490.42)	100%		(107.20)	100%

COMPANY		2015			2014	
		N'M	%		N'M	%
REVENUE		(1,876.45)			(358.16)	
BOUGHT IN GOODS & SERVICES		334.24			29.99	
VALUE ADDED		(2,210.70)			(388.15)	
APPLIED AS FOLLOWS						
GOVERNMENT		9.66	-0.4%		23.71	-6.1%
EMPLOYEES		36.00	-2%		0.00	0.0%
PROVIDERS OF FINANCE		-	0%		-	0.0%
RETAINED FOR GROWTH						
DEPRECIATION		42.00	-1.9%		42.00	-10.8%
RETAINED EARNINGS		(2,298.36)	104%		(453.86)	116.9%
		(2,210.70)	100%		(388.15)	100%

OMATEK VENTURES PLC
FIVE YEAR FINANCIAL SUMMARY
GROUP

	2015 N'M	2014 N'M	2013 N'M	2012 N'M	2011 N'M
PROFIT OR LOSS					
TURNOVER	310.39	1,144.55	1,024.20	1,385.52	369.06
PROFIT AFTER TAX	(4,409.16)	(892.43)	(342.27)	236.82	(300.08)

STATEMENT OF FINANCIAL POSITION

PROPERTY, PLANT & EQUIPMENT	1,830.39	1,871.46	1,915.16	1,960.18	2,031.61
OTHER NON CURRENT ASSETS	2,399.33	3,198.63	3,197.51	2,356.43	2,332.09
CURRENT ASSETS	674.68	2,886.78	3,391.87	2,440.87	994.97
	<u>4,904.40</u>	<u>7,956.87</u>	<u>8,504.54</u>	<u>6,757.48</u>	<u>5,358.67</u>

FINANCED BY

SHARE CAPITAL	1,470.89	1,470.89	1,470.89	1,470.89	1,470.89
SHARE PREMIUM	4,376.34	4,376.34	4,376.34	4,376.34	4,376.34
RETAINED EARNINGS	(6,784.24)	(4,495.05)	(4,037.13)	(3,723.75)	(3,825.06)
REVALUATION RESERVE	614.90	614.90	614.90	614.90	614.90
NON CONTROLLING INTEREST	(2,030.28)	89.69	459.01	778.99	643.48
NON CURRENT LIABILITIES	3,939.80	4,042.90	3,945.77	1,541.31	1,541.31
CURRENT LIABILITIES	3,316.98	1,857.19	1,674.76	1,698.78	536.81
	<u>4,904.40</u>	<u>7,956.87</u>	<u>8,504.54</u>	<u>6,757.47</u>	<u>5,358.67</u>

COMPANY

	2015	2014	2013	2012	2011
	N'M	N'M	N'M	N'M	N'M
PROFIT OR LOSS					
REVENUE	(1,876.45)	(358.16)	161.26	39.41	(114.69)
PROFIT AFTER TAX	<u>(2,298.36)</u>	<u>(453.86)</u>	<u>71.79</u>	<u>(61.65)</u>	<u>(203.36)</u>

STATEMENT OF FINANCIAL POSITION

PROPERTY, PLANT & EQUIPMENT	1,828.57	1,870.57	1,912.57	1,954.57	1,996.57
OTHER NON CURRENT ASSETS	834.37	2,710.83	3,068.99	3,202.75	3,163.33
CURRENT ASSETS	10.19	8.03	15.38	3.13	3.13
	<u>2,673.13</u>	<u>4,589.43</u>	<u>4,996.94</u>	<u>5,160.44</u>	<u>5,163.03</u>

FINANCED BY

REVALUATION RESERVE	614.90	614.90	614.90	614.90	614.90
SHARE PREMIUM	4,376.34	4,376.34	4,376.34	4,376.34	4,376.34
SHARE CAPITAL	1,470.89	1,470.89	1,470.89	1,470.89	1,470.89
RETAINED EARNINGS	(4,361.91)	(2,063.55)	(1,609.69)	(1,379.57)	(1,317.92)
NON CURRENT LIABILITIES	-				
CURRENT LIABILITIES	572.91	190.84	144.49	77.88	18.82
	<u>2,673.13</u>	<u>4,589.43</u>	<u>4,996.94</u>	<u>5,160.45</u>	<u>5,163.03</u>



2016 AUDITED CONSOLIDATED FINANCIAL STATEMENTS

OMATEK VENTURES PLC				
CONSOLIDATED FINANCIAL STATEMENTS				
OPERATIONAL HIGHLIGHTS				
	GROUP		COMPANY	
	2016	2015	2016	2015
	N'M	N'M	N'M	N'M
Revenue	192	310	(456)	(1,876)
Total Comprehensive Income	(958)	(4,409)	(563)	(2,298)
Total Non Current Assets	4,188	4,230	2,165	2,663
Total Equity	(3,310)	(2,352)	1,538	2,100
Earnings/(Loss) Per Share (NGN)	(0.33)	(1.50)		

The directors submit their report together with the financial statements of Omatek Ventures Plc. for the year ended 31st December 2016.

1. LEGAL FORM

The Group which commenced operation in Nigeria in 1988, was incorporated as a limited liability Company in Nigeria in 1988. It was converted into a Public Company in 2008 and its name was subsequently amended to reflect its status as a public company. The company's shares are quoted and traded on the Nigerian Stock Exchange.

2. PRINCIPAL ACTIVITIES AND CORPORATE DEVELOPMENT

The Group has interests in subsidiaries and associates involved in manufacturing, distribution, selling and servicing of computer equipment and also provides engineering services.

3. BUSINESS REVIEW AND FUTURE DEVELOPMENT

The Group carried out business activities in accordance with its Memorandum and Articles of Association. A Comprehensive review of the business for the year and the prospects for the ensuing year are contained in the Managing Director's Report.

4. FIXED ASSETS

Movement in fixed assets during the year 2016 is shown in note 8 of the Notes to the Financial Statement herein. In the opinion of the directors, the market value of the Group's fixed assets is not less than the value shown in the accounts.

5. RESULTS

The highlights for the financial statements of the group for the year are as follows:

OMATEK VENTURES PLC				
CONSOLIDATED FINANCIAL STATEMENTS				
OPERATIONAL HIGHLIGHTS				
	GROUP		COMPANY	
	2016	2015	2016	2015
	N'M	N'M	N'M	N'M
Revenue	227	310	(456)	(1,876)
Total Comprehensive Income	(958)	(4,409)	(563)	(2,298)
Total Non Current Assets	4,188	4,230	2,165	2,663
Total Equity	(3,310)	(2,352)	1,538	2,100
Earnings/(Loss) Per Share (NGN)	(0.33)	(1.50)		

6. DIVIDEND

In respect of the current year, the Directors do not recommend any dividend.

7. DIRECTORS

- The directors who were in office during the year are listed on page 3.
- The re-election of nine Non-Executive Directors is presented to the members for approval.
- The Group Chairman, Dr. Timothy Farinre and the Group MD/CEO, Engr. Florence Seriki are life Directors for the group. The Group MD/CEO, Engr. Florence Seriki died on the 3rd of March, 2017.

d) DIRECTORS' RESPONSIBILITIES

The Directors are responsible for the preparation of the Group's financial statements which give a true and fair view of the state of affairs of the Group at the end of each financial year, and is in accordance with the provisions of the Companies and Allied Matters Act CAP C20 of the Laws of the Federal Republic of Nigeria, Securities and Exchange Commission Act 2007 as well as Corporate Governance Code of the Securities and Exchange Commission 2011, guidelines and circulars issued by the Nigerian Stock Exchange and other relevant regulators.

In doing so they ensure that:

- Proper accounting records are maintained;
- Internal control procedures are instituted which as far as is reasonably possible, safeguard the assets, prevent and detect fraud and other irregularities;
- Applicable accounting policies and standards are adhered to;
- Suitable accounting policies are adopted and consistently applied;
- The going concern basis is used, unless it is inappropriate to presume that the Group will continue in business; and
- Judgments and estimates made are reasonable and prudent.

8. DIRECTORS INTERESTS IN SHARES

The interest of the Directors in the issued share capital of the company as recorded in the register of Directors as at 31st December 2016 was as follows:

	Director	Direct shareholding of ordinary shares of 50kobo each	Indirect shareholding	Total	Percentage
1	Dr. Timothy Farinre - Group Chairman	Nil	100,357,894	100,357,894	3.411%
2	Late Engr. (Mrs.) Florence Seriki, MFR-Former GMD/CEO	1,552,315,285	165,717,635	1,718,032,899	58.40%
3	Professor Ayodele Francis Ogunye	1,000,000	Nil	1,000,000	0.034%
4	Otunba (Dr.) Solomon Ayodele Oladunni	3,101,478	Nil	3,101,478	0.105%
5	Chief (Senator) Kolawole Bajomo, MNI, FCA	100,000	Nil	00,000	0.003%
6	Alh. Dasuki Nakande	Nil	Nil		
7	Mr. Yemi Ogundipe, FCA GMD/CEO	Nil	Nil		

9. SHAREHOLDING ANALYSIS

The company has an authorized share capital of N3, 500,000,000.00 divided into 7,000,000,000 ordinary shares of 50 kobo each. The issued share capital is N1, 470,895,000.00 divided into 2,941,789,472 ordinary shares of 50 kobo each.

According to the Register of members, only three (3) members, namely, Mrs. Florence Seriki, Main Street Bank Plc. and Portables Investments Ltd. held more than 5% of the issued share capital as at 31st December 2016.

S/N	Names of shareholders	Units	Percent
1	Late Engr. Mrs. Florence Seriki	1,552,315,285	52.77%
2	Main Street Bank Plc	178,285,185	6.06%
3	Portables Investments Ltd	164,639,635	5.60%

The range analysis of the shareholding of the company is as shown in the table below:

Range	No. of Holders	Percent	Units	Percent
1 - 1,000	434	7.92%	286,348	0.01%
1,001 - 10,000	1,790	32.66%	10,065,876	0.34%
10,001 - 100,000	2,346	42.80%	107,208,495	3.64%
100,001 - 500,000	669	12.21%	158,070,842	5.37%
500,001 - 1,000,000	113	2.06%	93,911,413	3.19%
1,000,001 - 5,000,000	101	1.84%	253,700,254	8.62%
5,000,001 - 10,000,000	17	0.31%	135,346,918	4.60%
10,000,001 - 100,000,000	7	0.13%	187,601,327	6.38%
100,000,001 - 10,000,000,000	4	0.07%	1,995,597,999	67.84%
Total	5,481	100.00%	2,941,789,472	100.00%

10. EMPLOYMENT AND EMPLOYEES

a) Employment of physically challenged persons

It is the policy of the Group that there should be no discrimination in considering applications for employment including those from disabled persons. All employees are given equal opportunities for self-development. As at December 31, 2016, however, no disabled person was in the employment of the Group.

b) Health, Safety and Welfare of employees

Health and safety regulations are in force within the Group's premises and employees are aware of the existing regulations. The Group provides subsidy to all levels of employees, transportation, housing, etc.

c) Employee involvement and training

The Group is committed to keeping employees informed as much as possible regarding the Group's performance and progress and seeking their views whenever practicable on matters which particularly affect them as employees

Management, professional and technical expertise are the Group's major assets and investment in their further development continues. Training is carried out at various levels through both in-house and external courses.

11. POST BALANCE SHEET EVENTS

There are no post balance sheet events, which could have had material effect on the state of affairs of the Group, and the profit for the year ended, 31st, December 2016 which have not been adequately provided for or disclosed.

12. GOING CONCERN STATUS

The Directors are of the opinion that the going concern status of the company is satisfactory.

13. AUDIT COMMITTEE

Pursuant to Section 359 (3) of the Companies and Allied Matters Act CAP.C20, LFN 2004, the company has in place an Audit Committee comprising of three shareholders and three Directors' representatives appointed at the last AGM as follows:

- Uba Basil (Chairman)
- Peter Eyanuku
- Chuks Osadinizu
- Chief John O. Akinleye - Removed - 27/9/18
- Alh. Dasuki Nakande
- Mr. Akin Opeodu - Removed - 27/9/18

14. AUDITORS

The firm of Chartered Accountants, Messrs Olaolu Olabimtan & Co. (Chartered Accountants) was engaged to conduct the 2016 financial audit and in accordance with Section 357 (2) of the Companies and Allied Matters Act CAP.C20, LFN. 2004, they have indicated their willingness to continue in office as auditors.

A resolution will be proposed to re-appoint the auditors at the Annual General Meeting.

15. COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

As a company listed on the Nigerian Stock Exchange, Omatek complies with the provisions of the Code of best practice on Corporate Governance for public quoted companies. In its bid to maintain its strong pioneer status and transparency, the Group has adopted the Corporate Governance Code of the Securities and Exchange Commission and strives to maintain compliance with the rules of the Nigerian Stock Exchange, in addition to the relevant laws and guidelines operating in Nigeria.

BY ORDER OF THE BOARD



Femi David Ikotun Esq.,
Ikotun Temowo & Co
Company Secretary

Dated this 30th May 2018

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF OMATEK VENTURES PLC REPORT ON FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of OMATEK VENTURES Plc. and its subsidiaries ("the group"). These financial statements comprise the statement of financial position as at 31 December 2016, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements which includes a summary of significant accounting policies and other explanatory notes.

DIRECTOR'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and with the requirements of the Companies and Allied Matters Act and for such internal control, as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedure that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion the accompanying financial statements give a true and fair view of the state of the financial affairs of the group as at 31 December 2016 and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act and the Financial Reporting Council Act.

EMPHASIS OF MATTER


Without qualifying our opinion, we draw attention to Note 28 to the financial statements which indicates that The Group incurred a net loss of N952.80 million for the year ended 31 December 2016 (2015: N1,193.21 million) and interest cover was also negative 0.27 (2015: -0.48).

These conditions indicate the existence of material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern.

REPORT ON OTHER LEGAL REQUIREMENTS

The Companies and Allied Matters Act require that in carrying out our audit we consider and report to you on the following matters. 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 purposes of our audit;
- ii. The group has kept proper books of account, so far as appears from our examination of those books;
- iii. The statement of financial position, income statement and statement of comprehensive income are in agreement with the books of account.


Hakeem Kareem FCA
FRC/2013/ICAN/00000001751
For: Olaolu Olabimtan & Co
(Chartered Accountants)
10th June, 2018



REPORT OF THE AUDIT COMMITTEE TO THE MEMBERS OF OMATEK VENTURES PLC

In accordance with the provisions of Section 359 (6) of the Companies and Allied Matters Act (CAP20) Laws of the Federation of Nigeria 2004, the members of the Statutory Audit Committee of Omatek Ventures Plc hereby report as follows:

We have exercised our statutory functions under Section 359(6) of the Companies and Allied Matters Act (CAP20) Laws of the Federation of Nigeria, 2004 and we acknowledge the cooperation of management and staff in the conduct of their responsibilities.

We confirm that:

The accounting and reporting policies of the company are consistent with legal requirements and ethical practices.

The internal audit programs are extensive and provide a satisfactory evaluation of the efficiency of the internal controls systems.

We have considered the independent auditors' post-audit report in respect of year ended 31 December, 2017 and management responses thereon, and are satisfied thereto."

Members of the Audit Committee are:

- | | |
|--|---|
| 1) Mr. Basil Ubah | - Chairman & Shareholders' representative |
| 2) Mr. Peter Eyanuku | - Shareholders' representative |
| 3) Chucks Nwosa Ozadinizu | - Shareholders' representative |
| 4) Alhaji Dasuki Nakande | - Non-Executive Director |
| 5) Otunba (Dr.) Solomon Ayodele Oladunni | - Non-Executive Director |
| 6) Professor Ayodele Francis Ogunye | - Non-Executive Director |

Dated this 30th May, 2018.



.....
Mr. Basil Ubah
Chairman Audit Committee

Omatek Ventures Plc obtained a waiver from the Financial Reporting Council for the Chairman to sign this report without an FRC number, pending compliance with registration requirement.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

OMATEK VENTURES PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2016

		GROUP		COMPANY	
	NOTE	2016 N'M	2015 N'M	2016 N'M	2015 N'M
ASSETS					
PROPERTY, PLANT & EQUIPMENT	8	1,787.04	1,830.39	1,786.57	1,828.57
INVESTMENT PROPERTY	9	2,200.00	2,200.00	2,200.00	2,200.00
INVESTMENTS	10	131.92	131.92	(1,821.23)	(1,365.63)
DEFERRED TAX ASSET	11	68.79	67.41	-	-
OTHER NON CURRENT ASSETS	25	-	-	-	-
TOTAL NON CURRENT ASSETS		<u>4,187.75</u>	<u>4,229.72</u>	<u>2,165.34</u>	<u>2,662.95</u>
INVENTORIES	12	571.16	586.71	-	-
TRADE & OTHER RECEIVABLES	13	271.30	45.21	-	-
PREPAYMENTS	14	4.07	10.19	4.07	10.19
CASH & CASH EQUIVALENTS	15	52.48	32.56	-	-
TOTAL CURRENT ASSETS		<u>899.01</u>	<u>674.67</u>	<u>4.07</u>	<u>10.19</u>
TOTAL ASSETS		<u><u>5,086.76</u></u>	<u><u>4,904.39</u></u>	<u><u>2,169.42</u></u>	<u><u>2,673.13</u></u>
EQUITY					
SHARE CAPITAL	16	1,470.89	1,470.89	1,470.89	1,470.89
SHARE PREMIUM	17	4,376.34	4,376.34	4,376.34	4,376.34
RETAINED EARNINGS		(7,359.85)	(6,784.24)	(4,924.59)	(4,361.91)
REVALUATION RESERVE	18	614.90	614.90	614.90	614.90
NON CONTROLLING INTEREST		(2,520.74)	(2,030.28)	-	-
TOTAL EQUITY		<u>(3,418.46)</u>	<u>(2,352.38)</u>	<u>1,537.55</u>	<u>2,100.22</u>
LIABILITIES					
CONSUMER SCHEMES & PROJECT FINANCE	19	3,909.31	3,909.31	-	-
DEFERRED TAX LIABILITY	11	30.49	30.49	-	-
TOTAL NON CURRENT LIABILITIES		<u>3,939.80</u>	<u>3,939.80</u>	<u>-</u>	<u>-</u>
BANK OVERDRAFT	15	292.49	291.81	-	-
TRADE & OTHER PAYABLES	20	3,586.17	2,515.65	566.99	515.15
ACCRUED TAX	11	197.33	186.30	64.87	57.76
LOANS & BORROWINGS	27	489.43	323.20	-	-
TOTAL CURRENT LIABILITIES		<u>4,565.42</u>	<u>3,316.97</u>	<u>631.86</u>	<u>572.91</u>
TOTAL LIABILITIES		<u>8,505.22</u>	<u>7,256.77</u>	<u>631.86</u>	<u>572.91</u>
TOTAL EQUITIES & LIABILITIES		<u><u>5,086.76</u></u>	<u><u>4,904.39</u></u>	<u><u>2,169.41</u></u>	<u><u>2,673.13</u></u>

The financial statements were approved by the Board of Directors on: 30th May, 2018.
and signed on it's behalf by;



Dr. Timothy Farinre
Group Chairman
FRC/2014/COREN/0000007564



Mr. Anthony O. Omhenke
Chief Finance Officer
FRC/2014/ICAN/00000008200



Mr. Yemi Ogundipe, FCA
Group Managing Director
FRC/2013/ICAN/00000001615

THE NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

OMATEK VENTURES PLC

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER 2016

	NOTE	GROUP		COMPANY	
		2016 N'M	2015 N'M	2016 N'M	2015 N'M
REVENUE	21	277.03	310.39	(455.60)	(1,876.45)
COST OF SALES		(198.04)	(29.66)	-	-
GROSS PROFIT		<u>79.00</u>	<u>280.73</u>	<u>(455.60)</u>	<u>(1,876.45)</u>
SELLING AND DISTRIBUTION EXPENSES		(17.76)	(63.03)		
ADMINISTRATION EXPENSES	23	<u>(233.60)</u>	<u>(603.74)</u>	<u>(99.96)</u>	<u>(412.24)</u>
RESULTS FROM OPERATING ACTIVITIES		(172.36)	(386.04)	(555.56)	(2,288.70)
FINANCE COST		<u>(878.43)</u>	<u>(807.16)</u>	<u>-</u>	<u>-</u>
PROFIT/(LOSS) BEFORE TAX		(1,050.80)	(1,193.21)	(555.56)	(2,288.70)
TAX EXPENSE	11	<u>(9.65)</u>	<u>(12.90)</u>	<u>(7.11)</u>	<u>(9.66)</u>
PROFIT/(LOSS) ON CONTINUING OPERATIONS		<u>(1,060.45)</u>	<u>(1,206.11)</u>	<u>(562.68)</u>	<u>(2,298.36)</u>
OTHER COMPREHENSIVE INCOME					
OTHER INCOME	22	4.44	0.02	-	-
OTHER EXPENSE		<u>(10.07)</u>	<u>(3,203.08)</u>		
TOTAL OTHER COMPREHENSIVE INCOME		<u>(5.63)</u>	<u>(3,203.06)</u>	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME		<u>(1,066.07)</u>	<u>(4,409.16)</u>	<u>(562.68)</u>	<u>(2,298.36)</u>
PROFIT ATTRIBUTABLE TO THE GROUP		(575.61)	(2,289.19)		
NON CONTROLLING INTEREST		(490.46)	(2,119.97)		
		<u>(1,066.07)</u>	<u>(4,409.16)</u>		
BASIC EARNINGS/(LOSS) PER SHARE (NGN)	24	<u>(0.36)</u>	<u>(1.50)</u>		
DILUTED EARNINGS/(LOSS) PER SHARE (NGN)		<u>(0.36)</u>	<u>(1.50)</u>		

THE NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

OMATEK VENTURES PLC

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2016
GROUP

	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	REVALUATION RESERVE	NON CONTROLLING INTEREST	TOTAL EQUITY
	N'M	N'M	N'M	N'M	N'M	N'M
BALANCE AT 1ST JANUARY 2016	1,470.89	4,376.34	(6,784.24)	614.90	(2,030.28)	(2,352.38)
TOTAL COMPREHENSIVE INCOME						
PROFIT/(LOSS) ON CONTINUING OPERATIONS			(573.85)		(486.60)	(1,060.45)
OTHER COMPREHENSIVE INCOME						
OTHER INCOME			2.27		(3.87)	(1.60)
TOTAL OTHER COMPREHENSIVE INCOME			2.27	-	(3.87)	(1.60)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	-	(571.58)	-	(490.46)	(1,062.04)
BALANCE AT 31ST DECEMBER 2016	1,470.89	4,376.34	(7,355.82)	614.90	(2,520.74)	(3,414.43)

	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	REVALUATION RESERVE	NON CONTROLLING INTEREST	TOTAL EQUITY
	N'M	N'M	N'M	N'M	N'M	N'M
BALANCE AT 1ST JANUARY 2015	1,470.89	4,376.34	(4,495.05)	614.90	89.69	2,056.78
TOTAL COMPREHENSIVE INCOME						
PROFIT/(LOSS) ON CONTINUING OPERATIONS			(655.63)		(550.47)	(1,206.11)
OTHER COMPREHENSIVE INCOME						
OTHER INCOME			0.01		0.01	0.02
OTHER EXPENSE			(1,633.57)		(1,569.51)	(3,203.08)
TOTAL OTHER COMPREHENSIVE INCOME			(1,633.56)	-	(1,569.50)	(3,203.06)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	-	(2,289.19)	-	(2,119.97)	(4,409.16)
BALANCE AT 31ST DECEMBER 2015	1,470.89	4,376.34	(6,784.24)	614.90	(2,030.28)	(2,352.38)

COMPANY

	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	REVALUATION RESERVE	TOTAL EQUITY
	N'M	N'M	N'M	N'M	N'M
BALANCE AT 1ST JANUARY 2016	1,470.89	4,376.34	(4,361.91)	614.90	2,100.22
TOTAL COMPREHENSIVE INCOME					
PROFIT/(LOSS) ON CONTINUING OPERATIONS			(562.68)		(562.68)
OTHER COMPREHENSIVE INCOME					
TOTAL OTHER COMPREHENSIVE INCOME					
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	-	(562.68)	-	(562.68)
BALANCE AT 31ST DECEMBER 2016	1,470.89	4,376.34	(4,924.59)	614.90	1,537.55
	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	REVALUATION RESERVE	TOTAL EQUITY
	N'M	N'M	N'M	N'M	N'M
BALANCE AT 1ST JANUARY 2015	1,470.89	4,376.34	(2,063.55)	614.90	4,398.59
TOTAL COMPREHENSIVE INCOME					
PROFIT/(LOSS) ON CONTINUING OPERATIONS			(2,298.36)		(2,298.36)
OTHER COMPREHENSIVE INCOME					
TOTAL OTHER COMPREHENSIVE INCOME			-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	-	(2,298.36)	-	(2,298.36)
BALANCE AT 31ST DECEMBER 2015	1,470.89	4,376.34	(4,361.91)	614.90	2,100.22

THE NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS


OMATEK VENTURES PLC
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2016

	GROUP		COMPANY	
	JANUARY - DECEMBER 2016 N'M	JANUARY - DECEMBER 2015 N'M	JANUARY - DECEMBER 2016 N'M	JANUARY - DECEMBER 2015 N'M
NOTE				
CASH FLOWS FROM OPERATING ACTIVITIES				
PROFIT/(LOSS)	(1,066.07)	(4,409.16)	(562.68)	(2,298.36)
ADJUSTMENTS FOR :				
DEPRECIATION	43.35	42.36	42.00	42.00
CASH COLLATERAL	-	800.00		
FINANCE COST	878.43	807.16		
TAX	9.65	12.90	7.11	9.66
INVESTMENT(INCOME)/LOSSES			455.60	1,876.45
	<u>931.44</u>	<u>1,662.43</u>	<u>504.72</u>	<u>1,928.12</u>
CHANGES IN CURRENT ASSETS :				
INVENTORIES	15.55	791.05		
TRADE & OTHER RECEIVABLES	(226.09)	1,428.66	-	3.13
PREPAYMENTS	6.11	(5.29)	6.11	(5.29)
	<u>(204.43)</u>	<u>2,214.43</u>	<u>6.11</u>	<u>(2.16)</u>
CHANGES IN CURRENT LIABILITIES :				
TRADE & OTHER PAYABLES	1,070.50	1,060.43	51.85	372.40
	<u>1,070.50</u>	<u>1,060.43</u>	<u>51.85</u>	<u>372.40</u>
NET CASH FROM OPERATING ACTIVITIES	<u>731.44</u>	<u>528.12</u>	<u>-</u>	<u>-</u>
CASHFLOW FROM INVESTING ACTIVITIES				
PURCHASE OF FIXED ASSET	-	(1.29)	-	-
INVESTMENT	-	-	-	-
NET CASH FROM INVESTING ACTIVITIES	<u>-</u>	<u>(1.29)</u>	<u>-</u>	<u>-</u>
CASHFLOW FROM FINANCING ACTIVITIES				
FINANCE COST	(878.43)	(807.16)	-	-
LOANS & BORROWINGS	-	(103.10)	-	-
CONSUMER FINANCE	166.24	323.20		
NET CASH FROM FINANCING ACTIVITIES	<u>(712.20)</u>	<u>(587.06)</u>	<u>-</u>	<u>-</u>
NET CASH FLOW	<u>19.24</u>	<u>(60.23)</u>	<u>-</u>	<u>-</u>
CASH & CASH EQUIVALENTS @ 1ST JANUARY	(259.25)	(199.02)	-	-
CASH & CASH EQUIVALENTS @ END DECEMBER	<u>(240.01)</u>	<u>(259.25)</u>	<u>-</u>	<u>-</u>

THE NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

1 REPORTING ENTITY
(A) LEGAL FORM

Omatek Ventures Plc is a public limited liability company incorporated in Nigeria under the Companies and Allied Matters Act of 1990.

(B) MAIN ACTIVITIES

Omatek is a holding company which holds shares in the manufacturing, distribution and sales and service of various types of computers and home entertainment products

(C) REGISTERED ADDRESS

The registered address is 11 Kudirat Abiola Road, Ikeja, Lagos.

2 STATEMENT OF COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

The consolidated financial statements were authorised for issue by the Board of Directors on: 30th of May, 2018.

3 BASIS OF PREPARATION
(A) BASIS OF MEASUREMENT

The financial statements have been prepared on the historical cost basis and all applicable standard issued by the Financial Reporting Council of Nigeria

(B) FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Nigerian Naira, which is the Company's functional currency.

All financial information presented in naira has been rounded to nearest million.

(C) USE OF ESTIMATES AND JUDGEMENT

The preparation of the financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which **the estimates are revised and into any future periods affected.**

STANDARDS AND INTERPRETATIONS
(D) ISSUED BUT NOT YET EFFECTIVE

Standard	Title/Contents	Effective Year
IFRS 15	Revenue from Contract with Customers	1-Jan-2017
IFRS 16	Leases	1-Jan-2019
IFRS 17	Insurance Contracts	1-Jan-2021

Standards which were issued but will become effective after 2016 will not have material impact on the Company.

4 BASIS OF CONSOLIDATION

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The consolidated financial statements combine the financial statements of Omatek Ventures Plc, Omatek Ventures Distribution Limited and Omatek Computers Limited.

5 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

(A) FOREIGN CURRENCY

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

(B) PROPERTY, PLANT & EQUIPMENT

(I) RECOGNITION AND MEASUREMENT

Items of property, plant and equipment are measured at cost/revalued amounts less accumulated depreciation and accumulated impairment losses.

The building at Plot 11 Kudirat Abiola Way was valued on 2nd January 2011 as part of the IFRS Implementation Project by Adeniji Adele & Associates - Consulting Estate Surveyors & Valuers.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

(ii) DEPRECIATION

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

Leasehold Building	50 Years
Motor Vehicles	5 Years
Furniture, Fixtures & Fittings	10 Years
Office Equipment	10 Years
Plant & Machinery	5 Years
Computer Equipment	5 Years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

© INVENTORIES

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(D) IMPAIRMENT

(I) FINANCIAL ASSETS (INCLUDING RECEIVABLES)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired.

A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise and/or indications that a debtor or issuer will enter bankruptcy.

The Company considers evidence of impairment for receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment.

All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

In assessing collective impairment the Company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(ii) NON-FINANCIAL ASSETS

The carrying amounts of the Company's non-financial assets, other than biological assets, investment property, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the “cash-generating unit, or CGU”).

For the purposes of goodwill impairment testing, goodwill acquired in a business combination is allocated to the group of CGUs that is expected to benefit from the synergies of the combination. This allocation is subject to an operating segment ceiling test and reflects the lowest level at which that goodwill is monitored for internal reporting purposes.

The Company’s corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, 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.

(E) EMPLOYEE BENEFITS

(I) DEFINED CONTRIBUTION PLANS

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

For defined contribution plans, the Company pays contributions to publicly or privately administered pension fund administrators (PFA) on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid.

Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(H) SEGMENT REPORTING

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components.

All operating segments' operating results are reviewed regularly by the Group's CEO to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

6 FINANCIAL RISK MANAGEMENT
(A) OVERVIEW

The Company has exposure to the following risks from its use of financial instruments:

Credit Risk

Liquidity Risk

Market Risk

Operational Risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Further quantitative disclosures are included throughout these financial statements

(B) RISK MANAGEMENT FRAMEWORK

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework.

The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities.

The group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

(C) CREDIT RISK

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers.

**(I) TRADE &
OTHER RECEIVABLES**

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

(D) LIQUIDITY RISK

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

(E) OPERATIONAL RISK

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 other than credit, market and liquidity risks such as those arising from 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 business unit. This responsibility is supported by the development of overall group standards for the management of operational risk.

(F) MARKET RISK

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

7 OPERATING SEGMENTS

The Group has two reportable segments, as described below, which are the Group's strategic business units.

The strategic business units undertake different sectors of Group's activities and are managed separately based on the Group's management and internal reporting structure.

For each of the strategic business units, the Executive Management Committee reviews internal management reports on at least a quarterly basis.

OMATEK COMPUTERS LIMITED

The principal activities of the company are the assembling, and manufacturing of various types of computers and home entertainment products, UPS, inverters and solar systems

OMATEK VENTURES DISTRIBUTION LTD.

Omatek Ventures Distribution Limited is a computer company which was formed to take over the distribution and sales of all products of the Omatek Group which include various types of computers and home entertainment products, UPS, inverters and solar systems

	MANUFACTURING N'M	TRADING N'M	OTHER N'M	TOTAL N'M
REVENUE				
EXTERNAL CUSTOMERS	85.98	191.06	-	277.03
OTHER BUSINESS SEGMENT	57.32	-	-	57.32
TOTAL REVENUE	143.29	191.06	-	334.35
COST OF SALES	(15.55)	(185.46)	-	(201.01)
GROSS PROFIT	127.75	5.60	-	133.34
OTHER INCOME	(10.07)	4.44	(455.60)	(461.23)
FAIR VALUE GAIN			-	-
SELLING AND DISTRIBUTION EXPENSES	-	(17.76)		(17.76)
ADMINISTRATION EXPENSES	(45.32)	(88.32)	(99.96)	(233.60)
OTHER EXPENSES	-			-
RESULT FROM OPERATIONS	72.35	(96.04)	(555.56)	(579.25)
FINANCE COST	(128.21)	(750.22)	-	(878.43)
NET PROFIT/(LOSS) BEFORE TAX	(55.86)	(846.26)	(555.56)	(1,457.68)
TAX EXPENSE	(1.11)	(2.40)	(7.11)	(10.62)
NET PROFIT/(LOSS) AFTER TAX	(56.97)	(848.66)	(562.68)	(1,468.31)
ASSETS	674.42	721.57	2,169.42	3,565.40
LIABILITIES	(1,139.41)	(6,997.50)	(631.87)	(8,768.78)
NET ASSETS	(464.99)	(6,275.93)	1,537.55	(5,203.37)

YEAR ENDED 31/12/15

	MANUFACTURING N'M	TRADING N'M	OTHER N'M	TOTAL N'M
REVENUE				
EXTERNAL CUSTOMERS	58.07	252.31		310.39
OTHER BUSINESS SEGMENT	38.72			38.72
TOTAL REVENUE	96.79	252.31	-	349.10
COST OF SALES	(36.38)	(4.58)		(40.97)
GROSS PROFIT	60.40	247.73	-	308.13
OTHER INCOME	72.35	0.02	(1,876.45)	(1,804.08)
SELLING AND DISTRIBUTION EXPENSES	(1.09)	(61.94)		(63.03)
ADMINISTRATION EXPENSES	(247.08)	55.58	(412.24)	(603.74)
OTHER EXPENSES		(3,275.43)		
RESULT FROM OPERATIONS	(115.42)	(3,034.03)	(2,288.70)	(2,162.71)
FINANCE COST	(165.54)	(641.63)		(807.16)
NET PROFIT/(LOSS) BEFORE TAX	(280.95)	(3,675.66)	(2,288.70)	(2,969.87)
TAX EXPENSE	(1.10)	(3.11)	(9.66)	(13.88)
NET PROFIT/(LOSS) AFTER TAX	(282.05)	(3,678.77)	(2,298.36)	(2,983.75)
ASSETS	690.63	469.98	2,673.13	3,833.74
LIABILITIES	(1,098.65)	(5,897.25)	(572.91)	(7,568.81)
NET ASSETS	(408.02)	(5,427.27)	2,100.22	(3,735.07)

8 PROPERTY, PLANT & EQUIPMENT - GROUP

	LEASEHOLD BUILDING	PLANT & MACHINERY	FIXTURES & FITTINGS	OFFICE EQUIPMENT	COMPUTER EQUIPMENT	MOTOR VEHICLE	RESOURCES CENTER	QUALITY TEST EQUIPMENT	TOTAL
	N'M	N'M	N'M	N'M	N'M	N'M	N'M	N'M	N'M
COST/VALUATION									
BALANCE AS AT 1ST JANUARY 2016	2,129.50	23.54	34.69	26.15	12.16	196.45	1.35	0.31	2,424.14
UNREALISED FAIR VALUE GAIN	-	-	-	-	-	-	-	-	-
ADDITIONS	-	-	-	-	-	-	-	-	-
BALANCE AS AT 31ST DECEMBER 2016	2,129.50	23.54	34.69	26.15	12.16	196.45	1.35	0.31	2,424.14
DEPRECIATION									
BALANCE AS AT 1ST JANUARY 2016	300.58	23.53	34.65	24.89	12.03	196.44	1.34	0.30	593.75
CHARGE FOR THE YEAR	42.20	-	0.02	1.03	0.11	-	-	-	43.35
ADJUSTMENT	-	-	-	-	-	-	-	-	-
BALANCE AS AT 31ST DECEMBER 2016	342.78	23.53	34.67	25.92	12.13	196.44	1.34	0.30	637.10
CARRYING AMOUNT									
AS AT 31ST DECEMBER 2016	1,786.72	0.01	0.02	0.24	0.02	0.01	0.01	0.01	1,787.04
AS AT 31ST DECEMBER 2015	1,828.92	0.01	0.04	1.26	0.13	0.01	0.01	0.01	1,830.39

PROPERTY, PLANT & EQUIPMENT - COMPANY

	LEASEHOLD BUILDING	PLANT & MACHINERY	FIXTURES & FITTINGS	OFFICE EQUIPMENT	COMPUTER EQUIPMENT	MOTOR VEHICLE	RESOURCES CENTER	QUALITY TEST EQUIPMENT	TOTAL
	N'M	N'M	N'M	N'M	N'M	N'M	N'M	N'M	N'M
COST/VALUATION									
BALANCE AS AT 1ST JANUARY 2016	2,100.00	-	-	-	-	-	-	-	2,100.00
UNREALISED FAIR VALUE GAIN	-	-	-	-	-	-	-	-	-
ADDITIONS	-	-	-	-	-	-	-	-	-
BALANCE AS AT 31ST DECEMBER 2016	2,100.00	-	-	-	-	-	-	-	2,100.00
DEPRECIATION									
BALANCE AS AT 1ST JANUARY 2016	271.43	-	-	-	-	-	-	-	271.43
CHARGE FOR THE YEAR	42.00	-	-	-	-	-	-	-	42.00
ADJUSTMENT	-	-	-	-	-	-	-	-	-
BALANCE AS AT 31ST DECEMBER 2016	313.43	-	-	-	-	-	-	-	313.43
CARRYING AMOUNT									
AS AT 31ST DECEMBER 2016	1,786.57	-	-	-	-	-	-	-	1,786.57
AS AT 31ST DECEMBER 2015	1,828.57	-	-	-	-	-	-	-	1,828.57

	GROUP		COMPANY	
	TOTAL		TOTAL	
9 INVESTMENT PROPERTY	LEASEHOLD BUILDING N'M	N'M	LEASEHOLD BUILDING N'M	N'M
COST/VALUATION				
BALANCE AS AT 1ST JANUARY 2016	2,200.00	2,200.00	2,200.00	2,200.00
FAIR VALUE GAIN	-	-	-	-
DISPOSAL	-	-	-	-
ADJUSTMENT	-	-	-	-
BALANCE AS AT 31ST DECEMBER 2016	<u>2,200.00</u>	<u>2,200.00</u>	<u>2,200.00</u>	<u>2,200.00</u>
CARRYING AMOUNT				
AS AT 31ST DECEMBER 2016	<u>2,200.00</u>	<u>2,200.00</u>	<u>2,200.00</u>	<u>2,200.00</u>
AS AT 31ST DECEMBER 2015	<u>2,200.00</u>	<u>2,200.00</u>	<u>2,200.00</u>	<u>2,200.00</u>
10 INVESTMENTS	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M
OMATEK COMPUTERS GHANA	131.92	131.92	131.92	131.92
OMATEK VENTURES DISTRIBUTION LIMITED			(2,110.86)	(1,678.05)
OMATEK COMPUTERS NIGERIA			157.71	180.50
	<u>131.92</u>	<u>131.92</u>	<u>(1,821.23)</u>	<u>(1,365.63)</u>
11 TAX	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M
TAX EXPENSE				
COMPANIES INCOME TAX	-	-		
EDUCATION TAX	-	-		
MINIMUM TAX	11.03	13.60	7.11	9.66
DEFERRED TAX	(0.41)	0.28		
DEFERRED TAX ON CONSOLIDATION	<u>(0.97)</u>	<u>(0.97)</u>		
	<u>9.65</u>	<u>12.90</u>	<u>7.11</u>	<u>9.66</u>
ACCRUED TAX				
BALANCE BROUGHT FORWARD	186.30	172.70	57.76	48.10
CURRENT CHARGE	11.03	13.60	7.11	9.66
PAYMENTS DURING THE PERIOD	-			
BALANCE CARRIED FORWARD	<u>197.33</u>	<u>186.30</u>	<u>64.87</u>	<u>57.76</u>
DEFERRED TAX ASSET				
BALANCE BROUGHT FORWARD	67.41	66.71		-
CURRENT PROVISION	1.38	0.70		
WHT				
BALANCE CARRIED FORWARD	<u>68.79</u>	<u>67.41</u>	<u>-</u>	<u>-</u>
DEFERRED TAX LIABILITY				
BALANCE BROUGHT FORWARD	30.49	30.49		-
CURRENT PROVISION	-	-		
BALANCE CARRIED FORWARD	<u>30.49</u>	<u>30.49</u>	<u>-</u>	<u>-</u>
NET DEFERRED TAX ASSET	<u>38.30</u>	<u>36.92</u>		

12 INVENTORIES	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M
FINISHED GOODS	537.88	553.42		
RAW MATERIALS	36.53	36.54		
GOODS IN TRANSIT	-	-		
PROVISION FOR UNREALISED PROFIT	(3.25)	(3.25)		
	<u>571.17</u>	<u>586.72</u>	<u>-</u>	<u>-</u>
13 TRADE & OTHER RECEIVABLES	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M
TRADE RECEIVABLES	227.77	-		
STAFF RECEIVABLES	0.21	-		
INTERCOMPANY	-	-	-	-
OTHER RECEIVABLES	43.33	45.21		
PROVISION FOR DOUBTFUL TRADE REC	-	-		
	<u>271.30</u>	<u>45.21</u>	<u>-</u>	<u>-</u>
14 PREPAYMENTS	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M
PREPAID RENT	4.07	10.19	4.07	10.19
PREPAID INSURANCE	-	-		
	<u>4.07</u>	<u>10.19</u>	<u>4.07</u>	<u>10.19</u>
15 CASH & CASH EQUIVALENTS	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M
BANK BALANCES	37.22	32.56	-	-
CASH	15.26	-	-	-
CASH & CASH EQUIVALENTS - STATEMEI	52.47	32.56	-	-
BANK OVERDRAFT	(292.49)	(291.81)	-	-
CASH & CASH EQUIVALENTS - STATEMEI	<u>(240.01)</u>	<u>(259.25)</u>	<u>-</u>	<u>-</u>
16 SHARE CAPITAL	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M
AUTHORISED 7,000,000,000 ORDINARY SHARES @ NGN	<u>3,500.00</u>	<u>3,500.00</u>	<u>3,500.00</u>	<u>3,500.00</u>
ISSUED 2,941,789,472 ORDINARY SHARES @NGN	<u>1,470.89</u>	<u>1,470.89</u>	<u>1,470.89</u>	<u>1,470.89</u>
17 SHARE PREMIUM	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M
	<u>4,376.34</u>	<u>4,376.34</u>	<u>4,376.34</u>	<u>4,376.34</u>

The factory building at Plot 11 Kudirat Abiola Way was valued on 31st December 2010 in accordance with IFRS by Adeniji Adele & Associates - Consulting Estate Surveyors & Valuers.

18 REVALUATION RESERVE

19 CONSUMER SCHEMES & PROJECT FINANCE

OPENING BALANCE
NET MOVEMENT IN THE YEAR

31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M
3,909.31	4,012.41		
-	(103.10)		
<u>3,909.31</u>	<u>3,909.31</u>	<u>-</u>	<u>-</u>

20 TRADE & OTHER PAYABLES

TRADE PAYABLES
STAFF PAYABLES
ACCRUED EXPENSES
INTERCOMPANY
OTHER PAYABLES

31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M
37.65	18.97		
26.14	30.00		
2,878.62	1,870.67	6.50	5.50
173.84	115.55	422.22	407.38
469.92	480.46	138.27	102.27
<u>3,586.17</u>	<u>2,515.66</u>	<u>567.00</u>	<u>515.15</u>

21 REVENUE

SALE OF GOODS TO 3RD PARTIES.
SHARE OF INCOME/(LOSS) OMATEK VENTURES DISTRIBUTION LIMITED
SHARE OF INCOME/(LOSS) OMATEK COMPUTERS NIGERIA

31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M
277.03	310.39	-	-
		(432.82)	(1,876.17)
		(22.79)	(0.28)
<u>277.03</u>	<u>310.39</u>	<u>(455.60)</u>	<u>(1,876.45)</u>

22 OTHER INCOME

PROFIT ON SALE OF FIXED ASSETS
RENTAL INCOME
AFTER SALES SERVICE
OTHERS

31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M
-	-	-	-
-	-	-	-
(10.0716)	-	-	-
0.024	-	-	-
<u>(10.048)</u>	<u>-</u>	<u>-</u>	<u>-</u>

23 ADMINISTRATION EXPENSES

INCLUDED IN ADMINISTRATION EXPENSES ARE:

DEPRECIATION
AUDITORS FEES

31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M
43.35	43.89	42.00	42.00
3.00	3.00	1.00	1.00
<u>46.35</u>	<u>46.89</u>	<u>43.00</u>	<u>43.00</u>

24 EARNINGS PER SHARE - BASIC & DILUTED	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M
EARNINGS PER SHARE IS CALCULATED BY DIVIDING THE NET PROFIT AFTER TAX ATTRIBUTABLE TO EQUITY HOLDERS BY THE WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES IN ISSUE DURING THE YEAR		
PROFIT/(LOSS) AFTER TAX ATTRIBUTABLE	(1,066.07)	(4,409.16)
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	2,941.79	2,941.79
EARNINGS/(LOSS) PER SHARE (NGN)	(0.36)	(1.50)
25 OTHER NON CURRENT ASSETS	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M
SBLC CASH COLLATERAL	-	-
26 CONTINGENT LIABILITY		
THERE IS A STANDBY LETTER OF CREDIT ISSUED BY FIRSTBANK IN THE AMOUNT OF USD2.5M FOR THE PURPOSE OF IMPORTATION OF STOCKS		
27 LOANS & BORROWINGS	31ST DECEMBER 2016 N'M	31ST DECEMBER 2015 N'M
SHORT TERM LOAN		
OPENING BALANCE	323.20	323.20
NET MOVEMENT IN THE YEAR	166.23	
	489.43	323.20

28 GOING CONCERN

The Group incurred a net loss of N952.80 million for the year ended 31 December 2016 (2015: N1,193.21 million) and interest cover was also negative 0.27 (2015:0.48). These conditions indicate the existence of material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern.

The Management and Board have made adequate plans to reverse the trend by breaking new grounds in products and market development.

The financial statements are prepared on the basis of accounting policies applicable to a going concern. The basis presumes that the Group will be able to penetrate the new markets and sell the new products and that the realization of assets and settlement of liabilities will occur in the ordinary course of business.

OMATEK VENTURES PLC
VALUE ADDED STATEMENT

GROUP	2016		2015	
	N'M	%	N'M	%
REVENUE	277.03		310.39	
BOUGHT IN GOODS & SERVICES	(411.67)		(3,857.12)	
VALUE ADDED	<u>(134.64)</u>		<u>(3,546.74)</u>	
APPLIED AS FOLLOWS				
TO PAY EMPLOYEES	87.32	-65%	56.32	-2%
TO PAY GOVERNMENT	9.65	-7.2%	12.90	0%
TO PAY PROVIDERS OF LOAN CAPITAL	878.43	-652%	807.16	-23%
NON CONTROLLING INTERESTS	(490.46)	364%	(2,119.97)	60%
RETAINED FOR GROWTH				
DEPRECIATION	43.35	-32%	42.36	-1%
RETAINED EARNINGS	(575.61)	428%	(2,289.19)	65%
	<u>(134.64)</u>	100%	<u>(3,546.74)</u>	100%

COMPANY	2016		2015	
	N'M	%	N'M	%
REVENUE	(455.60)		(1,876.45)	
BOUGHT IN GOODS & SERVICES	21.96		334.24	
VALUE ADDED	<u>(477.56)</u>		<u>(2,210.70)</u>	
APPLIED AS FOLLOWS				
GOVERNMENT	7.11	-1.5%	9.66	-0.4%
EMPLOYEES	36.00	-8%	36.00	-1.6%
PROVIDERS OF FINANCE	-	0%	-	0.0%
RETAINED FOR GROWTH				
DEPRECIATION	42.00	-8.8%	42.00	-1.9%
RETAINED EARNINGS	(562.68)	117.8%	(2,298.36)	104.0%
	<u>(477.56)</u>	<u>100%</u>	<u>(2,210.70)</u>	<u>100%</u>

**OMATEK VENTURES PLC
FIVE YEAR FINANCIAL SUMMARY**
GROUP

	2016 N'M	2015 N'M	2014 N'M	2013 N'M	2012 N'M
PROFIT OR LOSS					
TURNOVER	277.03	310.39	1,144.55	1,024.20	1,385.52
PROFIT AFTER TAX	(1,066.07)	(4,409.16)	(892.43)	(342.27)	236.82

STATEMENT OF FINANCIAL POSITION

PROPERTY, PLANT & EQUIPMENT	1,787.04	1,830.39	1,871.46	1,915.16	1,960.18
OTHER NON CURRENT ASSETS	2,400.71	2,399.33	3,198.63	3,197.51	2,356.43
CURRENT ASSETS	899.02	674.68	2,886.78	3,391.87	2,440.87
	<u>5,086.77</u>	<u>4,904.40</u>	<u>7,956.87</u>	<u>8,504.54</u>	<u>6,757.48</u>

FINANCED BY

SHARE CAPITAL	1,470.89	1,470.89	1,470.89	1,470.89	1,470.89
SHARE PREMIUM	4,376.34	4,376.34	4,376.34	4,376.34	4,376.34
RETAINED EARNINGS	(7,359.85)	(6,784.24)	(4,495.05)	(4,037.13)	(3,723.75)
REVALUATION RESERVE	614.90	614.90	614.90	614.90	614.90
NON CONTROLLING INTEREST	(2,520.74)	(2,030.28)	89.69	459.01	778.99
NON CURRENT LIABILITIES	3,939.80	3,939.80	4,042.90	3,945.77	1,541.31
CURRENT LIABILITIES	4,565.42	3,316.98	1,857.19	1,674.76	1,698.78
	<u>5,086.77</u>	<u>4,904.40</u>	<u>7,956.87</u>	<u>8,504.54</u>	<u>6,757.47</u>

COMPANY

	2016	2015	2014	2013	2012
	N'M	N'M	N'M	N'M	N'M
PROFIT OR LOSS					
REVENUE	(455.60)	(1,876.45)	(358.16)	161.26	39.41
PROFIT AFTER TAX	(562.68)	(2,298.36)	(453.86)	71.79	(61.65)

STATEMENT OF FINANCIAL POSITION

PROPERTY, PLANT & EQUIPMENT	1,786.57	1,828.57	1,870.57	1,912.57	1,954.57
OTHER NON CURRENT ASSETS	378.77	834.37	2,710.83	3,068.99	3,202.75
CURRENT ASSETS	4.0742	10.19	8.03	15.38	3.13
	2,169.42	2,673.13	4,589.43	4,996.94	5,160.44

FINANCED BY

REVALUATION RESERVE	614.90	614.90	614.90	614.90	614.90
SHARE PREMIUM	4376.344	4,376.34	4,376.34	4,376.34	4,376.34
SHARE CAPITAL	1,470.89	1,470.89	1,470.89	1,470.89	1,470.89
RETAINED EARNINGS	(4,924.59)	(4,361.91)	(2,063.55)	(1,609.69)	(1,379.57)
NON CURRENT LIABILITIES	-	-	-	-	-
CURRENT LIABILITIES	631.87	572.91	190.84	144.49	77.88
	2,169.42	2,673.13	4,589.43	4,996.94	5,160.45



2017 AUDITED CONSOLIDATED FINANCIAL STATEMENTS

OMATEK VENTURES PLC
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2017
OPERATIONAL HIGHLIGHTS

	GROUP			COMPANY	
	2017	2016		2017	2016
	N'M	N'M		N'M	N'M
Revenue	116	277		(223)	(456)
Total Comprehensive Income	(1,384)	(1,066)		(1,138)	(563)
Total Non Current Assets	4,154	4,188		1,923	2,165
Total Equity	(4,803)	(3,418)		(2,001)	1,538
Earnings/(Loss) Per Share (NGN)	(0.47)	(0.36)			

The directors submit their report together with the financial statements of Omatek Ventures Plc. for the year ended 31st December 2016.

1. LEGAL FORM

The Group which commenced operation in Nigeria in 1988, was incorporated as a limited liability Company in Nigeria in 1988. It was converted into a Public Company in 2008 and its name was subsequently amended to reflect its status as a public company. The company's shares are quoted and traded on the Nigerian Stock Exchange.

2. PRINCIPAL ACTIVITIES AND CORPORATE DEVELOPMENT

The Group has interests in subsidiaries and associates involved in manufacturing, distribution, selling and servicing of computer equipment and also provides engineering services.

3. BUSINESS REVIEW AND FUTURE DEVELOPMENT

The Group carried out business activities in accordance with its Memorandum and Articles of Association. A Comprehensive review of the business for the year and the prospects for the ensuing year are contained in the Managing Director's Report.

4. FIXED ASSETS

Movement in fixed assets during the year 2016 is shown in note 8 of the Notes to the Financial Statement herein. In the opinion of the directors, the market value of the Group's fixed assets is not less than the value shown in the accounts.

5. RESULTS

The highlights for the financial statements of the group for the year are as follows:

OMATEK VENTURES PLC				
CONSOLIDATED FINANCIAL STATEMENTS				
OPERATIONAL HIGHLIGHTS				
	GROUP		COMPANY	
	2017	2016	2017	2016
	N'M	N'M	N'M	N'M
Revenue	116	277	(223)	(456)
Total Comprehensive Income	(1,384)	(1,066)	(1,138)	(563)
Total Non Current Assets	4,154	4,188	1,923	2,165
Total Equity	(4,803)	(3,418)	2,001	1,538
Earnings/(Loss) Per Share (NGN)	(0.47)	(0.36)		

6. DIVIDEND

In respect of the current year, the Directors do not recommend any dividend.

7. DIRECTORS

- The directors who were in office during the year are listed on page 3.
- The re-election of nine Non-Executive Directors is presented to the members for approval.
- The Group Chairman, Dr. Timothy Farinre and the Group MD/CEO, Engr. Florence Seriki are life Directors for the group. The Group MD/CEO, Engr. Florence Seriki died on the 3rd of March, 2017.

d) DIRECTORS' RESPONSIBILITIES

The Directors are responsible for the preparation of the Group's financial statements which give a true and fair view of the state of affairs of the Group at the end of each financial year, and is in accordance with the provisions of the Companies and Allied Matters Act CAP C20 of the Laws of the Federal Republic of Nigeria, Securities and Exchange Commission Act 2007 as well as Corporate Governance Code of the Securities and Exchange Commission 2011, guidelines and circulars issued by the Nigerian Stock Exchange and other relevant regulators.

In doing so they ensure that:

- Proper accounting records are maintained;
- Internal control procedures are instituted which as far as is reasonably possible, safeguard the assets, prevent and detect fraud and other irregularities;
- Applicable accounting policies and standards are adhered to;
- Suitable accounting policies are adopted and consistently applied;
- The going concern basis is used, unless it is inappropriate to presume that the Group will continue in business; and
- Judgments and estimates made are reasonable and prudent.

8. DIRECTORS INTERESTS IN SHARES

The interest of the Directors in the issued share capital of the company as recorded in the register of Directors as at 31st December 2017 was as follows:

	Director	Direct shareholding of ordinary shares of 50kobo each	Indirect shareholding	Total	Percentage
1	Dr. Timothy Farinre - Group Chairman	Nil	100,357,894	100,357,894	3.411%
2	Late Engr. (Mrs.) Florence Seriki, MFR-Former GMD/CEO	1,552,315,285	165,717,635	1,718,032,899	58.40%
3	Professor Ayodele Francis Ogunye	1,000,000	Nil	1,000,000	0.034%
4	Otunba (Dr.) Solomon Ayodele Oladunni	3,101,478	Nil	3,101,478	0.105%
5	Chief (Senator) Kolawole Bajomo, MNI, FCA	100,000	Nil	00,000	0.003%
6	Alh. Dasuki Nakande	Nil	Nil		
7	Mr. Yemi Ogundipe, FCA GMD/CEO	Nil	Nil		

9. SHAREHOLDING ANALYSIS

The company has an authorized share capital of N3, 500,000,000.00 divided into 7,000,000,000 ordinary shares of 50 kobo each. The issued share capital is N1, 470,895,000.00 divided into 2,941,789,472 ordinary shares of 50 kobo each.

According to the Register of members, only three (3) members, namely, Mrs. Florence Seriki, Main Street Bank Plc. and Portables Investments Ltd. held more than 5% of the issued share capital as at 31st December 2017.

S/N	Names of shareholders	Units	Percent
1	Late Engr. Mrs. Florence Seriki	1,552,315,285	52.77%
2	Main Street Bank Plc	178,285,185	6.06%
3	Portables Investments Ltd	164,639,635	5.60%

The range analysis of the shareholding of the company is as shown in the table below:

Range	No. of Holders	Percent	Units	Percent
1 - 1,000	434	7.92%	286,348	0.01%
1,001 - 10,000	1,790	32.66%	10,065,876	0.34%
10,001 - 100,000	2,346	42.80%	107,208,495	3.64%
100,001 - 500,000	669	12.21%	158,070,842	5.37%
500,001 - 1,000,000	113	2.06%	93,911,413	3.19%
1,000,001 - 5,000,000	101	1.84%	253,700,254	8.62%
5,000,001 - 10,000,000	17	0.31%	135,346,918	4.60%
10,000,001 - 100,000,000	7	0.13%	187,601,327	6.38%
100,000,001 - 10,000,000,000	4	0.07%	1,995,597,999	67.84%
Total	5,481	100.00%	2,941,789,472	100.00%

10. EMPLOYMENT AND EMPLOYEES

a) Employment of physically challenged persons

It is the policy of the Group that there should be no discrimination in considering applications for employment including those from disabled persons. All employees are given equal opportunities for self-development. As at December 31, 2017, however, no disabled person was in the employment of the Group.

b) Health, Safety and Welfare of employees

Health and safety regulations are in force within the Group's premises and employees are aware of the existing regulations. The Group provides subsidy to all levels of employees, transportation, housing, etc.

c) Employee involvement and training

The Group is committed to keeping employees informed as much as possible regarding the Group's performance and progress and seeking their views whenever practicable on matters which particularly affect them as employees

Management, professional and technical expertise are the Group's major assets and investment in their further development continues. Training is carried out at various levels through both in-house and external courses.

11. POST BALANCE SHEET EVENTS

There are no post balance sheet events, which could have had material effect on the state of affairs of the Group, and the profit for the year ended, 31st, December 2017 which have not been adequately provided for or disclosed.

12. GOING CONCERN STATUS

The Group incurred a net loss of N1,380.61 million for the year ended 31 December 2017 (2016: net loss of N1,050.80 million) and interest cover was also negative 0.34 (2016: -0.20). These conditions indicate the existence of material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern.

The Management and Board have made adequate plans to reverse the trend by breaking new grounds in products and market development.

The financial statements are prepared on the basis of accounting policies applicable to a going concern. The basis presumes that the Group will be able to penetrate the new markets and sell the new products and that the realization of assets and settlement of liabilities will occur in the ordinary course of business.

13. AUDIT COMMITTEE

Pursuant to Section 359 (3) of the Companies and Allied Matters Act CAP.C20, LFN 2004, the company has in place an Audit Committee comprising of three shareholders and three Directors' representatives appointed at the last AGM as follows:

- Mr Basil Ubah (Chairman)
- Mr Peter Eyanuku
- Chuks Nwosa Ozadinizu
- Alhaji Dasuki Nakande
- Otunba (Dr.) Solomon Ayodele Oladunni
- Professor Ayodele Francis Ogunye

14. AUDITORS

The firm of Chartered Accountants, Messrs Olaolu Olabimtan & Co. (Chartered Accountants) was engaged to conduct the 2016 financial audit and in accordance with Section 357 (2) of the Companies and Allied Matters Act CAP. C20, LFN. 2004, they have indicated their willingness to continue in office as auditors.

A resolution will be proposed to re-appoint the auditors at the Annual General Meeting.

15. COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

As a company listed on the Nigerian Stock Exchange, Omatek complies with the provisions of the Code of best practice on Corporate Governance for public quoted companies. In its bid to maintain its strong pioneer status and transparency, the Group has adopted the Corporate Governance Code of the Securities and Exchange Commission and strives to maintain compliance with the rules of the Nigerian Stock Exchange, in addition to the relevant laws and guidelines operating in Nigeria.

BY ORDER OF THE BOARD



Femi David Ikotun Esq.,
Ikotun Temowo & Co
Company Secretary

Dated this 18th July 2019

REPORT OF THE AUDIT COMMITTEE TO THE MEMBERS OF OMATEK VENTURES PLC

In accordance with the provisions of Section 359 (6) of the Companies and Allied Matters Act (CAP20) Laws of the Federation of Nigeria 2004, the members of the Statutory Audit Committee of Omatek Ventures Plc hereby report as follows:

We have exercised our statutory functions under Section 359(6) of the Companies and Allied Matters Act (CAP20) Laws of the Federation of Nigeria, 2004 and we acknowledge the cooperation of management and staff in the conduct of their responsibilities.

We confirm that:

The accounting and reporting policies of the company are consistent with legal requirements and ethical practices.

The internal audit programs are extensive and provide a satisfactory evaluation of the efficiency of the internal controls systems.

We have considered the independent auditors' post-audit report in respect of year ended 31 December, 2017 and management responses thereon, and are satisfied thereto."

Members of the Audit Committee are:

- | | |
|--|---|
| 1) Mr. Basil Ubah | - Chairman & Shareholders' representative |
| 2) Mr. Peter Eyanuku | - Shareholders' representative |
| 3) Chucks Nwosa Ozadinizu | - Shareholders' representative |
| 4) Alhaji Dasuki Nakande | - Non-Executive Director |
| 5) Otunba (Dr.) Solomon Ayodele Oladunni | - Non-Executive Director |
| 6) Professor Ayodele Francis Ogunye | - Non-Executive Director |

Dated this 18th July 2019



.....
Mr. Basil Ubah
Chairman Audit Committee

Omatek Ventures Plc obtained a waiver from the Financial Reporting Council for the Chairman to sign this report without an FRC number, pending compliance with registration requirement.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF OMATEK VENTURES PLC

Our Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of Omatek Ventures PLC ("the company") and its subsidiaries (together "the group") as at 31 December 2017, and of their consolidated and separate financial performance and their consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act CAP C 20, Laws of the Federation of Nigeria 2004 and the Financial Reporting Council of Nigeria Act 2011.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 27 to the financial statements which indicates that the Group incurred a net loss of N1,380.61 million for the year ended 31 December 2017 (2016: N1,050.80 million) and interest cover was also negative 0.34 (2016: -0.20).

These conditions indicate the existence of material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern.

What We Have Audited

Omatek Ventures PLC's consolidated and separate consolidated financial statements comprise:

- The consolidated and separate statements of financial position as at 31st December 2017
- The consolidated and separate statements of profit or loss account and statement of comprehensive income for the year then ended.
- The consolidated and separate statements of changes in equity for the year ended
- The consolidated and separate statement of cash flows for the year then ended and
- The notes to consolidated and separate financial statements, which include a summary of significant accounting policies.

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 financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants. Code of Ethics for Professional Accountants.

We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period.

These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter

Going Concern

We focused on this area due to the death of the founding Group Managing Director and the subsequent attempt by Bank of Industry to place the company under receivership. The matter has remained unresolved in the last two years.

This matter is considered a key audit matter in the context of our audit of the financial statements as a whole.

How our audit addressed the key audit matter

- We assessed the plans by management to resolve the issues with Bank of Industry.
- We reviewed the new business plan drawn up by the current management, by way of bringing on board venture capital investors for reasonableness and viability.
- We assessed the readiness of the directors and management to continue to support the company.

Other Information

The directors are responsible for the other information.

The other information include Corporate governance report, Internal control and risk management systems in relation to the financial reporting, Statement of directors' responsibilities, Report of the audit committee, Regulatory requirements under IFRS regime, Operational risk management, Value added statements, Five year financial summary, and Share Capitalisation history which we obtained prior to the date of this auditor's report, and the Chairman's statement, Corporate information, Products and services and Corporate directory which are expected to be made available to us after that date.

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

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

When we read the other sections of the Omatek PLC's 2017 annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the directors and those charged with governance for the financial statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act, the Financial Reporting Council of

Nigeria Act and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate 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 company 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 and separate financial statements

Our objectives are to obtain reasonable assurance about whether the 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 this financial statements.

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

We also:

- Identified and assessed the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtained 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.
- Obtained an understanding of internal controls 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 company's internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Concluded on the appropriateness of the directors 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 company'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 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.
- Evaluated the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicated with those charged with governance 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 identified during our audit.

We also provided those charged with governance 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 those charged with governance, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period 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

The Companies and Allied Matters Act requires that in carrying out our audit, we consider and report to you on the following matters. 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. The company has kept proper books of accounting records so far as appears from our examination of those books.
- iii. The Group's statement of financial position and statement of comprehensive income are in agreement with the books.



Hakeem Kareem FCA
FRC/2013/ICAN/00000001751
For: Olaolu Olabimtan & Co
(Chartered Accountants)
19th July, 2019
Abuja, Nigeria.



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

OMATEK VENTURES PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2017

		GROUP		COMPANY	
	NOTE	2017 N'M	2016 N'M	2017 N'M	2016 N'M
ASSETS					
PROPERTY, PLANT & EQUIPMENT	8	1,753	1,788	1,745	1,787
INVESTMENT PROPERTY	9	2,200	2,200	2,200	2,200
INVESTMENTS	10	132	132	(2,022)	(1,821)
DEFERRED TAX ASSET	11	69	69	-	-
TOTAL NON CURRENT ASSETS		4,154	4,189	1,923	2,165
INVENTORIES	12	575	571		
TRADE & OTHER RECEIVABLES	13	109	271	3,487	-
PREPAYMENTS	14	-	4	-	4
CASH & CASH EQUIVALENTS	15	43	52		
TOTAL CURRENT ASSETS		727	898	3,487	4
TOTAL ASSETS		4,881	5,087	5,410	2,169
EQUITY					
SHARE CAPITAL	16	1,471	1,471	1,471	1,471
SHARE PREMIUM	17	4,376	4,376	4,376	4,376
RETAINED EARNINGS		(8,497)	(7,360)	(8,463)	(4,925)
REVALUATION RESERVE	18	615	615	615	615
NON CONTROLLING INTEREST		(2,768)	(2,521)		
TOTAL EQUITY		(4,803)	(3,418)	(2,001)	1,538
LIABILITIES					
LONG TERM LOANS & BORROWINGS	19	3,909	3,909	3,909	
DEFERRED TAX LIABILITY	11	31	31	-	
TOTAL NON CURRENT LIABILITIES		3,940	3,940	3,909	-
BANK OVERDRAFT	15	293	292		
TRADE & OTHER PAYABLES	20	4,773	3,586	3,437	567
ACCRUED TAX	11	201	197	65	65
SHORT TERM LOANS & BORROWINGS	26	477	489		
TOTAL CURRENT LIABILITIES		5,744	4,565	3,502	632
TOTAL LIABILITIES		9,684	8,505	7,411	632
TOTAL EQUITIES & LIABILITIES		4,881	5,087	5,410	2,169

The financial statements were approved by the Board of Directors on: 18th July, 2019.
and signed on its behalf by;



Dr. Timothy Farinre
Group Chairman
FRC/2014/COREN/0000007564



Mr. Anthony O. Omhenke
Chief Finance Officer
FRC/2014/ICAN/00000008200



Mr. Yemi Ogundipe, FCA
Group Managing Director
FRC/2013/ICAN/00000001615

THE NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER 2017

		GROUP		COMPANY	
	NOTE	2017 N'M	2016 N'M	2017 N'M	2016 N'M
REVENUE	21	116	277	(223)	(456)
COST OF SALES		(67)	(198)	-	-
GROSS PROFIT		<u>49</u>	<u>79</u>	<u>(223)</u>	<u>(456)</u>
SELLING AND DISTRIBUTION EXPENSES		(1)	(18)		
ADMINISTRATION EXPENSES	24	<u>(402)</u>	<u>(233)</u>	<u>(103)</u>	<u>(100)</u>
RESULTS FROM OPERATING ACTIVITIES		(354)	(172)	(326)	(556)
FINANCE COST		<u>(1,026)</u>	<u>(878)</u>	<u>(812)</u>	-
PROFIT/(LOSS) BEFORE TAX		(1,380)	(1,050)	(1,138)	(556)
TAX EXPENSE	11	<u>(4)</u>	<u>(10)</u>	<u>0</u>	<u>(7)</u>
PROFIT/(LOSS) ON CONTINUING OPERATIONS		<u>(1,384)</u>	<u>(1,060)</u>	<u>(1,138)</u>	<u>(563)</u>
OTHER COMPREHENSIVE INCOME					
OTHER INCOME	22	0	4	-	-
OTHER EXPENSE	23	<u>-</u>	<u>(10)</u>	<u>-</u>	<u>-</u>
TOTAL OTHER COMPREHENSIVE INCOME		<u>0</u>	<u>(6)</u>	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME		<u>(1,384)</u>	<u>(1,066)</u>	<u>(1,138)</u>	<u>(563)</u>
PROFIT ATTRIBUTABLE TO THE GROUP		(1,137)	(576)		
NON CONTROLLING INTEREST		(247)	(490)		
		<u>(1,384)</u>	<u>(1,066)</u>		
BASIC EARNINGS/(LOSS) PER SHARE (NGN)	25	<u>(0.47)</u>	<u>(0.36)</u>		
DILUTED EARNINGS/(LOSS) PER SHARE (NGN)		<u>(0.47)</u>	<u>(0.36)</u>		

THE NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

OMATEK VENTURES PLC

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2017

GROUP

	SHARE CAPITAL N'M	SHARE PREMIUM N'M	RETAINED EARNINGS N'M	REVALUATION RESERVE N'M	NON CONTROLLING INTEREST N'M	TOTAL EQUITY N'M
BALANCE AT 1ST JANUARY 2017	1,471	4,376	(7,360)	615	(2,521)	(3,418)
TOTAL COMPREHENSIVE INCOME						
PROFIT/(LOSS) ON CONTINUING OPERATIONS			(1,138)		(247)	(1,384)
OTHER COMPREHENSIVE INCOME						
OTHER INCOME			0		0	0
TOTAL OTHER COMPREHENSIVE INCOME			0	-	0	0
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	-	(1,138)	-	(247)	(1,384)
BALANCE AT 31ST DECEMBER 2017	1,471	4,376	(8,497)	615	(2,768)	(4,803)

	SHARE CAPITAL N'M	SHARE PREMIUM N'M	RETAINED EARNINGS N'M	REVALUATION RESERVE N'M	NON CONTROLLING INTEREST N'M	TOTAL EQUITY N'M
BALANCE AT 1ST JANUARY 2016	1,471	4,376	(6,784)	615	(2,030)	(2,352)
TOTAL COMPREHENSIVE INCOME						
PROFIT/(LOSS) ON CONTINUING OPERATIONS			(574)		(487)	(1,060)
OTHER COMPREHENSIVE INCOME						
OTHER INCOME			2		2	4
OTHER EXPENSE			(4)		(6)	(10)
TOTAL OTHER COMPREHENSIVE INCOME			(2)	-	(4)	(6)
PERIOD	-	-	(576)	-	(490)	(1,066)
BALANCE AT 31ST DECEMBER 2016	1,471	4,376	(7,360)	615	(2,521)	(3,418)

OMATEK VENTURES PLC

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2017

COMPANY

	SHARE CAPITAL N'M	SHARE PREMIUM N'M	RETAINED EARNINGS N'M	REVALUATION RESERVE N'M	TOTAL EQUITY N'M
BALANCE AT 1ST JANUARY 2017	1,471	4,376	(4,925)	615	1,538
ADJUSTMENT			(2,401)		(2,401)
TOTAL COMPREHENSIVE INCOME					
PROFIT/(LOSS) ON CONTINUING OPERATIONS			(1,138)		(1,138)
OTHER COMPREHENSIVE INCOME					
TOTAL OTHER COMPREHENSIVE INCOME					
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	-	(1,138)	-	(1,138)
BALANCE AT 31ST DECEMBER 2017	1,471	4,376	(8,463)	615	(2,001)
	SHARE CAPITAL N'M	SHARE PREMIUM N'M	RETAINED EARNINGS N'M	REVALUATION RESERVE N'M	TOTAL EQUITY N'M
BALANCE AT 1ST JANUARY 2016	1,471	4,376	(4,362)	615	2,100
TOTAL COMPREHENSIVE INCOME					
PROFIT/(LOSS) ON CONTINUING OPERATIONS			(563)		(563)
OTHER COMPREHENSIVE INCOME					
TOTAL OTHER COMPREHENSIVE INCOME			-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	-	(563)	-	(563)
BALANCE AT 31ST DECEMBER 2016	1,471	4,376	(4,925)	615	1,538

THE NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS


OMATEK VENTURES PLC
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2017

NOTE	GROUP		COMPANY	
	JANUARY - DECEMBER 2017 N'M	JANUARY - DECEMBER 2016 N'M	JANUARY - DECEMBER 2017 N'M	JANUARY - DECEMBER 2016 N'M
CASH FLOWS FROM OPERATING ACTIVITIES				
PROFIT/(LOSS)	(1,384)	(1,066)	(1,138)	(563)
ADJUSTMENTS FOR :				
DEPRECIATION	44	43	42	42
RETAINED EARNINGS ADJUSTMENT	-	-	(2,401)	-
FINANCE COST	1,027	878	811	-
TAX	4	10	0	7
INVESTMENT(INCOME)/LOSSES	<u>1,075</u>	<u>931</u>	<u>(1,325)</u>	<u>456</u>
CHANGES IN CURRENT ASSETS :				
INVENTORIES	(3)	16	-	-
TRADE & OTHER RECEIVABLES	161	(226)	(3,487)	-
PREPAYMENTS	<u>4</u>	<u>6</u>	<u>4</u>	<u>6</u>
	<u>162</u>	<u>(204)</u>	<u>(3,483)</u>	<u>6</u>
CHANGES IN CURRENT LIABILITIES :				
TRADE & OTHER PAYABLES	1,187	1,071	2,870	52
	<u>1,187</u>	<u>1,071</u>	<u>2,870</u>	<u>52</u>
NET CASH FROM OPERATING ACTIVITIES	<u>1,040</u>	<u>731</u>	<u>(3,075)</u>	<u>-</u>
CASHFLOW FROM INVESTING ACTIVITIES				
PURCHASE OF FIXED ASSET	(10)	-	-	-
INVESTMENT	-	-	(23)	-
NET CASH FROM INVESTING ACTIVITIES	<u>(10)</u>	<u>-</u>	<u>(23)</u>	<u>-</u>
CASHFLOW FROM FINANCING ACTIVITIES				
FINANCE COST	(1,027)	(878)	(811)	-
LOANS & BORROWINGS	-	166	3,909	-
CONSUMER FINANCE	(12)	-	-	-
NET CASH FROM FINANCING ACTIVITIES	<u>(1,040)</u>	<u>(712)</u>	<u>3,098</u>	<u>-</u>
NET CASH FLOW	<u>(10)</u>	<u>19</u>	<u>(0)</u>	<u>-</u>
CASH & CASH EQUIVALENTS @ 1ST JANUARY	(240)	(259)	-	-
CASH & CASH EQUIVALENTS @ END DECEMBER 15	<u>(250)</u>	<u>(240)</u>	<u>(0)</u>	<u>-</u>

THE NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

1 REPORTING ENTITY
(A) LEGAL FORM

Omatek Ventures Plc is a public limited liability company incorporated in Nigeria under the Companies and Allied Matters Act of 1990.

(B) MAIN ACTIVITIES

Omatek is a holding company which holds shares in the manufacturing, distribution and sales and service of various types of computers and home entertainment products

(C) REGISTERED ADDRESS

The registered address is 11 Kudirat Abiola Road, Ikeja, Lagos.

2 STATEMENT OF COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

The consolidated financial statements were authorised for issue by the Board of Directors on: 18th of July, 2019.

3 BASIS OF PREPARATION
(A) BASIS OF MEASUREMENT

The financial statements have been prepared on the historical cost basis and all applicable standard issued by the Financial Reporting Council of Nigeria

(B) FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Nigerian Naira, which is the Company's functional currency.

All financial information presented in naira has been rounded to nearest million.

(C) USE OF ESTIMATES AND JUDGEMENT

The preparation of the financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and into any future periods affected.

(D) STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

Standard	Title/Contents	Effective Year
IFRS 9	Financial Instruments	1-Jan-2018
IFRS 15	Revenue from Contract with Customers	1-Jan-2017
IFRS 16	Leases	1-Jan-2019
IFRS 17	Insurance Contracts	1-Jan-2021

Standards which were issued but will become effective after 2016 will not have material impact on the Company.

4 BASIS OF CONSOLIDATION

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The consolidated financial statements combine the financial statements of Omatek Ventures Plc, Omatek Ventures Distribution Limited and Omatek Computers Limited.

5 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

(A) FOREIGN CURRENCY

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

(B) PROPERTY, PLANT & EQUIPMENT

(I) RECOGNITION AND MEASUREMENT

Items of property, plant and equipment are measured at cost/revalued amounts less accumulated depreciation and accumulated impairment losses.

The building at Plot 11 Kudirat Abiola Way was valued on 2nd January 2011 as part of the IFRS Implementation Project by Adeniji Adele & Associates - Consulting Estate Surveyors & Valuers.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

(ii) DEPRECIATION

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

Leasehold Building	50 Years
Motor Vehicles	5 Years
Furniture, Fixtures & Fittings	10 Years
Office Equipment	10 Years
Plant & Machinery	5 Years
Computer Equipment	5 Years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(C) INVENTORIES

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(D) IMPAIRMENT

(I) FINANCIAL ASSETS (INCLUDING RECEIVABLES)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired.

A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise and/or indications that a debtor or issuer will enter bankruptcy.

The Company considers evidence of impairment for receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment.

All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

In assessing collective impairment the Company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(ii) NON-FINANCIAL ASSETS

The carrying amounts of the Company's non-financial assets, other than biological assets, investment property, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the “cash-generating unit, or CGU”).

For the purposes of goodwill impairment testing, goodwill acquired in a business combination is allocated to the group of CGUs that is expected to benefit from the synergies of the combination. This allocation is subject to an operating segment ceiling test and reflects the lowest level at which that goodwill is monitored for internal reporting purposes.

The Company’s corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, 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.

(E) EMPLOYEE BENEFITS

(I) DEFINED CONTRIBUTION PLANS

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

For defined contribution plans, the Company pays contributions to publicly or privately administered pension fund administrators (PFA) on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid.

Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(H) SEGMENT REPORTING

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components.

All operating segments' operating results are reviewed regularly by the Group's CEO to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

6 FINANCIAL RISK MANAGEMENT
(A) OVERVIEW

The Company has exposure to the following risks from its use of financial instruments:

Credit Risk

Liquidity Risk

Market Risk

Operational Risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Further quantitative disclosures are included throughout these financial statements

(B) RISK MANAGEMENT FRAMEWORK

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework.

The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities.

The group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

(C) CREDIT RISK

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers.

**(I) TRADE &
OTHER RECEIVABLES**

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

(D) LIQUIDITY RISK

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

(E) OPERATIONAL RISK

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 other than credit, market and liquidity risks such as those arising from 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 business unit. This responsibility is supported by the development of overall group standards for the management of operational risk.

(F) MARKET RISK

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

7 OPERATING SEGMENTS

The Group has two reportable segments, as described below, which are the Group's strategic business units.

The strategic business units undertake different sectors of Group's activities and are managed separately based on the Group's management and internal reporting structure.

For each of the strategic business units, the Executive Management Committee reviews internal management reports on at least a quarterly basis.

OMATEK COMPUTERS LIMITED

The principal activities of the company are the assembling, and manufacturing of various types of computers and home entertainment products, UPS, inverters and solar systems

OMATEK VENTURES DISTRIBUTION LTD.

Omatek Ventures Distribution Limited is a computer company which was formed to take over the distribution and sales of all products of the Omatek Group which include various types of computers and home entertainment products, UPS, inverters and solar systems