



**ARBICO PLC  
UNAUDITED FINANCIAL STATEMENT  
FOR PERIOD ENDED 31<sup>st</sup> DECEMBER, 2022**

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**Result at a Glance:**

	<b>THE GROUP</b>		<b>THE COMPANY</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>DEC</b>	<b>DEC</b>	<b>DEC</b>	<b>DEC</b>
	<b>N '000</b>	<b>N '000</b>	<b>N '000</b>	<b>N '000</b>
<b>Revenue</b>	8,447,463	5,248,065	8,016,473	4,881,280
<b>Profit/Loss Before Tax</b>	184,164	24,152	524	86,022
<b>Earnings per share</b>	1.22	1.59	0.25	0.58

**BY ORDER OF THE BOARD**



**COMPANY SECRETARY**  
**FRC/2013/NBA/00000000001615**

**6<sup>th</sup> February, 2023**


ARBICO PLC  
 UNAUDITED CONSOLIDATED & SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
 FOR THE PERIOD ENDED 31 DECEMBER 2022

	NOTES	THE GROUP		THE COMPANY	
		12 MONTHS JAN-DEC 2022 N'000	12 MONTHS JAN-DEC 2021 N'000	12 MONTHS JAN-DEC 2022 N'000	12 MONTHS JAN-DEC 2021 N'000
Revenue	3	8,447,463	5,248,065	8,016,473	4,881,280
Cost of Sales		-7,290,620	(4,362,652)	-7,066,627	(4,065,070)
Gross Profit		1,156,844	885,414	949,846	816,210
Other Operating Income	4	8,613	87,910	8,498	89,285
Operating Expenses		-981,293	(938,820)	-920,953	(782,607)
Operating Profit before Tax		184,164	34,503	37,390	122,888
Income Tax Expenses			(10,351)	(36,866)	(36,866)
Profit For The Period		184,164	24,152	524	86,022
Other comprehensive income		-	-	-	-
Total Comprehensive (loss)/Income attributable to:		184,164	24,152	524	86,022
Equity holders of parent		181,812	235,387	35,549	
Non Controlling Interest		2,352	(884)	1,842	
<b>EARNINGS PER SHARE</b>					
Basic (k)		1.22	1.59	0.25	0.58
Diluted (k)		1.22	1.59	0.25	0.58

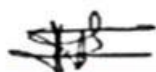
**ARBICO PLC**  
**UNAUDITED CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

	NOTE	THE GROUP		THE COMPANY	
		DEC 2022 N'000	DEC 2021 N'000	DEC 2022 N'000	DEC 2021 N'000
<b>ASSETS</b>					
<b>NON - CURRENT ASSETS</b>					
Property Plant and Equipment	5	2,457,262	1,473,344	2,094,882	1,350,124
Intangible Assets	7	3,280	5,279	3,280	5,649
Deferred Tax Asset		1,261,958	546,621	1,261,958	546,621
Investment in Subsidiary			-	27,104	27,104
<b>TOTAL NON CURRENT ASSETS</b>		<b>3,722,500</b>	<b>2,025,244</b>	<b>3,387,223</b>	<b>1,929,498</b>
<b>CURRENT ASSETS</b>					
Inventories		3,090,982	1,788,570	2,463,500	1,452,931
Trade and Other Receivables	8	7,479,441	5,714,995	7,269,498	5,924,412
Prepayments		6,662,843	106,540	6,290,065	102,309
Cash, Bank & Cash Equivalents		241,580	1,572,784	817,261	1,414,687
<b>TOTAL CURRENT ASSETS</b>		<b>17,474,846</b>	<b>9,182,889</b>	<b>16,840,323</b>	<b>8,894,339</b>
<b>TOTAL ASSETS</b>		<b>21,197,345</b>	<b>11,208,133</b>	<b>20,227,546</b>	<b>10,823,837</b>
<b>LIABILITIES</b>					
<b>NON - CURRENT LIABILITIES</b>					
Share Deposit		1,950,000	1,950,000	1,950,000	1,950,000
<b>TOTAL NON CURRENT LIABILITY</b>		<b>1,950,000</b>	<b>1,950,000</b>	<b>1,950,000</b>	<b>1,950,000</b>
<b>CURRENT LIABILITIES</b>					
Trade and other payables	9	12,207,708	2,494,328	11,657,484	2,106,199
Advance from clients		6,542,089	6,397,543	5,696,691	5,589,039
Income tax payable		52,036	107,265	52,036	107,265
<b>TOTAL CURRENT LIABILITY</b>		<b>18,801,834</b>	<b>8,999,136</b>	<b>17,406,212</b>	<b>7,802,503</b>
<b>TOTAL LIABILITY</b>		<b>20,751,834</b>	<b>10,949,136</b>	<b>19,356,212</b>	<b>9,752,503</b>
<b>EQUITY</b>					
Share Capital		74,250	74,250	74,250	74,250
Share Premium		141,184	141,184	141,184	141,184
Retained Earnings		-956,477	-1,140,640	-537,634	(337,633)
Reserve Surplus		1,193,534	1,193,534	1,193,534	1,193,534
Non Controlling Interest		-6,979	-9,331	-	-
<b>TOTAL EQUITY</b>		<b>445,512</b>	<b>258,997</b>	<b>871,334</b>	<b>1,071,335</b>
<b>TOTAL EQUITY AND LIABILITY</b>		<b>21,197,345</b>	<b>11,208,133</b>	<b>20,227,546</b>	<b>10,823,838</b>

Approved by the Board on:  
**6<sup>th</sup> February, 2023**



Eyo Asuquo  
 Director  
 FRC/2017/CIBN/00000000016193



Alkimos Makaronidis  
 Director  
 FRC/2019/IODN/00000019977

**ARBICO PLC**  
**UNAUDITED CONSOLIDATED & SEPARATE STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 DECEMBER 2022**

	Group						Company				
	Issued Capital N'000	Share Premium N'000	Asset revaluation surplus N'000	Other reserves N'000	Non Controlling Interest N'000	Total N'000	Issued Capital N'000	Share Premium N'000	Asset revaluation surplus N'000	Other reserves N'000	Total N'000
As at 1 January 2022	74,250	141,184	1,193,534	(1,140,641)	(9,331)	258,996	74,250	141,184	1,193,534	(537,634)	871,334
Profit for the year	-	-	-	184,164	2,352	186,516	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>184,164</b>	<b>2,352</b>	<b>186,516</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>At 31 December 2022</b>	<b>74,250</b>	<b>141,184</b>	<b>1,193,534</b>	<b>(956,477)</b>	<b>(6,979)</b>	<b>445,512</b>	<b>74,250</b>	<b>141,184</b>	<b>1,193,534</b>	<b>(537,634)</b>	<b>871,334</b>

For the period ended 31 December 2021	Group						Company				
	Issued Capital N'000	Share Premium N'000	Asset revaluation surplus N'000	Other reserves N'000	Non Controlling Interest N'000	Total N'000	Issued Capital N'000	Share Premium N'000	Asset revaluation surplus N'000	Other reserves N'000	Total N'000
As at 1 January 2021	74,250	141,184	-	(1,376,028)	(8,447)	(1,169,041)	74,250	141,184	-	(660,521)	(445,087)
Profit for the year	-	-	1,193,534	235,387	(884)	1,428,037	-	-	1,193,534	122,887	1,316,421
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>1,193,534</b>	<b>235,387</b>	<b>(884)</b>	<b>1,428,037</b>	<b>-</b>	<b>-</b>	<b>1,193,534</b>	<b>122,887</b>	<b>1,316,421</b>
<b>At 31 December 2021</b>	<b>74,250</b>	<b>141,184</b>	<b>1,193,534</b>	<b>(1,140,641)</b>	<b>(9,331)</b>	<b>258,996</b>	<b>74,250</b>	<b>141,184</b>	<b>1,193,534</b>	<b>(537,634)</b>	<b>871,334</b>



**ARBICO PLC**  
**UNAUDITED CONSOLIDATED & SEPARATE STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2022**

	THE GROUP		THE COMPANY	
	2022 DEC N'000	2021 DEC N'000	2022 DEC N'000	2021 DEC N'000
<b>Operating activities</b>				
Profit before tax	184,164	234,504	37,390	122,888
<b>Adjustments to reconcile profit before tax to net cash flows</b>				
Depreciation of property, plant and equipment	273,939	342,452	273,939	320,238
Amortisation of intangible assets	2,369	1,892	2,369	1,892
Net Unrealized foreign exchange (gain)/loss	-	(29,046)	-	(29,046)
Profit on disposal of property, plant and equipment	-	(56)	-	19
Recovery of Expected credit loss	-	-	-	-
Finance income	-	-	-	-
Impairment of receivables	-	151,043	-	232,490
Contract asset recognised in revenue	-	-	-	-
Contract liability recognised in revenue	-	-	-	-
	<b>460,471</b>	<b>700,788</b>	<b>313,698</b>	<b>648,481</b>
<b>Working capital adjustments</b>				
Increase in trade and other receivables	2,895,636	2,592,355	2,787,491	2,908,272
(Increase)/ decrease in prepayments	(6,542,566)	103,444	-6,177,827	102,356
increase in inventories	(1,692,442)	(665,967)	-1,319,011	(330,328)
Increase in contract asset	(5,125,721)	(4,325,945)	-4,647,178	(4,313,397)
Increase/ (decrease) trade and other payables	8,405,867	(2,109,674)	8,514,993	(2,460,697)
Increase/(decrease) in advance from customers	1,348,997	4,755,811	1,348,997	4,537,258
Income tax paid	-	-	-	-
<b>Cash flows from/(used in) operating activities</b>	<b>(249,758)</b>	<b>1,050,812</b>	<b>821,162</b>	<b>1,091,945</b>
<b>Net cash flows from/(used in) operating activities</b>	<b>(249,758)</b>	<b>1,050,812</b>	<b>821,162</b>	<b>1,091,945</b>
<b>Investing activities</b>				
Purchase of property, plant and equipment	-246,494	(129,963)	-246,494	(92,496)
Purchase of intangible assets	2,119	(2,444)	2,119	(2,804)
Finance income	-	-	-	-
Proceed from sale of property, plant and equipment	-	56	(19)	(19)
Increase in other Investment	-	-	1	1
Advance payment in fixed deposit (restricted)	-	-	-	-
Financing activities Movement	-837,070	180,682	(1,174,194)	32,808
<b>Net cash flows used in investing activities</b>	<b>(1,081,446)</b>	<b>48,331</b>	<b>(1,418,588)</b>	<b>(62,511)</b>
Net increase/(decrease) in cash and cash equivalents	(1,331,204)	1,099,143	(597,426)	1,029,434
Net foreign exchange difference	-	29,046	-	29,046
Cash and cash equivalents at the beginning of the year	1,572,784	444,595	1,414,687	356,207
<b>Cash and cash equivalents at the end of the year</b>	<b>241,580</b>	<b>1,572,784</b>	<b>817,261</b>	<b>1,414,687</b>



## ARBICO PLC

### NOTES TO THE FINANCIAL STATEMENTS

#### 1. Corporate information

Arbico Plc is a company incorporated on 18 June 1958 in Nigeria and commenced business thereafter. The company's shares were quoted on the Stock Exchange on November 30, 1978. Its principal activities comprise construction and civil engineering as well as investment in and operation of infrastructure. The registered office is located at Plot D Block 7 Industrial Crescent Ilupeju, Lagos.

#### 2. Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the provisions of the Financial Reporting Council of Nigeria Act, No. 6 2011, the provision of the Companies and Allied Matters Act, CAP 20 and the Laws of the Federation of Nigeria 2004 as applicable. The financial statements have been prepared on a historical cost basis, except for land and buildings that have been measured at fair value.

The financial statements are presented in Naira and all values are rounded to the nearest thousand (N'000), except when otherwise indicated.

#### 3. Revenue

##### Construction contracts

The company principally operates fixed price contracts however sometimes the contract cost are varied due to additional works, If the outcome of such a contract can be reliably measured, revenue associated with the construction contract is recognized by reference to the stage of completion of the contract activity at year end (output method e.g. Surveys of Work completed to date) or obligations satisfied. In accordance with IFRS 15 revenue is recognized:

The outcome of a construction contract can be estimated reliably when:

- (i) The contract obligation has been performed.
- (ii) The work done can be accurately estimated or surveyed.
- (iii) The company's performance does not create an asset with an alternative use to the entity and the company has an enforceable right to payment for performance completed to date

When the work done does not satisfy these conditions the contract cost to date is held as a current asset (recoverable cost).

In applying output method, revenue recognized corresponds to the total contract revenue (as defined below) multiplied by the actual completion rate based on survey of work done. Contract revenue not yet billed are recognized and consequently held as contract assets in current assets

Contract revenue — Contract revenue corresponds to the initial amount of revenue agreed in the contract and any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue; and they are capable of being reliably measured.

Contract costs — Contract costs include costs that relate directly to the specific contract and costs that are attributable to contract activity in general and can be allocated to the contract. Costs that relate directly to a specific contract comprise; site labor costs (including site supervision); costs of materials used in construction; costs of design, cost of depreciation on plant and machinery and technical assistance that is directly related to the contract.



The company contracts are typically negotiated for the construction of a single asset or a group of assets which are closely interrelated or interdependent in terms of their design, technology and function. In certain circumstances, the percentage of completion method is applied to the separately identifiable components of a single contract or to a group of contracts together in order to reflect the substance of a contract or a group of contracts.

Assets covered by a single contract are treated separately when:

- (a) The separate proposals have been submitted for each asset
- (b) Each asset has been subject to separate negotiation and the contractor and customer have been able to accept or reject that part of the contract relating to each asset
- (c) The costs and revenues of each asset can be identified

Contract cost for which their obligations have not been expressly stated or cannot be reliably measured are held as recoverable cost under current assets

A group of contracts are treated as a single construction contract when:

- (a) the group of contracts is negotiated as a single package;
- (b) the contracts are so closely interrelated that they are, in effect, part of a single project with an overall profit margin
- (c) the contracts are performed concurrently or in a continuous sequence

The three criteria must be met before combination can occur.

### 3. Revenue

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	DEC	DEC	DEC	DEC
	N '000	N '000	N '000	N '000
Revenue	8,447,463	5,248,065	8,016,473	4,881,280
Profit/Loss Before Tax	184,164	34,503	37,390	122,888
Earnings per share	1.22	1.59	0.25	0.58

### 4. Other Income:

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	DEC	DEC	DEC	DEC
	N'000	N'000	N'000	N'000
Claims on Insurance	-	-	-	-
Other Income	8,613	87,910	8,498	89,285
Finance Income	-	-	-	2,657
	8,613	87,910	8,498	91,942

## 5. Staff cost & Employees Benefit

### Staff Cost & Employees Benefit

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	DEC	DEC	DEC	DEC
	N'000	N'000	N'000	N'000
Salaries&Wages	171,430	255,684	139,190	167,507
Staff Welfare	13,783	9,056	13,723	9,047
Staff Medical	31,768	23,508	31,768	23,508
Labour	59,523	40,838	58,813	30,859
	<b>276,504</b>	<b>329,086</b>	<b>243,494</b>	<b>230,921</b>

## 6. Plant Property & Equipment

There are no restrictions on title to the items of property, plant and equipment. The Company has not pledged any item of property, plant and equipment as security for liabilities. The fair value of the company's buildings is in line with the carrying amount. However, revaluation of the buildings is done at management discretion.

Property, plant and equipment						
The Group						
	Land & Building N'000	Plant, tool and equipment N'000	Motor Vehicles N'000	Office furniture and equipment N'000	IT Infrastructure N'000	Total N'000
<b>Cost :</b>						
At 1 January 20PY						
Additions during the year						
Disposals during the year						
<b>At 31 December 20PY</b>	<b>1,171,316</b>	<b>2,359,628</b>	<b>459,258</b>	<b>8,142</b>	<b>67,394</b>	<b>4,065,737</b>
Additions during the year (+)	-	229,925	116,770	155	-	346,850
Disposals during the year (-)	(24,124)	-	-	-	(1,586)	-25,710
<b>At 31 December 20CY</b>	<b>1,147,192</b>	<b>2,589,553</b>	<b>576,028</b>	<b>8,297</b>	<b>65,808</b>	<b>4,386,877</b>
<b>Accum Depreciation</b>						
At 1 January 20PY						
Charge for the year						
Disposals for the year						
<b>At 31 December 20PY</b>	<b>171,050</b>	<b>1,892,668</b>	<b>409,402</b>	<b>5,635</b>	<b>51,141</b>	<b>2,529,898</b>
Charge for the year	10,651	216,680	39,728	516	6,364	273,939
Disposals for the year	(13,514)	59,761	28,290	128	2,349	77,015
<b>At 31 December 20CY</b>	<b>168,187</b>	<b>2,169,109</b>	<b>477,420</b>	<b>6,280</b>	<b>59,854</b>	<b>2,880,851</b>
<b>Carrying value:</b>						
At 31 December 20CY	979,005	420,443	98,608	2,017	5,954	1,506,026
At 31 December 20PY	1,000,266	466,959	49,856	2,506	16,253	1,535,840
	1,140,912					
<b>The Company</b>						
	Land N'000	Plant, tool and equipment N'000	Motor Vehicles N'000	Office furniture and equipment N'000	IT Infrastructure N'000	Total N'000
<b>Cost :</b>						
At 1 January 20PY						
Additions during the year						
Disposals during the year						
<b>At 31 December 20PY</b>	<b>1,171,316</b>	<b>2,170,584</b>	<b>459,258</b>	<b>5,041</b>	<b>67,034</b>	<b>3,873,233</b>
Additions during the year	-	229,925	116,770	155	-	346,850
Disposals during the year	(24,124)	-	-	-	(1,586)	-25,710
<b>At 31 December 20CY</b>	<b>1,147,192</b>	<b>2,400,509</b>	<b>576,028</b>	<b>5,196</b>	<b>65,447</b>	<b>4,194,373</b>
<b>Accum Depreciation</b>						
At 1 January 20PY						
Charge for the year						
Disposals for the year						
<b>At 31 December 20PY</b>	<b>171,050</b>	<b>1,824,943</b>	<b>409,402</b>	<b>3,750</b>	<b>50,886</b>	<b>2,460,032</b>
Charge for the year	10,651	216,680	39,728	516	6,364	273,939
Disposals for the year	(13,514)	59,761	28,290	128	2,349	77,015
<b>At 31 December 20CY</b>	<b>168,187</b>	<b>2,101,384</b>	<b>477,420</b>	<b>4,395</b>	<b>59,599</b>	<b>2,810,985</b>
<b>Carrying value:</b>						
At 31 December 20CY	979,005	299,125	98,608	801	5,849	1,383,388
At 31 December 20PY	1,000,266	345,641	49,856	1,291	16,148	1,413,201

## 7. Intangible Assets

Intangible assets		Group	Company
		Computer software	Computer software
		N'000	N'000
<b>Cost :</b>			
<b>At 1 January 20PY</b>			
Additions during the year			
<b>At 31 December 20PY</b>		20,165	20,165
Additions during the year		800	800
<b>At 31 December 20CY</b>		20,965	20,965
<b>Accum Amortisation</b>			
<b>At 1 January 20PY</b>			
Charge for the year			
<b>At 31 December 20PY</b>		14,766	14,766
Charge for the year		2,919	2,919
<b>At 31 December 20CY</b>		17,685	17,685
<b>Carrying value:</b>			
<b>At 31 December 20CY</b>		3,280	3,280
<b>At 31 December 20PY</b>		5,399	5,399

## 8. Other Receivables

Trade and other receivables	2022 N'000	2021 N'000	2022 N'000	2021 N'000
Contract receivables	-3,875,679	1,288,026	-4,128,306	1,227,752
Retention receivable	-	-	-	-
Allowance for expected credit losses	(720,944.18)	-	(720,944.18)	-
	-4,596,624	1,288,026	-4,849,250	1,227,752
Due from related party (Note 18.1)	-617,484	-271,548	-617,484	-69,464
Other receivables (Note 18.2)	2,807,410	187,797	3,309,971	187,777
	<b>-2,406,698</b>	<b>1,204,274</b>	<b>-2,156,763</b>	<b>1,346,064</b>

Withholding tax receivable (WHT) represent amount deducted at source by customers from payment to the Company in line the withholding tax law. The customer is expected to remit the amount withheld to the relevant tax authority and obtain withholding tax credit note in the name of Arbico Plc. The WHT credit note can be used to offset future tax liability.

## 9. Other Payables

Trade and other payables	2022 N'000	2021 N'000	2022 N'000	2021 N'000
Trade payables	2,509,967	1,522,824	1,762,947	636,128
Other payables (Note 23.1)	9,301,664	2,682,605	9,493,513	2,991,289
Due to related parties ( Note 23.2)	396,077	-1,250,969	401,024	-1,250,969
	12,207,708	2,954,461	11,657,484	2,376,448

Other taxes payable include Pay-As-You-Earn (PAYE), value added tax payable and withholding tax payable. Accruals are with respect to job done by sub-contractors for which project certificate/invoices have not been received as agreed milestones have not been reached.

## 10. Disclosure on Director's Dealing.

There is no directors' dealing of any kind brought to the notice of the company, as the company has put in place and improving on it, the procedures for reporting such if it exists. This disclosure is in line with the requirement of provisions of Rule 17.15 of the issuers' rules 2015.