



04TH December, 2020

Head of Listing
Ghana Stock Exchange
Cedi House
Accra

Handwritten signature

ATTN: Mrs. Joyce Boakye

Dear Madam

2020 THIRD QUARTER REPORT SUBMISSION

Dannex Ayrton Starwin Plc submits it's Un-Audited Financial Statement for the Third quarter ending 30th September 2020

Yours faithfully,

Handwritten signature of Azafokpe Maxwell

Azafokpe Maxwell
Finance Manager

DANNEX AYRTON STARWIN PLC
UN-AUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30TH SEPTEMBER, 2020

	Notes	30-09-20 GHC
Revenue		46,740,592
Cost of sales	9	(23,146,028)
Gross profit		<u>23,594,563</u>
Other income	10	297,498
Selling and distribution costs	11	(6,160,333)
Administrative expenses	12	(18,777,086)
Operating Profit/(loss)		<u>(1,045,358)</u>
Finance income		
Finance costs	13	(2,136,319)
Profit/(loss) before tax		<u>(3,181,676)</u>
Income tax expense		-
Profit/(loss) after tax		<u><u>(3,181,676)</u></u>
Earnings per share		(0.0376)
Diluted earnings per share		(0.0376)

DANNEX AYRTON STARWIN PLC
UN-AUDITED STATEMENT OF FINANCIAL POSITION
AS AT 30TH SEPTEMBER, 2020

	Notes	30-09-20 GHC
Non current assets		
Property, plant and equipment	3	20,272,019
Prepaid lease and land		
Intangible		163,020
Investment		1,927,769
		<u>22,362,807</u>
Current assets		
Inventories	4	19,265,508
Trade and other receivable	5	11,578,768
Cash and bank	6	395,720
Total Current Assets		<u>31,239,996</u>
		<u>53,602,804</u>
Total Assets		
Equity and liabilities		
Equity		
Issued capital		33,058,701
Other capital reserve		
Income surplus		(23,992,317)
		<u>9,066,383</u>
Non-current liabilities		
Deferred tax		459,246
Longterm Borrowing		7,309,506
		<u>7,768,753</u>
Current liabilities		
Trade and other payable	7	19,614,545
Income tax payable		272,899
Short term borrowings	8	16,880,224
Total Liabilities		<u>36,767,668</u>
		<u>53,602,804</u>
Total Equity and liabilities		



Director
Daniel Apegyei Kissi



NIK AMARTEIFIO
Director
Nik Amarteifio

DANNEX AYRTON STARWIN PLC
UN-AUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30TH SEPTEMBER, 2020

	Share capital GH¢'000	Retained Earnings GH¢'000	Other Reserves GH¢'000	Total GH¢'000
2020				
At 1 Dec 2019	33,058,701	(20,810,641)	-	12,248,060
Profit/(Loss) for the period		(3,181,676)		(3,181,676)
Reversal during the period				-
At 31st December 2019	33,058,701	(23,992,317)	-	9,066,383

DANNEX AYRTON STARWIN PLC
UN-AUDITED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30TH SEPTEMBER, 2020

	Notes	30-09-20
		GH¢
OPERATING ACTIVITIES		
Operating (loss)/profit before tax		(3,181,676)
Depreciation and amortisation	3	1,506,591
Profit / loss on disposal		(74,543)
Interest income		
Interest expense		2,136,319
Operating cash flow before working capital changes:		386,689
(Increase)/Decrease in inventories		(3,819,977)
(Increase)/Decrease in trade and other accounts receivable		1,184,512
Increase/(Decrease) in trade and other accounts payable		3,580,714
Operating cash flow before interest and tax		1,331,938
Interest received		
Interest paid		(2,136,319)
Income tax paid		(2,195,730)
Net cash flows from operating activities		(3,000,111)
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	4	(1,518,883)
Purchase of intangible asset		
Proceeds from disposal		74,543
Net cash flows used in investing activities		(1,444,339)
FINANCING ACTIVITIES		
Dividends paid to equity holders		
Net receipts/(Payment) from borrowings		(2,850,254)
Medium Term Loan		14,490,984
Net cash flows used in financing activities		11,640,730
Net decrease in cash and cash equivalents		7,196,279
Cash and cash equivalents at beginning		(9,189,800)
Cash and cash equivalents at close		(1,993,520)

DANNEX AYRTON STARWIN PLC
NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH SEPTEMBER, 2020

1 Corporate information

Dannex Ayrton Starwin PLC is a company registered and incorporated in Ghana under the Companies Act, 2019 (Act 922) as a limited liability company whose shares are publicly traded. The registered office is located at 5 Dadeban Road (W3), Ring Road North Industrial Area in Accra.
 The company is engaged in the manufacture as well as importation and supply of pharmaceutical products.

2 Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared on a historical cost basis unless otherwise indicated. The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and also in a manner required by the Companies Act, 2019 (Act 922). The financial statements are prepared on a going concern basis.

2.2 Functional and reporting currency

The financial statements are presented in Ghana Cedis (GHC). The Ghana Cedi is the functional and reporting currency of the company.

2.3 Foreign currencies translations

Transactions in foreign currencies are measured and recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate prevailing at the reporting date. At the reporting date non-monetary items at historical cost are translated using the exchange rates as at the dates of the initial transactions.

2.4 Property, plant and equipment

The company recognises an item of property, plant and equipment (PPE) as an asset when it is probable that future economic benefits will flow to it and the cost can be reliably measured by the company. Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. Depreciation is provided on the depreciable amount of each component of property, plant and equipment on a straight-line basis over the anticipated useful life of the asset.

The current annual depreciation rates for each class of property, plant and equipment are as follows:

	%
	Over the
	lease term
Leasehold land	2-3
Factory buildings	13.33-20
Plant and equipment	10 - 20
Laboratory, equipment and furniture	15 - 20
Office furniture and equipment	20 - 25
Motor vehicles and bicycles	25 - 33.3
Computer and accessories	8.5
Medical books	
Costs associated with day-to-day servicing and maintenance of assets is expensed as incurred	

2.5 Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

Raw materials are measured at the weighted average cost method.

Finished goods and work in progress comprises the cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs. Finished goods are also measured at the weighted average cost method

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER, 2020

2.6 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise of cash at bank and on hand and short-term deposits with a maturity of three months or less.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts which are repayable on demand and which form an integral part of the company's cash management. Cash and cash equivalents are measured subsequently at amortised cost.

2.7 Employee benefits

The Company contributes to the defined Contribution Scheme (the Social Security Fund) on behalf of the employees.

Social security contributions is a National Pension Scheme under which the company pays 13% of employees' basic monthly salaries to a state managed Social Security Fund for the benefit of the employees. All employer contributions are charged to the statement of profit or loss and other comprehensive income as incurred and included under employee benefits. Employees contribute 5.5% of basic salaries to the Fund.

2.8 Provident Fund

Employees contribute a minimum of 10% of their basic salary and the employer contributes the 6.5% in to provident fund. This is a defined Contribution Scheme.

2.9 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and sales taxes or duty.

Sale of goods

Revenue from the sale of goods is recognised when the significant risk and rewards of ownership have passed to the buyer, usually on delivery of the goods.

DANNEX AYRTON STARWIN PLC
NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH SEPTEMBER, 2020

3 Property Plant and Equipment	PPE Total	Building	Freehold Land	Plant and equipment	Office equip /Furn	Factory/Lab equipment and furn	Computer and accessories	Motor Vehicle & Motor Bicycle	Medical Books-Library	WIP
Cost or Valuation										
Balance at the beginning of the year	36,765,144	18,551,588	305,792	7,090,168	1,169,808	1,727,643	1,272,368	4,810,345	3,600	1,833,831
Repalcement and expansion (Sch 3001)	1,518,883	230,137	-	76,821	113,992	66,716	201,019	410,160	-	420,036
Transfer from WIP	-	-	-	149,737	-	-	-	-	-	(149,737)
Other	-	-	-	-	-	-	(13,337)	(618,507)	-	-
Other disposals in normal course of business	(631,844)	-	-	-	-	-	(13,337)	(618,507)	-	-
Balance at end of year	37,652,183	18,781,726	305,792	7,316,726	1,283,801	1,794,359	1,460,051	4,601,998	3,600	2,104,131
Accumulated Depreciation										
Balance at the beginning of the year	16,613,592	3,093,395	-	5,957,341	930,301	1,518,293	1,089,155	4,021,508	3,600	-
Depreciation charge for the year	1,398,416	466,622	-	372,821	67,556	59,809	108,367	323,242	-	-
Other disposals in normal course of business	(631,844)	-	-	-	-	-	(13,337)	(618,507)	-	-
Impairment charge for the year	-	-	-	-	-	-	-	-	-	-
Balance at end of year	17,380,164	3,560,017	-	6,330,161	997,856	1,578,102	1,184,185	3,726,243	3,600	-
Net Book Value as at 30th September, 2020	20,272,019	15,221,708	305,792	986,565	285,945	216,258	275,866	875,755	0	2,104,131

DISPOSAL ACCOUNT	PPE Total	Building	Freehold Land	Plant and equipment	Office equip /Furn	Factory/Lab equipment and furn	Computer and accessories	Motor Vehicle & Motor Bicycle	Medical Books-Library	WIP
Cost	631,844	-	-	-	-	-	13,337	618,507	-	-
Accumated Depreciation	(631,844)	-	-	-	-	-	(13,337)	(618,507)	-	-
Proceeds	74,543	-	-	-	-	-	-	74,543	-	-
Profit from Disposal	74,543	-	-	-	-	-	-	74,543	-	-

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH SEPTEMBER, 2020**

3 Property Plant and Equipment	Intangible Total	Software	Patent	Trade mark
Cost or Valuation				
Balance at the beginning of the year	837,222	532,545	-	304,677
Replacement and expansion (Sch 3001)	-	-	-	-
Transfer from WIP	-	-	-	-
Other	-	-	-	-
Other disposals in normal course of business	-	-	-	-
Balance at end of year	837,222	532,545	-	304,677

Accumulated Amortisation			
Balance at the beginning of the year	566,028	261,440	304,588
Amortisation charge for the year	108,174	108,085	89
Other disposals in normal course of business	-	-	-
Impairment charge for the year	-	-	-
Balance at end of year	674,202	369,525	304,677

Net Book Value as at 30th September, 2020	163,020	163,020	0	0
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	PPE Total	Building	Freehold Land	Plant and equipment	Office equip/Furn	Factory/Lab equipment and furn	Computer and accessories	Motor Vehicle & Motor Bicycle	Medical Books-Library	WIP
DISPOSAL ACCOUNT										
Cost	631,844	-	-	-	-	-	13,337	618,507	-	-
Accumulated Depreciation	(631,844)	-	-	-	-	-	(13,337)	(618,507)	-	-
Proceeds	74,543	-	-	-	-	-	-	74,543	-	-
Profit from Disposal	74,543	-	-	-	-	-	-	74,543	-	-

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH SEPTEMBER, 2020**

	Intangible Total	Software	Patent	Trade mark
3 Property Plant and Equipment				
Cost or Valuation				
Balance at the beginning of the year	837,222	532,545	-	304,677
Repalcement and expansion (Sch 3001)	-	-	-	-
Transfer from WIP	-	-	-	-
Other	-	-	-	-
Other disposals in normal course of business	-	-	-	-
Balance at end of year	837,222	532,545	-	304,677
Accumulated Amortisation				
Balance at the beginning of the year	566,028	261,440	-	304,588
Amortisation charge for the year	108,174	108,085	-	89
Other disposals in normal course of business	-	-	-	-
Impairment charge for the year	-	-	-	-
Balance at end of year	674,202	369,525	-	304,677
Net Book Value as at 30th September, 2020	163,020	163,020	0	0

IN THE SUPERIOR COURT OF JUDICATURE
IN THE HIGH COURT OF JUSTICE
ACCRA – GHANA A.D. 2020

STATUTORY DECLARATION ACT 389 OF 1971
AND

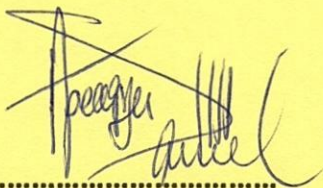
IN THE MATTER OF DECLARATION BY DANIEL APEAGYEI KISSI CONFIRMING THE
TRUTHFULNESS OF UN-AUDITED FINANCIAL STATEMENT OF DANNEX AYRTON
STARWIN PLC

I, **DANIEL APEAGYEI KISSI** of P. O. Box 5258, Accra in the Greater Accra Region of the Republic of Ghana do hereby solemnly and sincerely declare and say as follows: -

1. That I am the Declarant herein and a Ghanaian by birth and nationality.
2. That I am the **CHIEF EXECUTIVE OFFICER** of DANNEX AYRTON STARWIN PLC.
3. That the **THIRD QUARTER** of 2020 un-audited Financial Statement submitted to the Securities and Exchange Commission has been approved by the Board of Directors of DANNEX AYRTON STARWIN PLC.
4. That the un-audited Financial Statement do not contain untrue statement, misleading fact or omit material fact to the best of my knowledge.
5. That in terms of Section 55 and 57 of the securities and Exchange Commission Regulations, 2003 L.I.1728, I hereby submit **THIRD QUARTER** of 2020 un-audited Financial Statements.

WHEREFORE, I make this solemn declaration conscientiously believing same to be true and accurate in accordance with the provisions of the Statutory Declaration Act 389 of 1971.

DECLARED IN ACCRA THIS ^{2ND} DAY)
OF DECEMBER, 2020.)


.....
DECLARANT

BEFORE ME
COMMISSIONER FOR OATHS

