JULIUS BERGER

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2023

Contents

Directors:	Mr. Mutiu Sunmonu, CON	- Chairman
	Mr. George Marks (German)	- Vice Chairman
	Engr. Jafaru Damulak	
	Dr. Ernest Nnaemeka Azudialu-Obiejesi	
	Mrs. Belinda Ajoke Disu, CAL	
	Mrs. Gladys Olubunola Talabi	
	Engr. Goni Musa Sheikh	
	Mr. Ernest Chukwudi Ebi, MFR, FCIB, FIOD	- Independent Non-Executive Director
	Mr. Chidi Anya, Esq.	- Independent Non-Executive Director
	Amb. Adamu Saidu Daura, MFR	- Independent Non-Executive Director
	Engr. Dr. Lars Richter (German)	- Managing Director
	Alhaji Zubairu Ibrahim Bayi	- Executive Director Administration Resigned W.E.F December 31, 2023
	Mr. Tobias Meletschus (German)	- Director Corporate Development Resigned W.E.F December 31, 2023
	Mr. Christian Hausemann (German)	- Executive Director, Finance

Company Secretary: Mrs. Cecilia Ekanem Madueke

RC Number: 6852

Registered Office:
10 Shettima A. Munguno Crescent
Utako 900 108
FCT Abuja

Auditors:
Nexia Agbo Abel & Co.
Chartered Accountants
43 Anthony Enahoro Street
Utako 900 108
FCT Abuja

Registrars:
Greenwich Registrars & Data Solutions Ltd.
274 Muritala Muhammad Way
Ebute Metta
Lagos

Principal Banks:
Access Bank Plc
Commerzbank AG
Ecobank Nigeria Ltd
Fidelity Bank Plc
First Bank of Nigeria Ltd
Globus Bank Ltd
Guaranty Trust Bank Plc
Polaris Bank Ltd
Providus Bank Plc
Stanbic IBTC Bank Plc
United Bank for Africa Plc
Zenith Bank Plc

JULIUS BERGER

	Group			Company		
	12/31/2023 N'000	12/31/2022 N'000	% Change	12/31/2023 N'000	12/31/2022 N'000	% Change
Revenue	443,439,239	440,981,644	0.56	421,407,176	425,761,125	(1.02)
Profit before taxation	22,059,957	15,537,232	41.98	13,423,518	12,258,152	9.51
Profit for the year	12,552,665	7,914,031	58.61	7,690,689	6,347,834	21.15
Other comprehensive income	40,853,767	34,921	116,889.35	435,728	(116,250)	474.82
Total comprehensive income	**53,406,432**	**7,948,952**	**571.87**	**8,126,417**	**6,231,584**	**30.41**
Non - controlling interest	108,623	41,211	163.58	–	–	-
Profit attributable to equity holders of the parent	**53,297,809**	**7,907,741**	**574.00**	**8,126,417**	**6,231,584**	**30.41**
Retained earnings	48,822,058	39,887,260	22.40	35,045,402	30,918,982	13.35
Share capital	800,000	800,000	-	800,000	800,000	-
Shareholders' funds	106,468,156	57,061,727	86.58	36,270,842	32,144,422	12.84
Per share data						
Earnings per share:						
Basic	7.78	4.92	58.06	4.81	3.97	21.15
Diluted	7.78	4.92	58.06	4.81	3.97	21.15
Net assets per share:						
Basic	66.54	35.66	86.58	22.67	20.09	12.84
Diluted	66.54	35.66	86.58	22.67	20.09	12.84
Stock Exchange quotation at 31 December (Naira)	43.00	24.30	75.51	43.00	24.30	75.51
Number of employees	11,716	14,043	(16.57)	10,743	13,100	(17.98)

The Directors are pleased to present to the members of Julius Berger Nigeria Plc at the 54th AGM, their report on the business of the Group for the year ended December 31, 2023.

1. Legal form

The Company was incorporated in Nigeria under the Companies Act 1968, now the Companies and Allied Matters Act 2020 ("CAMA"), as a private limited liability company on February 18, 1970. The Company subsequently converted to a public limited liability company and its shares became listed on the Nigerian Stock Exchange now the Nigerian Exchange Group ("NGX") on September 20, 1991.

2. Principal activities

The principal activities of the Company are the business of planning and construction of all kinds of civil engineering works. The Company has seven subsidiaries and they are stated below in alphabetical order, together with their principal activities:

S/N	Subsidiary	Principal activities and business	Date of incorporation	Holding
1.	Abumet Nigeria Limited	Manufacturers and dealers in aluminium, steel, iron or other structural products of such nature.	June 15, 1990	90%
2.	Julius Berger Free Zone Enterprise	Planning and construction of all kinds and aspects of civil engineering works and related activities as well as maintenance of buildings and facilities in free trade zones.	March 24, 2015	100%
3.	Julius Berger International GmbH	Providers of logistical and technical support on an international level.	June 24, 2008	100%
4.	Julius Berger Investments Limited	Investment Company and Managers.	June 1, 2012	100%
5.	Julius Berger Medical Services Limited	Health care providers for the operation of medical service institutions and all form of medical and health care services.	August 22, 2011	100%
6.	Julius Berger Services Nigeria Limited	Providers of port services, stevedores, cargo superintendents, port management, warehousemen, agents and proprietors of warehouses.	August 30, 2006	100%
7.	PrimeTech Design and Engineering Nigeria Limited	Engineers, planning, design, development and maintenance of engineering works and products of all description.	August 22, 2011	100%

The financial results of all the subsidiaries have been consolidated in these Financial Statements.

3. Results for the year

Comparative highlights of the operational results of the Group for the years ended December 31, 2023 and 2022 are as stated in the table below.

Group	2023	2022
	N'000	N'000
Revenue	443,439,239	440,981,644
Profit for the year attributable to Group activities	12,552,665	7,914,031
Retained earnings	48,822,058	59,887,260

4. Review of business development

In the year under review, despite the challenging economic environment, the Group, in the opinion of the Directors, performed satisfactorily and in accordance with planning.

Save as herein disclosed, no other events have occurred since the year ended December 31, 2023, which would affect the Consolidated Audited Financial Statements.

5. **Dividends**

5.1 Dividend

The Directors are pleased to recommend to the members at the 54th Annual General Meeting, a final dividend for the year ended December 31, 2023, in the sum of ₦4.8 billion representing ₦3.00 per 50 Kobo share, held in the equity of the Company which dividend shall be subject to withholding tax at the appropriate rate at the time of payment.

5.2 Unclaimed dividends

The list of shareholders with unclaimed dividends have been compiled and sent to Shareholders in the register of members as at May 31, 2024. The list can also be accessed from the Investors' Relations page of the Company's website, www.julius-berger.com. Shareholders are enjoined to carefully peruse this list. Shareholders who find their names on the list and have claimed their dividend(s) since December 31, 2023, should kindly ignore the said list. However, shareholders who are yet to claim their dividend(s) should contact the Company Secretary or the Registrars, Greenwich Registrars & Data Solutions Ltd.

6. **Directors and Directors' interest and shareholding**

6.1 Board of Directors in 2023

The Directors who served on the Board of the Company for the year ended December 31, 2023, were as follows:

1 Mr. Mutiu Sunmonu, CON
2 Mr. George Marks (German)
3 Engr. Jafaru Damulak
4 Dr. Ernest Nnaemeka Azudialu-Obiejesi, OFR
5 Mrs. Belinda Ajoke Disu, CAL
6 Mrs. Gladys Olubusola Talabi
7 Engr. Goni Musa Sheikh
8 Mr. Ernest Chukwudi Ebi, MFR, FCIB, FIOD
9 Mr. Chidi Anya Esq.
10 Ambassador Adamu Saidu Daura, MFR
11 Engr. Dr. Lars Richter (German)
12 Alhaji Zubairu Ibrahim Bayi
13 Mr. Tobias Meletschus (German)
14 Mr. Christian Hausemann (German)

6.2 Changes to the Board

During the period under review, the following changes occurred on the Board:

6.2.1 Resignation of Directors

Alhaji Zubairu Ibrahim Bayi retired from the Company and resigned his appointment as Director, Administration and as a Director with effect from December 31, 2023. Mr. Tobias Meletschus resigned his appointment as Director, Corporate Development and as a Director with effect from December 31, 2023.

6.2.2 Directors for re-election

Engr. Jafaru Damulak, Dr. Ernest Nnaemeka Azudialu-Obiejesi, OFR and Mr George Marks are the Directors retiring by rotation. In accordance with the provisions of S.285 of CAMA and the Articles of Association, Engr. Jafaru Damulak, Dr. Ernest Nnaemeka Azudialu-Obiejesi, OFR and Mr George Marks all being eligible, offer themselves for re-election.

6. Directors and directors' interests

6.3 Director's interest

For the purposes of Ss. 301, 302 and 303 of CAMA and in compliance with the listing requirements of the NGX:

Some Directors gave notices of disclosable direct and/or indirect interests in some contracts and assets of the Group, and the Directors' interest in the issued share capital of the Company as recorded in the Register of Members and in the Register of Directors' holdings and contracts as notified by them are as stated in the table below.

	Number of Directors' Direct and Indirect Holdings as at		
	28 March 2024	December 31, 2023	December 31, 2022
	Number	Number	Number
Mr. Mutiu Sunmonu, CON	1,212,121	1,212,121	1,212,121
Mr. George Marks	-	-	-
Engr. Jafaru Damulak	2,401,028	2,401,028	2,401,028
Dr. Ernest Nnaemeka Azudialu-Obiejesi, OFR - Indirect*	206,215,268	206,215,268	206,215,268
Mrs. Belinda Ajoke Disu, CAL - Indirect**	405,893,428	405,893,428	405,893,428
Mrs. Gladys Olubusola Talabi	-	-	-
Engr. Goni Musa Sheikh - direct	76,533	76,533	76,533
Engr. Goni Musa Sheikh - Indirect***	297,899,413	291,540,832	287,740,832
Mr. Ernest Ebi, MFR, FCIB, FIOD	-	-	-
Mr. Chidi Anya, Esq	-	-	-
Ambassador Adamu Saidu Daura, MFR	-	-	-
Alhaji Zubairu Ibrahim Bayi	564,385	564,385	564,385
Engr. Dr. Lars Richter	-	-	-
Mr. Tobias Meletschus	-	-	-
Mr. Christian Hausemann	-	-	-

* Watertown Energy Ltd., BOJ-ESL NOMINEE (Continental Acquisitions Ltd.), AAD-ESL Nominee and Krawood Properties Limited

** Goldstones Estates Ltd., Bilton Securities Ltd., BATCO Integrated Syn Concepts

*** NeptuneHill Company Limited

7. Share capital and shareholding

The Company did not purchase its own shares during the year.

7.1 Issued and fully paid share capital:

The issued and paid-up share capital of the Company currently is ₦800 Million made up of 1.6 Billion ordinary shares of 50K each.

7.2 Beneficial ownership:

The issued and fully paid-up share capital of the Company, as at December 31, 2023, and March 28, 2024, when the Audited Consolidated Financial Statements were approved, were beneficially held as stated in the table above.

Beneficial ownership	No of ordinary shares held as at 28 March 2024	% holdings as at 28 March 2024	No of ordinary shares held as at 31 December 2023	% holdings as at 31 December 2023	% holdings as at 31 December 2022
Goldstone Estates Limited	317,893,428	19.87	317,893,428.00	19.87	19.87
Neptunehill Company Limited	297,899,413	18.62	291,540,832.00	18.22	17.98
Watertown Energy Limited	160,000,000	10.00	160,000,000.00	10.00	10.00
Bile Holdings Limited	88,000,000	5.50	88,000,000.00	5.50	5.50
Regency Asset Management Limited AC 5	-	-		-	5.00
Other Shareholders including Governments	736,207,159	46.01	742,565,740.00	46.41	41.65
	1,600,000,000	100.0	1,600,000,000	100.0	100.0

Apart from the shareholders presented in the table above, no other person(s) holds more than 5% and above of the issued and fully paid up shares of the Company.

7.3 Free float

The free float analysis of the issued and paid-up share capital of the Company, as at December 31, 2023, and March 28, 2024, when the Audited Consolidated Financial Statements were approved, is as stated below:

	No of Ordinary Shares held as at 28 March 2024	% holdings as at 28 March 2024	No of Ordinary Shares held as at 31 December 2023	% holdings as at 31 December 2023	% holdings as at 31 December 2022
Strategic shareholding	1,150,664,334	71.92	1,150,664,334	71.92	70.79
Directors' direct shareholding	4,254,067	0.27	4,254,067	0.27	0.27
Staff schemes		-		-	-
Free float	445,081,599	27.82	445,081,599	27.82	28.94
	1,600,000,000	100.00	1,600,000,000	100.00	100.00

7. Share capital and shareholding

7.4 Share range analysis as at 31 December 2023

Share Range	No of Shareholders	% Shareholders	No of units held	% Shareholding
1 - 500	4,085	28.55	567,322	0.04
501 - 1,000	1,294	9.04	942,777	0.06
1,001 - 5,000	3,959	27.67	10,358,407	0.65
5,001 - 10,000	1,742	12.17	12,447,439	0.78
10,001 - 25,000	1,692	11.82	25,961,444	1.62
25,001 - 100,000	1,122	7.84	54,322,746	3.40
100,001 - 500,000	311	2.17	58,836,095	3.68
500,001 - 1,000,000	44	0.31	29,877,996	1.87
1,000,001 - 5,000,000	42	0.29	77,535,139	4.85
5,000,001 - 10,000,000	5	0.03	32,542,791	2.03
10,000,001 and above	14	0.10	1,296,589,844	81.04
	14,310	100.00	**1,600,000,000**	**100.00**

8. Property, plant and equipment (PPE)

Significant movements in properties, plants and equipment constituting the PPE of the Group during the year are indicated in Note 16 on pages 62 to 63. In the opinion of the Directors, the market value of the properties, plant and equipment is not less than the value shown in the accounts.

9. Donations and CSR Initiatives

During the year 2023, the Group undertook Corporate Social Responsibility (CSR) initiatives shown in the table on the next page valued at N506 million (2022: N507 million) including donations amounting to N29 million (2022: N25 million).

9. **Donations and CSR Initiatives (Continued)**

Corporate Social Responsibility	**Amount (N)**
Education & Human Capital Development	347,772,231
Community Development and Inclusivity	73,847,189
Philanthropy and Social Welfare	79,977,157
Emergency Response	4,530,959
Total	**505,927,537**

Donations	**Amount (N)**
Lagos State Soccer Association	500,000
TIG International Gymnastics Club	1,500,000
Special Children Home, Uyo	950,000
Band of Hope Orphanage Home, Eket	950,000
Leprosy Hospital and Home, Etinan	950,000
St. James African Primary School, Uyo	1,974,976
St. Brian's Model College Secondary School, Uyo	1,974,976
Adiaha Obong Secondary Commercial School, Uyo	1,974,976
Compassion Centre, Port Harcourt	1,799,550
Badamia Association Home for Children	1,799,550
Lemu Orphanage Home	1,799,550
David Bassey Ikpeme Foundation & Homes	1,799,550
Our Lady Mother of Perpetual Help Charisma	1,799,550
Love Home Orphanage and Bab-Es-Salam Orphanage	2,169,135
Green Pasture Home, Kano	1,157,614
Jam'IYYAR Matan Arewa Orphanage, Kaduna	1,157,614
Nasarawa Childrens' Home, Kano	1,157,614
Wine Wound of Jesus Orphanage, Abuja	1,157,614
Adonai Orphanage & Widows Kaduna	1,157,614
Nwachi Orphanage and Halal Childrens Home, Lugbe	1,579,820
	29,309,702

In compliance with S43(2) of CAMA, no donation was made to any political party, political association or for any political purpose.

10. **Research and development**

Research, development and deployment of leading-edge construction and engineering technologies, design and methodologies are key to Julius Berger Nigeria Plc and its subsidiaries. The Group would continue to invest in research and development to enhance its design, planning, execution, construction and local engineering capabilities to deliver on client requirements innovatively.

11. **Technical service and know - how agreement**

A technical services agreement executed between the Company and Julius Berger International GmbH, is registered with the National Office for Technology / Acquisition and Promotion (NOTAP).

12. Suppliers

The significant suppliers to the Company domestically and internationally are:

1. Abumet Nigeria Ltd.
2. African Foundries Limited
3. Alood Construction Company
4. Brichi Global Resources Ltd.
5. Dangote Industries Ltd.
6. De Last Don Oil & Gas Ltd.
7. Empire Energy Limited
8. Gradient Emulsions & Polymers Limited
9. Julius Berger International GmbH
10. Lambert Electromec Ltd.
11. Landzun Engineering Ass. Ltd.
12. Ringardas Nig. Ltd.
13. Tanit Medical Engineering Limited
14. TotalEnergies Marketing Nigeria PLC
15. Zeberced Limited

13. Post year end events

Save as disclosed, there were no significant post year end events that could have had a material effect on the Consolidated Audited Financial Statements for the year ended December 31, 2023 which have not been adequately provided for.

14. Human capital management

Employee relations were stable and cordial in the year under review.

14.1 Employment of physically challenged persons

It is the policy of the Group that there should be no unfair discrimination in considering applications for employment including those from physically challenged persons. All employees whether physically challenged or not are given equal opportunities to develop their experience and knowledge and to qualify for promotion in furtherance of their careers. As at December 31, 2023, there were 13 physically challenged persons employed by the Group.

14.2 Health, safety at work and welfare of employees

The nature of Group activities demand that a high priority is placed on the health, safety and welfare of employees as well as all visitors in all aspects of Group operations.

To this end, there is a strict observance of health and safety policies, regulations and structures. Further, medical coverage is provided for all staff and their immediate families, comprising a spouse and four children, in accordance with the welfare schedule agreed with the operating domestic workers unions as well as the provisions of the National Health Insurance Authority Act 2021.

In the Group, there is full compliance with the provisions of the Pensions Reform Act of 2014.

14.3 Involvement and training

The consultative media for the dissemination of information, and involvement in matters concerning the staff and Group affairs, were functional in the period under review.

Training and education are key to the retention of skills and expertise within the Group. The Group is committed to investments in ensuring the required skills set for its business and operation.

15. Statutory Audit Committee

The members of the Statutory Audit Committee, appointed at the 53rd AGM held on June 15, 2023, in accordance with S.404 (3) of CAMA 2020, were:

1.	Chief Timothy Ayobami Adesiyan	-	Chairman
2.	Brig. Gen. Emmanuel Ebije Ikwue, GCON	-	Member
3.	Mr. Ernest Chukwudi Ebi, MFR, FCIB, FIOD	-	Member
4.	Sir Sunday Nnamdi Nwosu, KSS	-	Member
5.	Mr. Chidi Anya, Esq.	-	Member

The committee met in accordance with the provisions of S.404 of CAMA 2020 and will present its report.

16. Auditors

The Auditors, Messrs. Nexia Agbo Abel & Co. have indicated, in line with best governance practice, Principle 20.2 of the Nigerian Code of Corporate Governance 2018 and Part III, Regulation 9 of the Audit Regulations 2020 both issued by the Financial Reporting Council of Nigeria, that they would be retiring as the Company's Auditors. A resolution will be proposed appointing the firm of Messrs. PriceWaterHouseCoopers and authorising the Directors to determine their remuneration.

17. Compliance with regulatory requirements

The Directors confirm that they have reviewed the structures and activities of the Company in view of the Code of Corporate Governance of the Securities and Exchange Commission ("SEC") and the Nigerian Code of Corporate Governance 2018 ("the Codes") as well as the regulations of the NGX and the SEC ("the Regulators"). The Directors confirm that, to the best of their knowledge and as at the date of this report, the Company has been and is in substantial compliance with the provisions of the Codes and the regulatory requirements of the Regulators.

By order of the Board,

Mrs. Cecilia Ekanem Madueke
Company Secretary
FRC/2017/NBA/00000017540

10 Shettima A. Munguno Crescent
Utako 900 108 | FCT Abuja

March 28, 2024

JULIUS BERGER

Statement of Directors' Responsibilities

By the provisions of S377 and S378 of CAMA, the Directors are responsible for preparation of the Consolidated Financial Statements, which give a true and fair view of the state of affairs of the Group, and of the profit or loss at the end of each financial year. The Directors are required by the provisions of the Codes to issue this statement in connection with the preparation of the Consolidated Financial Statements for the year ended December 31, 2023.

In compliance with the provisions of CAMA, the Directors must ensure that:

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

The Directors accept responsibility for the preparation of these Consolidated Financial Statements, which have been prepared in compliance with:

- the provisions of CAMA;
- the provisions of the Financial Reporting Council of Nigeria (FRCN), Act No. 6 of 2011;
- the published accounting and financial reporting standard issued by the FRCN;
- the regulations of the SEC and
- the regulations and listing requirements of the NGX.

The Directors have made an assessment of the Group's ability to continue as a going concern based on the supporting assumptions stated in the Consolidated Financial Statements and have every reason to hold that the Group will remain a going concern in the financial year ahead.

Signed on behalf of the Board of Directors by:

Mr. Mutiu Sunmonu, CON
Chairman
FRC / 2014 / IODN / 00000006187

Engr. Dr. Lars Richter
Managing Director
FRC/2019/COREN/00000019602

March 28, 2024

JULIUS BERGER

CERTIFICATION OF FINANCIAL STATEMENTS

Pursuant to Section 405 of CAMA ("the Laws"), we, Engr. Dr. Lars Richter and Mr. Christian Hausemann, Chief Executive Officer and Chief Financial Officer, respectively, of Julius Bergre Nigeria Plc, have reviewed the Audited Consolidated Financial Statements of Julius Berger Nigeria Plc and its subsidiaries for the year ended December 31, 2023 and we certify that:

a). Based on our knowledge, the Audited Consolidated Financial Statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading, in the light of the circumstances under which such statement was made;

b). Based on our knowledge, the Audited Consolidated Financial Statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of Julius Berger Nigeria Plc and its subsidiaries as of and for the year ended December 31, 2023;

c). We are responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to Julius Berger Nigeria Plc and its subsidiaries are made known to us by others within those entities, particularly during the period in which the audited financial statement report is being prepared;

d). We have evaluated the effectiveness of Julius Berger Nigeria Plc and its subsidiaries' internal controls within 90 days prior to the date of this Audited Consolidated Financial Statements, and certify that the internal controls are effective as of December 31, 2023;

e). We have disclosed to the auditors and audit committees, all significant deficiencies in the design or operation of internal controls which could adversely affect our entities' ability to record, process, summarise and report financial data, and have identified for the auditors any material weaknesses in internal controls;

f). We have also disclosed to the auditors and audit committees, whether or not, there is any fraud that involves management or other employees who have a significant role in the company's internal control; and

Based on the foregoing, we, the undersigned, hereby certify that there were no significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Engr. Dr. Lars Richter
Managing Director
FRC/2019/COREN/00000019602

March 28, 2024

Mr. Christian Hausemann
Executive Director, Finance
FRC/2022/PRO/DIR/003/183832

March 28, 2024

JULIUS BERGER

CERTIFICATION OF MANAGEMENT ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In compliance with chapter 1.3 of FRCN Guidance on Management Report on Internal Control over Financial Reporting, and chapter 1.1 of SEC Guidance of the Implementation of Sections 60 to 63 of the Investments and Securities Act of 2007, I, Engr. Dr. Lars Richter, certify that:

a). I have reviewed this management assessment of internal control over financial reporting of Julius Berger Nigeria Plc and its subsidiaries;

b). Based on my knowledge, the Audited Consolidated Financial Statements does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c). Based on my knowledge, the Audited Consolidated Financial Statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of Julius Berger Nigeria Plc and its subsidiaries as of, and for the year ended December 31, 2023;

d). The entity's other certifying officer and I:

1). are responsible for establishing and maintaining internal controls;

2). have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to Julius Berger Nigeria Plc and its subsidiaries, are made known to us by others within those entities, particularly during the period in which this report is being prepared;

3). have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS;

4). have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of and for the year ended December 31, 2023, based on such evaluation.

e). The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the auditors and the audit committee:

1). All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and

2). Any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.

f). The entity's other certifying officer and I hereby certify that there were no significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Engr. Dr. Lars Richter
Managing Director
FRC/2019/COREN/00000019602

March 28, 2024

JULIUS BERGER

CERTIFICATION OF MANAGEMENT ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In compliance with chapter 13 of FRCN Guidance on Management Report on Internal Control over Financial Reporting, and chapter 1.1 of SEC Guidance of the Implementation of Sections 60 to 63 of the Investments and Securities Act of 2007, I, Mr. Christian Hausemann, certify that:

a). I have reviewed this management assessment of internal control over financial reporting of Julius Berger Nigeria Plc and its subsidiaries;

b). Based on my knowledge, the Audited Consolidated Financial Statements does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c). Based on my knowledge, the Audited Consolidated Financial Statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of Julius Berger Nigeria Plc and its subsidiaries as of, and for the year ended December 31, 2023;

d). The entity's other certifying officer and I:

1). are responsible for establishing and maintaining internal controls;

2). have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to Julius Berger Nigeria Plc and its subsidiaries, are made known to us by others within those entities, particularly during the period in which this report is being prepared;

3). have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS;

4). have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of and for the year ended December 31, 2023, based on such evaluation.

e). The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the auditors and the audit committee:

1). All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and

2). Any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.

f). The entity's other certifying officer and I hereby certify that there were no significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Mr. Christian Hausemann
Executive Director, Finance
FRC/2022/PRO/DIR/003/183832

March 28, 2024

JULIUS BERGER

MANAGEMENT'S ANNUAL ASSESSMENT OF, AND REPORT ON JULIUS BERGER PLC'S INTERNAL CONTROL OVER FINANCIAL REPORTING

Pursuant to chapter 1.5 of FRCN Guidance on Management Report on Internal Control over Financial Reporting, and chapter 1.3 of SEC Guidance of the Implementation of Sections 60 to 63 of the Investments and Securities Act of 2007, we hereby report on the effectiveness of Julius Berger Nigeria Plc's internal control system as follows:

a). The management of Julius Berger Nigeria Plc is responsible for establishing and maintaining adequate internal control over financial reporting (ICFR) that provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS;

b). The management of Julius Berger Nigeria Plc used the Committee of Sponsoring Organization of the Treadway Commission (COSO) Internal Control - Integrated Framework to conduct the required evaluation of the effectiveness of the entity's ICFR;

c). The management of Julius Berger Nigeria Plc has assessed its ICFR as at 31 December 2023 as effectiveness and there are no material weaknesses; and

d). The external auditors of Julius Berger Nigeria Plc, Messrs Nexia Agbo Abel & Co., have issued an attestation report on management's assessment of ICFR. The attestation report issued by Messrs Nexia Agbo Abel & Co. will be filed as part of Julius Berger Nigeria Plc's annual report.

Mr. Mutiu Sunmonu, CON
Chairman
FRC/2014/IODN/00000006187

March 28, 2024

Engr. Dr. Lars Richter
Managing Director
FRC/2019/COREN/00000019602

March 28, 2024

JULIUS BERGER

Report of the

Statutory Audit Committee

In compliance with S.404 (1) of CAMA, we, the members of the Statutory Audit Committee whose names are stated hereunder, have reviewed and considered the Auditor's Report required to be made in accordance with S.404 (2) of CAMA, the consolidated audited Financial Statements of the Group for the year ended December 31, 2023, and the reports thereon, confirm as follows:

1. The accounting and reporting policies of the Group are in accordance with legal requirements and agreed ethical practices.
2. The scope and planning of audit requirement were in our opinion adequate.
3. We have reviewed the findings on Management matters, in conjunction with the External Auditors, and are satisfied with the response of Management thereon.
4. The systems of accounting and internal controls for the Group are adequate.
5. We have made the recommendations required to be made in respect of the External Auditors.

Members of the Audit Committee

Chief Timothy Ayobami Adesiyan

Sir Sunday Nnamdi Nwosu, *KSS, JP*

Brig. Gen. Emmanuel Ebije Ikwue, *GCON (Rtd.)*

Mr. Ernest Chukwudi Ebi, *MFR, FCIB, FICD*

Mr. Chidi Anya *ESQ*

Signed on behalf of the Committee by:

Chief Timothy Ayobami Adesiyan
Chairman of the Statutory Audit Committee
FRC /2013/ PRO/AUDITCOM/002 / 00000003745

March 26, 2024

Nexia
Agbo Abel & Co

Nexia Agbo Abel & Co
43 Anthony Enahoro Street
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REPORT OF THE INDEPENDENT AUDITORS
TO THE SHAREHOLDERS OF JULIUS BERGER NIGERIA PLC
ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of **Julius Berger Nigeria Plc** and its subsidiaries which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory information set out on pages 35 to 84.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of **Julius Berger Nigeria Plc** and its subsidiaries as at 31 December 2023 and the financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards, Companies and Allied Matters Act 2020 and the Financial Reporting Council of Nigeria (Amendment) Act 2023.

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 Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiaries in accordance with the requirements of the Institute of Chartered Accountants of Nigeria Professional Code of Conduct and Guide for Accountants (ICAN Code) and other independence requirements applicable to performing audits of financial statements in Nigeria. We have fulfilled our other ethical responsibilities in accordance with the ICAN Code and in accordance with other ethical requirements applicable to performing audits in Nigeria. The ICAN Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><td colspan="2">Revenue recognition</td></tr>
<tr><td colspan="2">See note 3.6 and note 8 to the consolidated financial statements.</td></tr>
<tr><td>Key audit matter</td><td>How our audit addressed the matter</td></tr>
<tr><td>Revenue is a significant measure of the performance of the group.

The Group has adopted IFRS 15 - Revenue from Contract with Customers. There is a risk of wrong application of the standard.</td><td>- Our audit procedures include testing of the design, existence and operating effectiveness of internal control procedures implemented as well as test of details to ensure accurate processing of revenue transactions.
- We obtained and reviewed contract documents to identify the contracts with customers and the performance obligations contained therein.
- We reviewed the allocation of contract price to the performance obligations contained in the contracts. We also reviewed Certificates of Valuation to ensure that revenue is recognised only when an agreed perfomance obligation is satisfied in accordance with contract.
- We performed substantive analytical procedures and investigated differences in excess of the threshold.
- We reviewed basis of valuation of foreign denominated contracts.
We performed cut-off tests to ensure that revenue were recognised in the right period.</td></tr>
</table>

Impairment of receivables	
See note 24 to the consolidated financial statements.	
Key audit matter	**How our audit addressed the matter**
Receivables represents earned revenue awaiting receipt of payment. The company holds longstanding receivables that may potentially become bad debts in recognising these, the directors have consistently conducted impairment assessments on these outstanding receivables	- Our audit procedures were designed to test the existence and recoverability of trade receivables. - We obtained and reviewed the appropriateness of the report of impairment test on receivables carried by management during the year. - We performed ageing analysis of receivables. - We performed appropriate cut-off procedures to ensure the accounting entries were recorded in the appropriate accounting period
Contingent liabilities	
See notes 3.21, 33.1 and 37.2 to the consolidated financial statements.	
Contingent liabilities relate to estimates including costs related to litigation and claims. The Company is exposed to a number of litigation and claims. In recognising the contingent liabilities, the Directors determine their best estimate of related expenses and liabilities based on their judgment of specific details of the individual litigation and claims. Since actual expenses will depend on the future outcome of the litigation and claims, the provision for contingent liabilities is subject to inherent uncertainty.	- We received the list of outstanding litigation and claims and discussed the developments in the new and outstanding litigation and claims. - We considered management's assessment of the possible outcome of the litigation and claims for selected cases by discussing the matters with the legal team. - We corroborated the discussion held with management with confirmations from solicitors. - We recomputed the provisions for significant provisions.

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

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

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

Based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, if 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 regards.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Companies and Allied Matters Act 2020, the Financial Reporting Council of Nigeria (Amended) Act 20223, the International Financial Reporting Standards and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Company and its subsidiaries' 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 and its subsidiaries or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements
Our objectives are to obtain reasonable assurance about whether the consolidated 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 these consolidated statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for 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.
- Obtain an understanding of internal control 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 and its subsidiaries' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude 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 relating to events or conditions that may cast significant doubt on the Company and its subsidiaries' 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 consolidated 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 Company or its subsidiaries to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors 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 identify during our audit.

We also provide 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.

Report on other legal and regulatory requirements
In compliance with the requirements of the Fifth Schedule of the Companies and Allied Matters Act 2020, 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 Company and its subsidiaries have kept proper books of account, so far as appears from our examination of those books; and
iii) the consolidated statements of financial position and comprehensive income are in agreement with the books of account and returns.

Abel Onyeke, FCA - FRC/2012/ICAN/00000000119
for: Nexia Agbo Abel & Co
Chartered Accountants
Abuja, Nigeria
28 March 2024

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
0423928

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Agbo Abel & Co

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INDEPENDENT PRACTITIONER'S REPORT
TO THE MEMBERS OF JULIUS BERGER NIGERIA PLC
REPORT ON AN ASSURANCE ENGAGEMENT PERFORMED BY AN INDEPENDENT PRACTITIONER TO REPORT ON MANAGEMENT'S ASSESSMENT OF CONTROLS OVER FINANCIAL REPORTING.

What we have performed
We have performed an assurance engagement on Julius Berger Nigeria Plc and its subsidiaries' internal control over financial reporting as of December 31, 2023, based on FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting ("The Guidance") issued by the Financial Reporting Council of Nigeria and International Standards of Assurance Engagements other than Audits or Reviews of Historical Financial Information (ISAE 300 – Revised). The company's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Assessment of, and Report on the Entity's Internal Control over Financial Reporting. Our responsibility is to express an opinion on the company's Internal Control over financial reporting based on our assurance engagement.

Opinion
In our opinion, nothing has come to our attention that the internal control procedures over financial reporting put in place by management of **Julius Berger Nigeria Plc** and its' subsidiaries are not adequate as of 31 December 2023, based on the SEC Guidance on Implementation of Section 60 – 63 of The Investments and Securities Act 2007 issued by The Securities and Exchange Commission, and FRC Guidance on Management Report on Internal Control over Financial Reporting issued by Financial Reporting Council of Nigeria.

Basis for opinion
We conducted our assurance engagement in accordance with the Guidance, which requires that we plan and perform the assurance engagement and provide a limited assurance report on the entity's internal control over financial reporting based on our assurance engagement. As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

Definition and Limitations of Internal Control over Financial Reporting
A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with International Financial Reporting Standards, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or dispositions of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other matter

We also have audited, in accordance with the International Standards on Auditing, the Consolidated financial statements of Julius Berger Nigeria Plc and its subsidiaries and our report dated 28 March 2024 expressed an unqualified opinion.

Abel Onyeke - FCA-FRC/2012/ICAN/00000000119

for: **Nexia Agbo Abel & Co**
Chartered Accountants
Abuja, Nigeria

28 March 2024

JULIUS BERGER

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Group 12/31/2023 N'000	Group 12/31/2022 N'000	Company 12/31/2023 N'000	Company 12/31/2022 N'000
Revenue	8	443,439,239	440,981,644	421,487,176	425,761,125
Cost of sales		(374,304,088)	(366,363,897)	(363,990,157)	(361,325,395)
Gross profit		**69,135,151**	**74,617,747**	**57,497,019**	**64,435,730**
Marketing expenses		(1,044,194)	(179,926)	(939,886)	(159,951)
Administrative expenses		(52,861,790)	(48,799,811)	(44,278,510)	(42,380,873)
Impairment loss on trade and tax receivables	24.7	(6,087,712)	(3,932,706)	(4,774,176)	(3,743,474)
Other gains and losses	10	15,740,821	1,330,547	11,758,665	1,470,227
Foreign exchange acquisition		(6,170,463)	(4,626,331)	(6,170,463)	(4,626,331)
Operating profit		**18,791,813**	**18,409,520**	**13,092,649**	**14,995,328**
Investment income	9	6,989,050	1,222,439	7,052,043	1,372,395
Finance cost	11	(3,720,906)	(4,294,728)	(6,721,174)	(4,107,569)
Profit before tax		**22,059,957**	**15,337,231**	**13,423,518**	**12,258,192**
Income tax expense	14.1	(9,507,292)	(7,423,200)	(5,732,829)	(5,910,358)
Profit for the year	12	**12,552,665**	**7,914,031**	**7,690,689**	**6,347,834**
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss:					
Actuarial gains/(losses) on retirement benefits		300,501	103,254	218,365	(172,222)
Unclaimed dividend ploughed back to equity		289,423	-	289,423	-
Related tax	14.1	(99,165)	(26,671)	(72,060)	55,972
		490,759	76,583	435,728	(116,250)
Items that may be reclassified subsequently to profit or loss:					
Differences on translating foreign operations		40,363,008	(41,662)	-	-
Total comprehensive income		**53,406,432**	**7,948,952**	**8,126,417**	**6,231,584**
Attributable to:					
Owners of the company		53,297,809	7,907,741	8,126,417	6,231,584
Non-controlling interests		108,623	41,211	-	-
Total comprehensive income		**53,406,432**	**7,948,952**	**8,126,417**	**6,231,584**
Earnings per share					
Basic earnings per share (N)	15	7.78	4.92	4.81	3.97
Diluted earnings per share (N)	15	7.78	4.92	4.81	3.97

Assets	Note	Group 31/12/2023 ₦'000	Group 31/12/2022 ₦'000	Company 31/12/2023 ₦'000	Company 31/12/2022 ₦'000
Non-current assets					
Property, plant and equipment	16	80,505,456	84,276,915	76,609,705	81,422,901
Right of use assets	18	23,217,466	12,557,278	1,487,805	2,129,076
Goodwill	19.1	22,695,694	11,140,440	-	-
Other intangible assets	19.2	1,508,549	1,647,317	-	-
Investment property	20	2,535,867	1,620,118	2,535,867	1,620,118
Investment in subsidiaries	21.1	-	-	38,556,771	16,956,771
Other financial assets	21.2	1,667,933	1,485,863	-	-
Trade and other receivables	24	79,522,659	85,577,446	79,515,811	85,577,446
Tax receivable	25	69,240,264	42,282,563	68,777,458	41,787,287
Deferred tax assets	14.3	11,636,647	8,319,640	8,699,987	6,772,761
Total non-current assets		**295,998,405**	**247,597,166**	**256,540,501**	**234,026,579**
Current assets					
Inventories	22	61,346,685	43,287,669	57,840,221	40,898,014
Trade and other receivables	24	108,179,110	75,386,798	97,100,564	75,920,625
Tax receivable	25	18,950,295	24,612,035	18,503,467	24,265,870
Contract asset	26	50,961,590	60,251,137	41,505,474	58,572,148
Other financial assets	21.2	1,347,966	518,726	-	-
Cash and cash equivalents	30.1	160,970,102	33,431,745	136,351,975	43,018,864
		393,735,744	237,497,750	351,171,501	242,675,519
Assets classified as held for sale	17	1,207,881	1,376,360	1,206,122	1,376,366
Total current assets		**394,943,625**	**238,874,076**	**352,377,623**	**243,051,885**
Total assets		**690,942,030**	**506,271,242**	**608,918,284**	**477,878,264**
Equity and liabilities					
Equity					
Share capital	27	800,000	800,000	800,000	800,000
Share premium	27	425,440	425,440	425,440	425,440
Foreign currency translation reserve		56,264,985	15,905,977	-	-
Retained earnings		48,822,058	39,887,260	35,045,402	30,918,982
Equity attributable to owners of the Company		106,312,483	57,014,677	36,270,842	32,144,422
Non-controlling interests	28	158,673	47,050	-	-
Total equity		**106,468,156**	**57,061,727**	**36,270,842**	**32,144,422**
Non-current liabilities					
Borrowings	29	-	1,110,132	30,073,699	1,110,132
Deferred tax liabilities	14.3	25,428,404	13,429,246	13,609,033	12,397,767
Contract liabilities	23	422,446,032	327,816,245	422,446,033	327,816,245
Retirement benefit liabilities	30.2	3,810,899	4,687,084	3,080,973	3,367,050
Trade and other payables	31	2,400,032	3,595,029	2,400,032	3,213,120
Lease liabilities	32	22,150,976	12,973,416	656,976	859,641
Provisions	33	4,017,324	3,264,019	1,290,000	1,975,245
Total non-current liabilities		**479,253,667**	**366,479,171**	**473,453,766**	**350,709,644**
Current liabilities					
Contract liabilities	23	5,802,348	1,802,667	-	-
Bank overdrafts	29.1	961,298	337,605	961,298	337,605
Borrowings	29	5,511,466	2,346,294	5,511,466	2,348,299
Retirement benefit liabilities	30.1	47,317	423,275	35,889	406,371
Trade and other payables	31	73,398,264	60,232,621	75,135,380	78,902,282
Lease liabilities	32	3,602,652	2,073,517	93,675	343,090
Current tax payable	14.2	16,916,021	13,132,365	17,279,066	12,750,331
Total current liabilities		**105,238,207**	**80,573,344**	**97,213,986**	**95,828,198**
Total liabilities		**584,473,874**	**449,209,515**	**572,647,362**	**445,733,842**
Total equity and liabilities		**690,942,030**	**506,271,242**	**608,918,204**	**477,878,264**

These financial statements were approved by the directors on 28 March 2024 and signed on its behalf by:

Engr. Dr. Lars Richter
FRC/2019/COREN/00000019602
Managing Director

Mr. Christian Hausemann
FRC/2022/PRO/DIR/003/185872
Executive Director, Finance

The accounting policies on pages 35 to 50 and notes on pages 51 to 84 form part of these consolidated financial statements.

Group

	Share capital N'000	Share premium N'000	Foreign currency translation reserve N'000	Retained earnings N'000	Attributable to owners of the Company N'000	Attributable to non-controlling interest N'000	Total equity N'000
Balance at 1 January 2022	800,000	425,440	15,943,639	35,937,856	53,106,936	5,839	53,112,774
Profit for the year	-	-	-	7,872,820	7,872,820	41,211	7,914,031
Other comprehensive income (net of tax)	-	-	(41,662)	76,583	34,921	-	34,921
Dividends to shareholders	-	-	-	(4,000,000)	(4,000,000)	-	(4,000,000)
Balance at 1 January 2023	800,000	425,440	15,901,977	39,887,260	57,014,677	47,050	57,061,727
Profit for the year	-	-	-	12,444,039	12,444,039	108,623	12,552,662
Other comprehensive income (net of tax)	-	-	40,363,008	490,759	40,853,767	-	40,853,767
Total comprehensive income	-	-	40,363,008	12,934,798	53,297,806	108,623	53,406,429
Dividends to shareholders	-	-	-	(4,000,000)	(4,000,000)	-	(4,000,000)
Balance at 31 December 2023	**800,000**	**425,440**	**56,264,985**	**48,822,058**	**106,312,483**	**155,673**	**106,468,156**

Company

	Share capital N'000	Share premium N'000	Foreign currency translation reserve N'000	Retained earnings N'000	Attributable to owners of the Company N'000	Attributable to non-controlling interest N'000	Total equity N'000
Balance at 1 January 2022	800,000	425,440	-	28,687,398	29,912,838	-	29,912,838
Profit for the year	-	-	-	6,347,834	6,347,834	-	6,347,834
Other comprehensive income (net of tax)	-	-	-	(116,250)	(116,250)	-	(116,250)
Dividends to shareholders	-	-	-	(4,000,000)	(4,000,000)	-	(4,000,000)
Balance at 1 January 2023	800,000	425,440	-	30,918,982	32,144,422	-	32,144,422
Profit for the year	-	-	-	7,690,691	7,690,691	-	7,690,691
Other comprehensive income (net of tax)	-	-	-	435,729	435,729	-	435,729
Total comprehensive income	-	-	-	8,126,420	8,126,420	-	8,126,420
Dividends to shareholders	-	-	-	(4,000,000)	(4,000,000)	-	(4,000,000)
Balance at 31 December 2023	**800,000**	**425,440**	**-**	**35,045,402**	**36,270,842**	**-**	**36,270,842**

JULIUS BERGER

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Group 12/31/2023 N '000	Group 12/31/2022 N '000	Company 12/31/2023 N '000	Company 12/31/2022 N '000
Cashflows from operating activities					
Cash receipts from customers		599,180,826	525,482,002	557,917,212	512,000,570
Cash paid to suppliers and employees		(510,214,896)	(477,824,384)	(472,817,794)	(469,717,551)
Cash provided by operating activities		88,965,930	47,657,618	85,099,418	42,283,019
Cash paid for taxes		(1,390,590)	(944,998)	(820,365)	(570,375)
Foreign exchange acquisition		(6,170,463)	(4,626,331)	(6,170,463)	(4,626,331)
Net cash generated by operating activities	34	**81,404,877**	**42,086,289**	**78,108,590**	**37,086,313**
Cashflows from investing activities					
Purchase of property, plant and equipment	16	(6,062,881)	(23,029,398)	(5,518,362)	(22,653,869)
De-investment		587,120	531,214	-	-
Interest received	9	6,989,050	1,222,393	6,952,043	1,222,393
Dividend received		-	-	100,000	150,000
Proceeds from disposal of property, plant and equipment		4,817,326	1,021,462	4,823,326	981,611
Net cash generated/(used) in investing activities		**6,350,615**	**(20,255,328)**	**6,357,007**	**(20,299,865)**
Cashflows from financing activities					
Term loan	29.2.1	(3,326,061)	(2,306,179)	(3,326,061)	(2,306,179)
Payment of lease liabilities	32	(3,305,427)	(1,391,920)	(664,141)	-
Interest paid	11	(3,720,906)	(2,656,294)	(6,721,174)	(4,107,569)
Dividends paid		(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)
Net cash used in financing activities		**(14,352,394)**	**(10,554,393)**	**(14,711,376)**	**(10,413,749)**
Net increase in cash and cash equivalents		**73,403,099**	**11,276,568**	**69,754,221**	**6,372,699**
Cash and cash equivalents at 1 January		53,094,140	41,817,572	43,171,259	36,798,560
Effect of foreign exchange rate changes		33,511,565	-	22,465,197	-
Cash and cash equivalents at 31 December	34.1	**160,008,804**	**53,094,140**	**135,390,677**	**43,171,259**
Cash and cash equivalents consist of:					
Cash and bank balances		160,970,102	53,431,745	136,351,975	43,508,864
Bank overdraft		(961,298)	(337,605)	(961,298)	(337,605)
	34.1	**160,008,804**	**53,094,140**	**135,390,677**	**43,171,259**

1. General information

Julius Berger Nigeria Plc was incorporated as a private limited liability Company on 18 February 1970. The Company subsequently converted to a public liability company in 1979 with its shares quoted on the Nigerian Exchange Limited. It is registered in Nigeria with registration number, RC 6852. The address of its registered office and principal place of business are disclosed in the introduction to the annual report. The principal activities of the Company and its subsidiaries (the Group) are described in paragraph 2 of the directors' report to the consolidated financial statements.

2. Application of new and revised International Financial Reporting Standards (IFRS)

2.1 Amendments to IFRSs and the new interpretation that are mandatorily effective for the year ended 31 December 2023.

The following revisions to accounting standards and pronouncements were issued and effective at the reporting period.

Pronouncement	Nature of change	Required to be implemented for periods beginning on or after
Definition of Accounting Estimates (Amendments to IAS 8)	The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted. However, the IASB retained the concept of changes in accounting estimates in the Standard with the following clarifications: • A change in accounting estimate that results from new information or new developments is not the correction of an error • The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors. The IASB added two examples (Examples 4-5) to the Guidance on implementing IAS 8, which accompanies the Standard. The IASB has deleted one example (Example 3) as it could cause confusion in light of the amendments. The amendments are effective for annual periods beginning on or after 1 January 2023 to changes in accounting policies and changes in accounting estimates that occur on or after the beginning of that period, with earlier application permitted.	1 January 2023

2. Application of new and revised International Financial Reporting Standards (IFRS) (Continued)

2.1 Amendments to IFRSs and the new interpretation that are mandatorily effective for the year ended 31 December 2023.

The following revisions to accounting standards and pronouncements were issued and effective at the reporting period.

Pronouncement	Nature of change	Required to be implemented for periods beginning on or after
IFRS 17 Insurance Contracts	IFRS 17 was issued in May 2017 as replacement for IFRS 4 Insurance Contracts. It requires a current measurement model where estimates are re-measured each reporting period. Contracts are measured using the building blocks of: • discounted probability-weighted cash flows • an explicit risk adjustment, and • a contractual service margin ("CSM") representing the unearned profit of the contract which is recognised as revenue over the coverage period. The standard allows a choice between recognising changes in discount rates either in the income statement or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under IFRS 9. An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for short duration contracts, which are often written by non-life insurers. There is a modification of the general measurement model called the 'variable fee approach' for certain contracts written by life insurers where policyholders share in the returns from underlying items. When applying the variable fee approach the entity's share of the fair value changes of the underlying items is included in the contractual service margin. The results of insurers using this model are therefore likely to be less volatile than under the general model. The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features. The directors do not anticipate that the application of the Standard in the future will have an impact on the Consolidated Financial Statements.	1 January 2023

2. Application of new and revised International Financial Reporting Standards (IFRS) (Continued)

2.1 Amendments to IFRSs and the new interpretation that are mandatorily effective for the year ended 31 December 2023.

The following revisions to accounting standards and pronouncements were issued and effective at the reporting period.

Pronouncement	Nature of change	Required to be implemented for periods beginning on or after
Amendments to IAS 12 Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	The amendments to IAS 12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities. The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with: • right-of-use assets and lease liabilities, and • decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets. The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. IAS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.	1 January 2023

2. Application of new and revised International Financial Reporting Standards (IFRS) (Continued)

2.1 Amendments to IFRSs and the new interpretation that are mandatorily effective for the year ended 31 December 2023.

The following revisions to accounting standards and pronouncements were issued and effective at the reporting period.

Pronouncement	Nature of change	Required to be implemented for periods beginning on or after
International Tax Reform - Pillar two Model Rules (Amendments to IAS 12)	In December 2021, the Organisation for Economic Co-operation and Development (OECD) released the Pillar Two model rules (the Global Anti-Base Erosion Proposal, or 'GloBE') to reform international corporate taxation. Large multinational enterprises within the scope of the rules are required to calculate their GloBE effective tax rate for each jurisdiction where they operate. They will be liable to pay a top-up tax for the difference between their GloBE effective tax rate per jurisdiction and the 15% minimum rate. In May 2023, the IASB made narrow-scope amendments to IAS 12 which provide a temporary relief from the requirement to recognise and disclose deferred taxes arising from enacted or substantively enacted tax law that implements the Pillar Two model rules, including tax law that implements qualified domestic minimum top-up taxes described in those rules. The amendments also require affected companies to disclose: • the fact that they have applied the exception to recognisin and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. • their current tax expense (if any) related to the Pillar Tw income taxes, and • during the period between the legislation being enacted (substantially enacted and the legislation becoming effective, known or reasonably estimable information that would help users of financial statements to understand an entity's exposure to Pillar Two income taxes arising from that legislation. If this information is not known or reasonably estimable, entities are instead required to disclose a statement to that effect and information about their progress in assessing the exposure. * The amendments must be applied immediately, subject to any local endorsement process, and retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. However, the disclosures about the known or reasonably estimable exposure to Pillar Two income taxes are only required for annual reporting periods beginning on or after 1 January 2023 and do not need to be made in interim financial reports for interim periods ending on or before 31 December 2023.	1 January 2023*

2. Application of new and revised International Financial Reporting Standards (IFRS) (Continued)

2.1 Amendments to IFRSs and the new interpretation that are mandatorily effective for the year ended 31 December 2023.

The following revisions to accounting standards and pronouncements were issued and effective at the reporting period.

Pronouncement	Nature of change	Required to be implemented for periods beginning on or after
Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements – Disclosure of Accounting Policies	The group has adopted the amendments to IAS 1 for the first time in the current year. The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The IASB has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.	1 January 2023

2. Application of new and revised International Financial Reporting Standards (IFRS) (Continued)

2.2 New and revised IFRSs that are not mandatorily effective (but allow early application) for the year ended 31 December 2023.

The following revisions to accounting standards and pronouncements were issued but not effective at the reporting period (Earlier application is permitted in some cases).

Pronouncement	Nature of change	Required to be implemented for periods beginning on or after
Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants (Amendments to IAS 1)	Amendments made to IAS 1 Presentation of Financial Statements in 2020 and 2022 clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date. The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The disclosures include: •the carrying amount of the liability •information about the covenants, and •facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants. The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument. However, conversion options that are classified as a liability must be considered when determining the current/non-current classification of a convertible note. The amendments must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Special transitional rules apply if an entity had early adopted the 2020 amendments regarding the classification of liabilities as current or non-current.	1 January 2024
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	In September 2022, the IASB finalised narrow-scope amendments to the requirements for sale and leaseback transactions in IFRS 16 Leases which explain how an entity accounts for a sale and leaseback after the date of the transaction. The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that *do not* depend on an index or a rate.	1 January 2024

2. Application of new and revised International Financial Reporting Standards (IFRS) (Continued)

2.2 New and revised IFRSs that are not mandatorily effective (but allow early application) for the year ended 31 December 2023.

The following revisions to accounting standards and pronouncements were issued but not effective at the reporting period (Earlier application is permitted in some cases).

Pronouncement	Nature of change	Required to be implemented for periods beginning on or after
Supplier finance arrangements (Amendments to IAS 7 and IFRS 7)	The IASB has issued new disclosure requirements about supplier financing arrangements ("SFAs"), after feedback to an IFRS Interpretations Committee agenda decision highlighted that the information required by IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures falls short of meeting user information needs. The objective of the new disclosures is to provide information about SFAs that enables investors to assess the effects on an entity's liabilities, cash flows and the exposure to liquidity risk. The new disclosures include information about the following: The terms and conditions of SFAs. 1. The carrying amounts of financial liabilities that are part of SFAs and the line items in which those liabilities are presented. 2. The carrying amount of the financial liabilities in (b) for which suppliers have already received payment from the finance providers. 3. The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements. 4. Non-cash changes in the carrying amounts of financial liabilities in (b). 5. Access to SFA facilities and concentration of liquidity risk with finance providers. The IASB has provided transitional relief by not requiring comparative information in the first year, and also not requiring disclosure of specified opening balances. Further, the required disclosures are only applicable for annual periods during the first year of application. Therefore, the earliest that the new disclosures will have to be provided is in annual financial reports for December 2024 year-ends, unless an entity has a financial year of less than 12 months.	1 January 2024

2. Application of new and revised International Financial Reporting Standards (IFRS) (Continued)

2.2 New and revised IFRSs that are not mandatorily effective (but allow early application) for the year ended 31 December 2023.

The following revisions to accounting standards and pronouncements were issued but not effective at the reporting period (Earlier application is permitted in some cases).

Pronouncement	Nature of change	Required to be implemented for periods beginning on or after
Sale or contribution of assets between an investor and its associate or joint venture - (Amendments to IFRS 10 and IAS 28)	The IASB has made limited scope amendments to IFRS 10 Consolidated financial statements and IAS 28 Investments in Associates and Joint Ventures. The amendments clarify the accounting treatment for sales or contribution of assets between an investor and its associates or joint ventures. They confirm that the accounting treatment depends on whether the non-monetary assets sold or contributed to an associate or joint venture constitute a 'business' (as defined in IFRS 3 Business Combinations). Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. If the assets do not meet the definition of a business, the gain or loss is recognised by the investor only to the extent of the other investor's investors in the associate or joint venture. The amendments apply prospectively. ** In December 2015, the IASB decided to defer the application date of this amendment until such time as the IASB has finalised its research project on the equity method. The directors do not anticipate that the application of the amendments in the future will have an impact on the consolidated financial statements.	N/A

N/A: The effective date of the amendments is yet to be set by the IASB

3. Material accounting policy information

3.1 Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards.

3.2 Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments, actuarial valuation, inventory measured at fair value, amortised cost, projected credit method and net realizable value. The following are the significant accounting policies adopted by the Group in the preparation of these consolidated financial statements.

The accompanying consolidated and separate financial statements in Nigerian Naira (the functional currency of the Group) have been prepared in accordance with IFRS, IAS Standards and Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standard Interpretations Committee (SIC Interpretations). Beforementioned as issued by the International Accounting Standards Board (IASB) and adopted by the Financial Reporting Council of Nigeria (FRCN) and as applicable, the Companies and Allied Matters Act (CAMA), 2020.

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.

The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future period.

3.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved when the Company:

- has power over the investee;
- is exposed, or has right, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns

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

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

- the size of the Company's holding of the voting rights relative to the size and dispersion of the holding of other vote holders
- potential voting rights held by the Company, other holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meeting.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements of profit or loss and other comprehensive income from the date the Company gains control until the date the Company ceases to control the subsidiary.

Profit or loss and each component of the other comprehensive income is attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

When necessary, adjustments are made to the consolidated financial statements of the subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cashflows relating to transactions between members of the Group are eliminated in full on consolidation.

3. Material accounting policy information (Continued)

3.3.1 Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between:

- the aggregate of the fair value of the consideration received and the fair value of any retained
- the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Group had directly disposed of the relevant assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9.

3. Material accounting policy information (Continued)

3.4 Business combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 and IAS 19 respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 Share-based Payment at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IFRS 9, or IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

3. Material accounting policy information (Continued)

3.4.1 Acquisition of interests from non-controlling shareholders

Acquisitions of non-controlling interests are accounted for as transactions within equity. There is no measurement to fair value of net assets acquired that were previously attributable to non-controlling shareholders.

3.5 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or Groups of cash-generating units) that is expected to benefit from the synergies of the combination. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3.6 Revenue recognition

3.6.1 Goods and services:

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced with estimated customer returns, rebates and other similar allowances. Revenue is recognised when the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the entity. However, when an uncertainty arises about the collectability of an amount already included in revenue, the uncollectible amount, or the amount in respect of which recovery has ceased to be probable, is recognised as an expense.

Sale of goods: Revenue from the sale of goods is recognised when the goods are delivered and titles have passed and the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. Revenue represents the net invoice value of sales to third parties and it is recognised when significant risks and rewards of ownership of the goods have been transferred to the buyer.

Rendering of services: Revenue from rendering of services is recognised in the period the services are rendered. Revenue is recognised only when it is probable that the economic benefits associated with the transaction will flow to the entity.

Revenues from other income generated from refunds and recoveries by insurance companies and other regulatory bodies are recognized when net cash is received.

3.6.2 Construction contracts

The Group provides services under long term construction contracts with customers where such contracts are entered into before construction begins. Under the terms of the contracts, the Group is contractually restricted from redirecting the construction works to another customer and has an enforceable right to payment for work done. In accordance with IFRS 15, the group recognizes revenues when a performance obligation is satisfied and approved by the customer accordingly or whenever circumstances and situations objectively indicate that the respective invoice amount can be considered as approved. As long as revenue cannot be recognized appropriately, the group recognizes a contract asset, see Note 3.7.

3. Material accounting policy information (Continued)

3.7 Contract Assets

As long as revenue cannot be recognized appropriately, the group recognizes an asset from the cost incurred in fulfilling a contract with a customer, once these costs directly relate to the fulfilment of the contract, enhance or generate resources that will be used to satisfy the performance obligation and are expected to be recovered by the customer. Any amount previously recognised as a contract asset is reclassified to trade receivables once it is qualified as such in line with IFRS 15, see Note 3.6.2.

3.8 Advance payments received

Advanced payments received are amounts received before the related work is performed and are assessed on initial recognition to determine whether it is probable that it will be repaid in cash or another financial asset. In this instance, the advance payment is classified as a non-trading financial liability that is carried at amortised cost. If it is probable that the advance payment will be repaid with goods or services, the liability is carried at historic cost.

3.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.10 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses, if any.

Self-produced assets in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes direct costs, appropriate allocations of materials and other overheads associated with the production of the assets, professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Maintenance, repairs, and renewals are generally charged to expense during the financial period in which they are incurred. However, major renovations are capitalised and included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group.

No depreciation to land and capital work in progress applies.

Losses or gains on disposals of assets are recognised in the Profit or Loss under 'other gains and losses'.

Depreciation is recognised so as to write-off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

	Residual values (%) on cost	Useful lives (years)
Building	10	25
Plant and machinery	5	10
Office Equipment	5	8
IT Equipment	5	5

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. Material accounting policy information (Continued)

3.10 Property, plant and equipment (Continued)

3.10.1 Capitalisation

Expenditure related to an acquisition or repair is capitalized only if it extends the useful lives or increases the production capacity of the assets in question. The identification of such expenses is based on a certain criteria identified by management and/or threshold reviewed from time to time. The criteria as set in the preparation of these financial statements are as follows:

3.10.1.1 Items to capitalise

- Any purchase of a piece of equipment (i.e. office furniture, machinery, equipment, etc.) of not less than N5,000,000.
- Expenditures in the nature of repairs of not less than N5,000,000.
- Computer and related equipment of not less than N5,000,000.
- Expenditure on building of not less than N5,000,000.

3.10.1.2 Items to be expensed

- Any item that will not last more than 12 months should be currently expensed when used.
- Any purchase of a piece of equipment (i.e. office furniture, machinery, equipment, etc.) that is less than N5,000,000.
- Expenditures in the nature of repairs can be expensed if less than N5,000,000.
- Computers and related equipment that is less than N5,000,000.

3.11 Investment property

All property classified as investment property are measured at cost. Investment property is recognized when it is probable that the company will enjoy the future economic benefits which are attributable to it, and when the cost or fair value can be reliably measured. Costs include directly attributable expenditure such as legal fees and property transfer taxes.

Transfers to or from investment property is made only when there is a demonstrated "change in use" as a result of a transfer:

- From investment property to owner-occupied property, when owner-occupation commences;
- From investment property to inventories, on commencement of development with a view to sale;
- From an owner-occupied property to investment property, when owner-occupation ends;
- Of inventories to investment property, when an operating lease to a third party commences; or
- Of property in the course of development or construction to investment property, at end of the construction or development.

An investment property is derecognized on disposal or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gains or losses arising on the disposal or retirement of an investment property is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss. Depreciation is recognised so as to write-off the cost of investment properties less their residual values over their useful lives, using the straight line method. Where such investment properties are revalued, depreciation is recognized over the useful life of the asset in a pattern which best reflects the consumption pattern over the estimated useful life of such assets.

3. Material accounting policy information (Continued)

3.12 Non current assets held for sale

Non-current assets and disposal Groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset (or disposal Group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of
Non-current assets (and disposal Groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

3.13 The group's leasing activities and how these are accounted for

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group.

Contracts may contain both lease and non-lease components. The group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.
Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:
- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the group under residual value guarantees
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.
The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

3.13.1 The Group as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.
Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

3.13.2 The Group as lessee

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments, except for short-term leases with a lease term of 12 months or less. The corresponding liability to the lessor is included in the consolidated and separate statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

3. Material accounting policy information (Continued)

3.13.2 The Group as lessee (Continued)

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

3.14 Intangible assets

An intangible asset is an identifiable, non-monetary asset that has no physical substance. An intangible asset is recognised when it is identifiable; the Group has control over the asset; it is probable that economic benefits will flow to the Group; and the cost of the asset can be measured reliably.

3.14.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

3.14.2 Internally-generated intangible assets - Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised when all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred. Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

3.14.3 Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

3.14.4 Intangible assets from service concession arrangement

IFRIC 12, Service Concession Arrangements are arrangements whereby a government or other body (the grantor) grants contracts for the supply of public services, such as roads, energy distribution, prisons or hospitals, to a private sector entity (the operator). These are often referred to as 'public-to-private' arrangements.

3. Material accounting policy information (Continued)

3.14 Intangible assets (Continued)

3.14.4 Intangible assets from service concession arrangement (Continued)

Some common features of service concession arrangements are as follows. [IFRIC 12:3]

• The grantor is a public sector entity, including a governmental body, or a private sector entity to which the responsibility for the service has been devolved.

• The operator is responsible for at least some of the management of the infrastructure and related services and does not merely act as an agent on behalf of the grantor.

• The contract sets the initial prices to be levied by the operator and regulates price revisions over the period of the service arrangement.

• The operator is obliged to hand over the infrastructure to the grantor in a specified condition at the end of the period of the arrangement, for little or no incremental consideration irrespective of which party initially financed it.

In accounting for service concession arrangement, IFRIC 12 permits the use of any one of three models which are:

• Financial asset model
• Intangible asset model
• Bifurcated model

Financial Asset Model: The financial asset model applies if the operator has a contractual right to receive cash from or at the direction of the grantor and the grantor has little, if any, discretion to avoid payment.

Intangible Asset Model: The intangible asset model applies if the operator receives the right (license) to charge users, or the grantor, based on the usage of the public service. There is no unconditional right to receive cash because the amounts are contingent on the extent to which the public uses the service. [IFRIC 12:17]

Bifurcated Model: Bifurcated model applies when an operator receives a financial asset and an intangible asset as consideration.

Based on the contract between the Nigerian Port Authority (NPA) and Julius Berger Service Limited, the amount to be received by the Company is dependent on the extent that the public uses the Multi-Purpose Terminal. Specifically, the Company has a right to charge users of the terminal over the 25 years agreement term: to this extent, the arrangement will be recognised as an intangible in the books of the Company.

Accounting for contractual payments

Under the intangible asset model, concession payments would be treated in accordance with IAS 38 as part of the consideration for the intangible asset. Concession fees are much more commonly a feature of arrangements which follow the intangible asset model.

Consequently, the operator will recognize revenue for services operations, the intangible asset will be recognized as the present value of periodic payment taking into consideration the effective discount rate on the contract with a corresponding recognition of a financial liability and an unwinding discount on the concession fee. The intangible asset will be amortized in equal annual instalments over the term of the contract.

3.14.5 Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

3.15 Inventories

Inventories are stated at the lower of cost or net realisable value. Net realisable value is the amount that can be realised from the sale of the inventory in the normal course of business after allowing for the costs of realisation.

In addition to the cost of materials and direct labour, an appropriate proportion of production overhead that have been incurred in bringing the inventories to their present location and condition is included in the inventory values. An allowance is recorded for excess inventory and obsolescence is based on the lower of cost or net realisable value.

Cost is determined using standard cost, which approximates actual cost, on a First-In-First-Out (FIFO) basis or weighted average cost method.

3. Material accounting policy information (Continued)

3.16 Taxation

Taxation represents the sum of income tax currently payable and deferred tax.

3.16.1 Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where income tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.16.2 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Group supported by previous experience in respect of such activities and in certain cases based on specialist independent tax.

3.16.3 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated and separate financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Provision for deferred taxation is made by the liability method and calculated at the tax rate that applies during the period of reversal on the differences between the net book value of qualifying property, plant and equipment and their corresponding tax written down values. Also consideration is given for provision for retirement benefit which have not been paid in the year.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates enacted by the end of the reporting period.

3.17 Foreign currencies

All transactions in foreign currencies are recorded in Naira at the rate of exchange ruling at the dates of the transactions. Monetary items are converted to Naira at the rates of exchange ruling at the reporting date. All differences arising there from are taken to the profit or loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

For the purposes of presenting consolidated and separate financial statements, the assets and liabilities of the Group's foreign operations are translated into Currency Units using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Goodwill and fair value adjustments on identifiable assets and liabilities acquired arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income and accumulated in equity.

3.18 Dividends

Dividends on ordinary shares to shareholders are recognised in equity in the period in which they are paid or, if earlier, approved by the shareholders at the Annual General Meeting.

3.18.1 Unclaimed dividend

Segregated accounts are maintained for unclaimed dividends and are recoverable by shareholders within twelve years and actionable only when declared. Any amounts standing to the credit of unclaimed dividend are invested separately while amounts unclaimed after twelve years are taken to retained earnings in line with CAMA.

3. Material accounting policy information (Continued)

3.19 Retirement benefits

3.19.1 Defined contribution plan

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Retirement benefit plans for members of staff are structured through a defined contributory pension scheme, which is independent of the Group's finances and is managed by Pension Fund Administrators. The scheme, which is funded by contributions from both employees and employer at 8% and 10% respectively, is consistent with the Pension Reform Act 2014.

3.19.2 Defined benefit plan

For defined retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out periodically so that a provision for the present value of the estimated cost for liabilities due at the reporting date in respect of employees' terminal gratuities based on qualifying years of service and applicable emoluments as per operating collective agreement is being made in the statement of financial position.

3.19.3 Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated.

3.19.4 Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

3.19.5 Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

3.20 Financial instruments

Financial assets and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.20.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3.20.1.1 Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount.
Income is recognised on an effective interest basis for debt instruments measured subsequently at amortised cost. Interest income is recognised in profit or loss and is included in the "investment income" line item.

3. Material accounting policy information (Continued)

3.20.1.2 Classification of financial assets

All recognised financial assets are measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

• the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

• the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

• the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and

• the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently.

3.20.1.3 Trade and other receivables

Trade and other receivables are initially recognised at fair value, and are subsequently classified as loans and receivables and measured at amortised cost using the effective interest rate method. The provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due in accordance with the original terms of the credit given and includes an assessment of recoverability based on historical trend analyses and events that exist at reporting date. The amount of the provision is the difference between the carrying value and the present value of estimated future cash flows, discounted at the effective interest rate computed at initial recognition.

Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

• the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and

• the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

3.20.1.4 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Bank overdrafts are not offset against positive bank balances unless a legally enforceable right of offset exists, and there is an intention to settle the overdraft and realise the net cash simultaneously, or to settle on a net basis. All short term cash investments are invested with major financial institutions in order to manage credit risk.

3.20.1.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. The foreign exchange component forms part of its fair value gain or loss. Therefore, for financial assets that are classified as at FVTPL, the foreign exchange component is recognised in profit or loss.

For foreign currency denominated debt instruments measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the financial assets and are recognised in the 'other gains and losses' line item in the Profit or loss.

3. **Material accounting policy information (Continued)**

3.20.1.6 Impairment of financial assets

Financial assets that are measured at amortised cost are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the asset have been affected.

The Group recognises loss allowances for Expected Credit Losses (ECLs) on:
- Financial assets measured at amortised cost;
- Debt investments measured at FVOCI; and
- Contract assets.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:
- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty or
- breach of contract, such as a default or delinquency in interest or principal payments or
- it becoming probable that the borrower will enter bankruptcy or financial reorganisation or
- the disappearance of an active market for that financial asset because of financial difficulties

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

The amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows reflecting the amount of collateral and guarantee, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written-off against the allowance account.

Subsequent recoveries of amounts previously written-off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

3. Material accounting policy information (Continued)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

3.20.1.7 Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

In addition, on derecognition of a financial asset that is classified as fair-value-through-other-comprehensive-income (FVTOCI), the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is reclassified to retained

3.20.2 Financial liabilities and equity instruments

3.20.2.1 Classification as debt or equity

Debt and equity instruments issued by a Group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3.20.2.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

3.20.2.3 Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'. The Group does not have financial liabilities classified as financial liabilities 'at FVTPL'.

Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

3.20.2.4 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the 'other gains and losses' line item (note 10) in the profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period, for financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

3. Material accounting policy information (Continued)

3.20.2.5 De-recognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

3.21 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.21.1 Contingent liabilities

During the evaluation of whether certain liabilities represent contingent liabilities or provisions, management is required to exercise significant judgment. Based on the current status, facts and circumstances, management concluded that disputes with claimants (as disclosed in Note 33.1 and 37.2) should be classified as contingent liabilities with regards to the dispute amounts. On this basis, management assesses the risk amounts as described in Note 33.1.

3.22 Related parties

Parties are considered to be related if one party has the ability to control or jointly control the other party or exercise significant influence over the other party in making financial and operating decisions. Key management personnel are also regarded as related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including all executive and non-executive directors. Related party transactions are those where a transfer of resources or obligations between related parties occur, regardless of whether or not a price is charged.

3.23 Earnings per share

The Group presents basic earnings per share (EPS) for its ordinary shares. Basic earnings per share (EPS) is calculated by dividing the profit or loss (2022: total comprehensive income) attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares in issue during the year. Diluted earnings per share (DPS) are calculated using fully diluted shares outstanding (i.e. including the impact of stock option grants and convertible bonds).

3.24 Segment reporting

Segment information is presented in respect of the Group's business segments. The business segments are determined by management based on the Group's internal reporting structure. The determination of the Group's operating segments is based on the organisation units for which information is reported to the Group's management. The Group has four segments, Building, Civil, Services and Diversification. The four segments have separate management and reporting structures and are considered separately reportable operating segments. Certain headquarter activities are reported as "Corporate." These consist of corporate headquarters, including the Corporate Executive Committee, corporate communications, corporate human resources, corporate finance, including treasury, taxes and pension fund management, corporate legal and corporate safety and environmental services.

A segment is a distinguishable component of the Group that is engaged in providing related products or services (business segment) or in providing products or services within a particular economic environment (geographical segment), which is subject to risk and rewards that are different from those of other segments.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

3. **Material accounting policy information (Continued)**

3.24 Segment reporting (Continued)

Transfer prices between operating segments are set on an arm's length basis. Operating assets and liabilities consist of property, plant, and equipment, goodwill and intangible assets, trade receivables/payables, inventories and other assets and liabilities, such as provisions, which can be reasonably attributed to the reported operating segments. Non-operating assets and liabilities mainly include current and deferred income tax balances, postemployment benefit assets/liabilities and financial assets/liabilities such as cash, marketable securities, investments and debt.

3.25 Impairment

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or the cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.26 Transfer pricing

Transactions between entities in the Group and all connected persons are carried on in a manner consistent with the arm's length principle using the appropriate transfer pricing method.

3.27 Decommissioning provisions

The provision for decommissioning serves to cover the costs associated with the decommissioning of assets. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied for existing obligations are added to or deducted from the cost of the asset. Estimated future costs for decommissioning obligations arising after the related asset is brought into use are recognised in the Profit or loss.

3.28 Financial income and cost

Financial income comprises interest income on funds invested, dividend income, net gains on the disposal of held-for-sale financial assets, net fair value gains on financial assets at fair value through profit or loss, net gains on the re-measurement to fair value of any pre-existing available-for-sale interest in an acquiree, and net gains on hedging instruments that are recognized in the Profit or loss.

Financial costs on the other hand represent interest on loans, overdraft and related facilities.

Interest income and cost is recognized on accrual basis in the Statement of income, using the effective interest method. Dividend income is recognized in the Statement of income on the date that the Company's right to receive payment is established, which in the case of quoted securities is normally the ex-dividend date.

4. Critical judgement areas and estimation of key sources of uncertainty

In the application of the Group's accounting policies, which are described in note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

4.1 Critical judgments in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

4.1.1 Taxes

The group is subject to various forms of taxes. Significant judgement is required in determining the provision for income and other related taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

4.1.2 Judgements in determining the timing of satisfaction of performance obligations

In making their judgement, the directors considered the detailed criteria for the recognition of revenue set out in IFRS 15 and, in particular, whether the Group had transferred control of the goods to the customer or received acknowledgment of the services provided.

4.1.3 Allowance for doubtful debts/ receivables

As explained in note 3.20.1.6, Expected Credit Losses (ECL) are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward looking information.

4.1.4 Review of the useful lives of tangible assets

The Directors believes that the consumption pattern on items of property, plant and equipment is such that the book value is spread equally over the useful life of the assets. The judgment exercised is based on past experience with similar assets, technological obsolescence and declining residual values.

4.1.5 Write down of inventories to net realisable value

Inventories are measured at the lower of cost and net realizable value. Net realizable value represents the estimated selling price for inventories less estimated costs of completion and costs necessary to make the sale. Management has written down inventories that are obsolete to a nil value after considering the non-movements and non-usability of these inventory items for two (2) years . Write-back of previous allowances on inventory are effected when the items are subsequently put into use.

4.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the financial reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed in the following sub-notes.

4. Critical judgements areas and estimation of key sources of uncertainty (Continued)

4.2.1 Provision for gratuity

Within the Group, Julius Berger Nigeria Plc (the Company) operates an unfunded defined benefit scheme which entitles staff who put in a minimum qualifying working period of five years to gratuity upon leaving the employment of the Company. IAS 19 requires the application of the Projected Unit Credit Method for actuarial valuations. Actuarial measurements involve the making of several demographic projections regarding mortality, rates of employee turnover etc and financial projections in the area of future salaries and benefit levels, discount rate, inflation etc.

4.2.2 Impairment loss on property, plant and equipment

Management considered several factors to assess items of property, plant and equipment for impairment, some of which includes the physical damage caused by accidents, technological obsolescence, decline in value etc. The individual assets' carrying values were compared with their recoverable amount and impairment losses have been recognised on those assets. In determining fair value less cost to sell, management has derived fair value information from the sales proceeds received on similar assets. This is the best information available to reflect the amount that the Group could obtain, at the end of the reporting period, from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

4.2.3 Calculation of loss allowance

When measuring the expected credit loss (ECL) the Group uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

5. Changes in accounting policies and estimates.

Except for the changes below, the Group has consistently applied the accounting policies to all periods presented in these consolidated financial statements.

5.1 Revision of capitalisation threshold

Effective 1 January 2023, the estimated capitalisation threshold for items of property, plant and equipment used will be revised. The following represents the new capitalisation threshold for items of property plant and equipment:

5.1.1 Items to capitalise

Any purchase of a piece of equipment (i.e. office furniture, machinery, equipment, etc.) of not less than N5,000,000.

Expenditures in the nature of repairs of not less than N5,000,000.

Computer and related equipment of not less than N5,000,000.

Expenditure on building of not less than N5,000,000.

5.1.2 Items to be expensed

Any item that will not last more than 12 months should be currently expensed when used.

Any purchase of a piece of equipment (i.e. office furniture, machinery, equipment, etc.) that is less than N5,000,000.

Expenditures in the nature of repairs can be expensed if less than N5,000,000.

Computers and related equipment that is less than N5,000,000.

5.2 Measurement of right-of-use assets

With effect from 1 January 2023, leases of low-value assets will comprise of leases that are less than N5,000,000. Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

The associated right-of-use assets for property leases which were measured prior to 1 January 2023 will continue to exist. This change has no any impact on the current financial statement.

6. Revenue

6.1 Disaggregated revenue information

Group	Government		Private		Total Reportable Segments	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
	N'000	N'000	N'000	N'000	N'000	N'000
Primary geographical markets						
Nigeria	387,265,816	364,684,339	40,141,803	69,621,271	427,407,619	434,305,610
Europe	-	-	16,031,620	6,676,034	16,031,620	6,676,034
	387,265,816	**364,684,339**	**56,173,423**	**76,297,305**	**443,439,239**	**440,981,644**
Major product/services lines						
Civil works	315,767,201	266,701,868	-	30,340,557	315,767,201	297,042,425
Building works	51,188,741	86,133,381	26,123,391	19,753,262	77,312,132	105,886,643
Services	20,309,874	11,849,090	28,676,262	25,949,224	48,986,136	37,798,314
Diversification	-	-	1,373,770	254,262	1,373,770	254,262
	387,265,816	**364,684,339**	**56,173,423**	**76,297,305**	**443,439,239**	**440,981,644**
Timing of revenue recognition						
At a point in time	20,309,874	11,849,090	30,050,032	26,203,486	50,359,906	38,052,575
Over time	366,955,942	352,835,249	26,123,391	50,093,820	393,079,333	402,929,068
	387,265,816	**364,684,339**	**56,173,423**	**76,297,305**	**443,439,239**	**440,981,644**

Company	Government		Private		Total Reportable Segments	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
	N'000	N'000	N'000	N'000	N'000	N'000
Primary geographical markets						
Nigeria	387,265,816	364,684,338	34,141,360	61,076,787	421,407,176	425,761,125
Europe	-	-	-	-	-	-
	387,265,816	**364,684,338**	**34,141,360**	**61,076,787**	**421,407,176**	**425,761,125**
Major product/services lines						
Civil works	315,767,201	266,701,867	-	30,340,557	315,767,201	297,042,424
Building works	51,188,741	86,133,381	23,568,726	18,147,605	74,757,467	104,280,986
Services	20,309,874	11,849,090	9,198,864	12,334,363	29,508,738	24,183,453
Diversification	-	-	1,373,770	254,262	1,373,770	254,262
	387,265,816	**364,684,338**	**34,141,360**	**61,076,787**	**421,407,176**	**425,761,125**
Timing of revenue recognition						
At a point in time	20,309,874	11,849,090	10,572,634	12,588,625	30,882,508	24,437,715
Over time	366,955,942	352,835,248	23,568,726	48,488,162	390,524,668	401,323,410
	387,265,816	**364,684,338**	**34,141,360**	**61,076,787**	**421,407,176**	**425,761,125**

6.2 Transaction Price allocated to the remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date.

	Group			Company		
	2024	2025	Total	2024	2025	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Civil Works	310,000,000	375,000,000	685,000,000	310,000,000	375,000,000	685,000,000
Building Works	72,000,000	103,000,000	175,000,000	69,000,000	100,000,000	169,000,000
Services	46,000,000	70,000,000	116,000,000	20,000,000	25,000,000	45,000,000
Diversification	-	-	-	-	-	-
Total	**428,000,000**	**548,000,000**	**976,000,000**	**399,000,000**	**500,000,000**	**899,000,000**

All contracts with customers has been considered in the amounts presented above.

The Group applies the practical expedient in paragraph 121 (b) of IFRS 15 and recognizes revenue in the amount to which the Group has the right to invoice.

6.3 Performance obligations

Information about the Group's performance obligations are summarised below:

Civil works

The performance obligation here is satisfied over-time and payment is generally due upon progress report and acceptance of the customer. In some contracts, short-term advances are required before these works are

Building works

The performance obligation here is satisfied over-time and payment is generally due upon progress report and acceptance of the customer. In some contracts, short-term advances are required before these works are

Services

The performance obligation here is either satisfied over-time or in time of providing services. Payment is due upon progress report and acceptance of the customer or when contractual services are fully provided. In some contracts, short-term advances are required before these services are provided.

Diversification

The performance obligation here is satisfied upon contractual agreed delivery of products to the customer.

7. Segmental analysis

The Company has determined its business segments based on the information reviewed for the purpose of efficiently allocating resources for the execution of its operations. The Company assesses the performance of business segments based on a measure of adjusted Earning Before Interest and Tax (EBIT). This measurement basis excludes investment income, finance costs and taxes. These income and expenditures are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Company.

Julius Berger Nigeria Plc has three core business segments which offer civil works, building works and services to third parties across Nigeria and abroad. The fourth business segment reported as diversification comprises opportunities developed by the Company that are operationally new and contribute to the Group's results. Principal activities in the latter are described in Note 7.1. Julius Berger Nigeria Plc is organised by operational regions; which manage and report progress for all business segments within their respective region. The Company has an institutionalised framework (under the leadership of the Managing Director) which regularly reviews the performance of the operational regions.

7.1 Principal segment activities

Civil works

This segment provides professional services in the areas of engineering, construction and maintenance for a wide range of infrastructure works. This include:

- Essential traffic networks in, around and between the major cities of the country.
- Turnkey harbours, wharfs, jetties, loading installations and warehouses.
- Refurbishment and construction of airports in conformity with global aviation regulations.
- Design and construction of auxiliary buildings for factories, oil and gas installations and power plants for the oil, gas and energy sector.

The civil works of the subsidiary, Julius Berger Free Zone Enterprise are captured here as well.

Building works

This segment provides professional services in a wide range of building areas. They include:

- Design and construction of buildings that meet the Leadership in Energy and Environmental Design (LEED) standards for certification.
- Design and construction of administration, commercial and industrial buildings, hotels, hospitals, sports facilities and residential districts.

Building works executed by the Subsidiaries Julius Berger Free Zone Enterprise as well as Abumet Nigeria Limited are captured here.

7. Segmental analysis (Continued)

7.1 Principal segment activities (Continued)

Services

This segment includes all other services of the Company which are indirectly linked to the core business: Facility management solutions, which ensure that the useful life of a building is extended and repair or renovation costs are significantly reduced. With the use of computer assisted facility and resource management, work flows and process controlling can be optimized and operating costs can be reduced.

Services by Subsidiaries and Business Units which are offered to Company and external clients:

- Stevedoring and port operation services of Julius Berger Services Nigeria Limited, Warri.
- Design and engineering services of Primetech Design and Engineering Nigeria Limited.
- Medical services of Julius Berger Medical Services Limited.
- Design, Engineering and Procurement Services by Julius Berger International GmbH.
- Activities of Julius Berger Investment Limited to ensure further diversification of the Group.
- The business unit Furniture Production which supplies high quality furniture and interior fittings.

Diversification

The segment comprises of the business unit Cashew Processing in Epe, Lagos. This includes the purchase, processing of raw cashew nuts and sale of cashew kernels and other cashew products.

	Group		Company	
7.2 Segment revenue	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
Class of business:	**N'000**	**N'000**	**N'000**	**N'000**
Civil works	315,767,201	297,042,425	315,767,201	297,042,424
Building works	77,312,132	105,886,643	74,757,468	104,280,986
Services	48,986,136	37,798,314	29,508,737	24,183,453
Diversification	1,373,770	254,262	1,373,770	254,262
Total revenue	**443,439,239**	**440,981,644**	**421,407,176**	**425,761,125**
7.3 Segment profit and results				
Class of business:				
Civil works	11,508,312	10,659,399	11,508,312	10,800,805
Building works	4,321,860	4,453,231	2,724,578	3,850,160
Services	5,177,342	4,528,697	1,075,460	1,374,390
Diversification	(2,215,701)	(1,032,027)	(2,215,701)	(1,032,027)
Operating profit of segments	**18,791,813**	**18,609,300**	**13,092,649**	**14,993,328**
Investment income	6,989,050	1,222,459	7,052,043	1,372,393
Net financing (cost)/income	(5,720,906)	(4,294,728)	(6,721,174)	(4,107,569)
Profit before income tax	**20,059,957**	**15,537,031**	**13,423,518**	**12,258,152**

7.3.1 The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3. Segment profit/(loss) represents the operating profit/(loss) earned by each segment including the cost allocation of central administrative functions and directors' salaries, excluding investment income and finance costs.

7.4 Information about major customers

Included in the revenue reported by the Group are two clients whose individual balances of N236.0 billion and N 59.0 billion (2022: N178.9 billion and N75.9 billion) represent more than 10% of the total revenue reported by the Group. No other single client contributed 10% or more to the Group's revenue for 2023.

7.5 Segment assets and l

Group

	31 December 2023			31 December 2022		
	Segment assets	Segment liabilities	Segment net assets/ liabilities	Segment assets	Segment liabilities	Segment net assets/ liabilities
Class of business	N'000	N'000	N'000	N'000	N'000	N'000
Civil works	268,437,606	(354,643,654)	(86,206,048)	232,862,848	(263,873,497)	(31,010,649)
Building works	66,466,445	(86,830,605)	(20,364,160)	84,393,711	(94,062,923)	(9,669,212)
Services	60,058,383	(78,711,065)	(18,652,682)	38,599,500	(46,773,891)	(8,174,391)
Diversification	4,494,896	-	4,494,896	7,248,007	-	7,248,007
	399,457,330	**(520,185,324)**	**(120,727,994)**	**363,104,066**	**(404,710,311)**	**(41,606,245)**
Net cash	160,970,102	(961,298)	160,008,804	53,431,745	(337,605)	53,094,140
Unallocated assets/(liabilities)	126,514,598	(59,327,252)	67,187,346	89,735,431	(44,161,599)	45,573,832
	686,942,030	**(580,473,874)**	**106,468,156**	**506,271,242**	**(449,209,515)**	**57,061,727**

Company

	31 December 2023			31 December 2022		
	Segment assets	Segment liabilities	Segment net assets/ liabilities	Segment assets	Segment liabilities	Segment net assets/ liabilities
Class of business	N'000	N'000	N'000	N'000	N'000	N'000
Civil works	265,694,704	(374,644,169)	(108,949,465)	234,088,736	(285,998,611)	(51,909,875)
Building works	63,620,782	(88,696,513)	(25,075,731)	83,544,336	(100,403,897)	(16,859,561)
Services	22,441,865	(37,391,414)	(14,949,549)	18,369,307	(23,529,158)	(5,159,851)
Diversification	4,494,896	-	4,494,896	7,248,007	-	7,248,007
	356,252,247	**(500,732,096)**	**(144,479,849)**	**343,250,386**	**(409,931,666)**	**(66,681,280)**
Net cash	136,351,975	(961,298)	135,390,677	43,508,864	(337,605)	43,171,259
Unallocated assets/(liabilities)	116,313,982	(70,953,968)	45,360,014	91,119,014	(35,464,591)	55,654,423
	608,918,204	**(572,647,362)**	**36,270,842**	**477,878,264**	**(445,733,862)**	**32,144,402**

The amounts provided to the management with respect to total assets are measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the segment and the physical location of the assets.

Unallocated net assets/(liabilities) principally comprise assets/(liabilities) which are not categorised as part of those of the segments in the group. These are not directly attributable to the activities of the individual segments.

For the purposes of monitoring segment performance and allocating resources between segments the management monitors the tangible and financial assets & liabilities attributable to each segment. All assets and liabilities are allocated to reportable segments with the exception of current tax assets and deferred taxation assets, current tax liabilities and retirement benefit. Assets used jointly by reportable segments are allocated on a rational basis after considering the revenues earned by individual reportable segments.

	Group		Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
	N'000	N'000	N'000	N'000
8. Revenue				
Construction contracts	393,079,333	402,929,068	390,524,668	401,323,410
Rendering of services	48,986,136	37,798,314	29,508,738	24,183,453
Sale of cashew products	1,373,770	254,262	1,373,770	254,262
	443,439,239	**440,981,644**	**421,407,176**	**425,761,125**
9. Investment income				
Interest income	6,989,050	1,222,459	6,952,043	1,222,393
Dividend received	-	-	100,000	150,000
	6,989,050	**1,222,459**	**7,052,043**	**1,372,393**
10. Other gains and losses				
Profit from sale of property, plant and equipment	4,836,684	896,547	4,823,326	890,463
Net foreign exchange gains/(losses) (note 10.1)	11,395,477	(431,993)	7,598,395	(432,355)
Other miscellaneous income	171,716	1,065,993	-	1,012,119
Impairment Property, Plant & Equipment	(663,056)	-	(663,056)	-
	15,740,821	**1,530,547**	**11,758,665**	**1,470,227**
10.1 Net foreign exchange gains/(losses):				
Realized net foreign exchange gains	3,387,315	546,303	3,245,125	682,017
Unrealized net foreign exchange gains/(losses)	8,008,162	(978,296)	4,353,270	(1,114,372)
	11,395,477	**(431,993)**	**7,598,395**	**(432,355)**
11. Finance costs				
Interest on overdraft	59,178	2,355,827	59,178	2,355,827
Interest on loan	303,818	685,845	303,818	685,845
Interest on commercial paper	2,630,598	-	2,630,598	-
Other finance charges	727,312	1,253,056	3,727,580	1,065,897
	3,720,906	**4,294,728**	**6,721,174**	**4,107,569**
12. Profit for the year				
Profit for the year has been arrived at after charging/(crediting):				
Net foreign exchange (gains)/ losses	(11,395,477)	431,993	(7,598,395)	432,355
Depreciation of property, plant and equipment	10,070,871	9,724,316	9,741,379	9,458,165
Net impairment on financial assets	6,007,712	2,443,076	4,774,176	2,389,902
Net amortization of right of use assets	2,613,829	1,587,159	816,668	348,058
Depreciation of investment property	125,504	100,267	125,504	100,267
Net impairment on PPE	(45,696)	(23,971)	(45,696)	(23,972)
Audit remuneration (Note 12.1)	222,195	144,088	89,050	68,500
Staff costs (Note 13)	83,067,422	74,080,467	76,571,624	69,277,649
Gain on disposal of property, plant and equipment	(4,836,684)	(896,547)	(4,823,326)	(890,463)

12.1 The total remuneration for the auditors and tax consultants of the group and its subsidiaries, related to the annual audit and the annual tax computation provided to the group, is analyzed below:

	Group		Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
	N'000	N'000	N'000	N'000
Audit fees	222,195	144,088	89,050	68,500
Other fees:				
Tax compliance services	29,616	13,650	6,000	4,500
Tax advisory services	4,000	4,000	4,000	4,000
Total fees	**255,811**	**161,738**	**99,050**	**77,000**

13. Staff costs and employee numbers

	Group		Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
	N'000	N'000	N'000	N'000
Wages and salaries including social security cost	79,323,405	69,067,340	73,094,064	65,525,164
Defined benefit plans	762,891	1,710,249	711,961	660,820
Defined contribution (pension schemes)	2,981,126	3,282,878	2,765,599	3,091,665
	83,067,422	74,060,467	76,571,624	69,277,649
The average number of employees excluding key management personnel are:	Number	Number	Number	Number
Senior management	58	63	34	37
Senior staff	1,131	1,008	819	705
Junior staff	10,527	12,972	9,892	12,358
	11,716	14,043	10,745	13,100
Analysed as follows:				
Senior management	5,642,389	3,479,564	5,201,159	3,050,697
Senior staff	27,670,752	20,312,873	25,506,923	14,780,687
Junior staff	49,754,281	50,268,030	45,863,542	51,446,265
	83,067,422	74,060,467	76,571,624	69,277,649
The average number of people employed are as follows:	Number	Number	Number	Number
Civil works	5,671	6,312	5,671	6,312
Building works	2,653	3,937	2,405	3,611
Services	3,369	3,765	2,646	3,148
Diversification	23	29	23	29
	11,716	14,043	10,745	13,100
Number of employees in receipt of emoluments within the bands listed below are:	Number	Number	Number	Number
Up to - N500,000.00	1,121	1,049	1,107	1,042
N500,001.00 - N1,000,000.00	2,261	3,368	2,233	3,128
N1,000,001.00 - N2,000,000.00	3,928	4,669	3,804	4,307
N2,000,001.00 - N3,000,000.00	1,486	1,835	1,289	1,656
Above N3,000,000.00	2,920	3,122	2,312	2,967
	11,716	14,043	10,745	13,100

14. Taxation

14.1 Income tax recognised in profit or loss

	Group		Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Current tax	N'000	N'000	N'000	N'000
Current tax expense in respect of the current year	5,933,485	4,954,328	3,926,417	3,608,584
Tertiary education tax calculated at 3.0% of assessable profit (2022: 2.5%)	761,384	875,408	713,358	820,379
Capital Gain Tax	585	752	-	-
Police trust fund levy in the current year	876	665	671	613
Adjustments in relation to the current tax of prior years	26,137	39,184	-	-
Deferred tax				
Deferred tax charged in the current year	2,884,192	1,779,534	1,164,443	1,424,770
Total income tax expense recognised in the current year	9,606,457	7,649,871	5,804,889	5,854,346
The income tax expense for the year can be reconciled to the accounting profit as follows:				
Profit before tax from operations	22,059,957	15,537,231	13,423,518	12,258,152
Expected income tax expense calculated at 30% (2022: 30%)	6,613,379	4,747,866	4,027,056	3,676,833
Tertiary education tax expense calculated at 3.0% (2022: 2.5%)	761,384	875,408	713,358	820,379
Police trust fund levy in the current year	689	665	671	613
Effect of expenses that are not deductible in determining taxable profit	(2,653,180)	374,179	(100,639)	(68,249)
Deferred tax expense recognised in the current year	4,884,192	1,651,753	1,164,443	1,424,770
Income tax expense recognised in profit or loss	**9,606,457**	**7,649,871**	**5,804,889**	**5,854,346**
Relating to profit or loss	9,507,292	7,623,200	5,732,829	5,910,318
Relating to other comprehensive income	99,165	26,671	72,060	(55,972)
	9,606,457	7,649,871	5,804,889	5,854,346

The tax rate used for the reconciliations above is the corporate tax rate of 30% payable by corporate entities in Nigeria on taxable profits under the Companies Income Tax Act.

	Group		Company	
	12/31/2023 N'000	12/31/2022 N'000	12/31/2023 N'000	12/31/2022 N'000
14.2 Current tax liabilities				
Income Tax payable (Note 14.2.1)	4,277,379	4,831,590	4,640,426	4,429,576
Other current tax liabilities	12,639,442	8,300,775	12,639,442	8,300,775
	16,916,821	**13,132,365**	**17,279,868**	**12,730,351**
14.2.1. Income tax payable:				
Expense	3,933,505	4,934,328	3,926,417	3,608,584
Provisional payment	(418,751)	(979,578)	-	-
	3,514,754	3,954,750	3,926,417	3,608,584
Tertiary education tax payable	761,584	875,408	713,338	820,379
Police trust fund levy in the current year	878	680	671	613
Capital gains tax payable	163	752	-	-
	4,277,379	**4,831,590**	**4,640,426**	**4,429,576**

	Group		Company	
14.3 Deferred tax assets and liabilities	31/12/2023 N'000	31/12/2022 N'000	31/12/2023 N'000	31/12/2022 N'000
Deferred tax assets	11,434,607	8,319,640	8,899,987	6,772,761
Deferred tax liabilities	(23,428,404)	(15,429,246)	(15,689,053)	(12,397,367)
Deferred tax liabilities (net)	**(11,993,797)**	**(7,109,606)**	**(6,789,066)**	**(5,624,606)**
Movements during the year				
Balance at beginning of year	(7,109,606)	(5,330,072)	(5,624,606)	(4,199,836)
Charged to profit or loss	(4,785,026)	(1,835,506)	(1,092,400)	(1,480,742)
Charged to other comprehensive income	(99,165)	55,972	(72,060)	55,972
Balance at 31 December	**(11,993,797)**	**(7,109,606)**	**(6,789,066)**	**(5,624,606)**
Deferred tax assets				
Investment property	425,891	349,521	425,889	378,648
Provisions	9,792,233	7,332,976	8,363,821	6,384,689
Unrealised foreign exchange	-	70,291	-	362,171
Tax losses	797,300	51,264	-	-
Retirement benefit obligation charged to OCI	419,183	518,347	110,277	182,337
Reclassification	-	(2,759)	-	(535,084)
	11,434,607	**8,319,640**	**8,899,987**	**6,772,761**
Deferred tax liabilities				
Property, plant and equipment	(15,013,921)	(13,569,756)	(14,521,146)	(12,932,448)
Unrealised foreign exchange	(2,768,275)	-	(1,167,907)	-
Goodwill	(5,646,208)	(1,860,000)	-	-
Reclassification	-	510	-	535,081
	(23,428,404)	**(15,429,246)**	**(15,689,053)**	**(12,397,367)**

15. Earnings per share

Basic and diluted earnings per share are shown on the face of the statement of profit or loss and other comprehensive income.

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

	Group		Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
	N'000	N'000	N'000	N'000
Earnings				
Earnings for the purpose of basic earnings and diluted earnings per share being net profit attributable to equity holders of the Company (Total Net Profit ded. by Profit attributable to Non-Controlling Interest)	12,444,042	7,872,820	7,690,689	6,347,834
Number of shares				
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	1,600,000	1,600,000	1,600,000	1,600,000
Effect of dilutive potential ordinary shares:				
Bonus share	-	-	-	-
Weighted average number of ordinary shares for the purpose of diluted earnings per share.	1,600,000	1,600,000	1,600,000	1,600,000
Earnings per 50k share (Naira) - Basic	7.78	4.92	4.81	3.97
Earnings per 50k share (Naira) - Diluted	7.78	4.92	4.81	3.97

16. Property, plant and equipment

Group	Land	Buildings	Plant & Machinery	Office Equipment	IT Equipment	Total
Cost:	N '000	N '000	N '000	N '000	N '000	N '000
As at 1 January 2022	6,749,373	12,419,491	152,931,689	2,199,487	-	174,300,039
Additions	358,739	1,056,640	21,496,864	117,354	-	23,029,597
Disposal	-	-	(77,814)	(34,953)	-	(112,767)
Reclassifications as held for sale	-	-	(7,822,275)	(34,953)	-	(7,857,228)
Adjustment and exchange difference	-	-	34,165	-	-	34,165
Reclassification Adjustment	-	-	(34,165)	34,165	-	-
As at 1 January 2023	7,108,112	13,476,131	166,528,463	2,281,100	-	**189,393,806**
Additions	600,000	365,050	4,988,308	10,433	99,091	6,062,882
Disposal	-	-	(944,091)	-	-	(944,090)
Reclassifications as held for sale	-	-	(5,171,292)	-	-	(5,171,292)
Adjustment and exchange difference	-	-	-	1,022,610	-	1,022,610
At 31 December 2023	**7,708,112**	**13,841,181**	**165,401,419**	**3,314,143**	**99,091**	**190,363,946**
Accumulated depreciation:						
As at 1 January 2022	-	5,780,896	93,943,291	1,070,435	-	100,794,622
Charge for the year	-	376,963	9,274,851	72,702	-	9,724,516
Disposal	-	-	(73,063)	(6,781)	-	(79,844)
Adjustment and exchange difference	-	-	(477)	-	-	(477)
Reclassification Adjustment	-	-	477	(477)	0	-
Reclassifications as held for sale	-	-	(6,290,664)	-	-	(6,290,664)
As at 1 January 2023	-	6,157,859	96,854,415	1,135,879	-	104,148,152
Charge for the year	-	448,463	9,513,260	103,218	5,930	10,070,871
Disposal	-	-	(733,654)	(110,186)	-	(843,840)
Adjustment and exchange difference	-	-	-	683,345	-	683,345
Reclassifications from held for sale	-	-	33,385	-	-	33,385
Reclassifications as held for sale	-	-	(4,776,480)	-	-	(4,776,480)
At 31 December 2023	-	**6,606,322**	**100,890,926**	**1,812,256**	**5,930**	**109,315,434**
Impairment:						
Balance at 1 January 2022	-	-	732,723	-	-	732,723
Charges for the year	-	-	-	-	-	-
Reversal in the year	-	-	(23,971)	-	-	(23,971)
Balance at 1 January 2023	-	-	708,752	-		708,752
Charges for the year	-	663,056	-	-	-	663,056
Reversal in the year	-	-	(708,752)	-	-	(708,752)
Balance at 31 December 2023	-	**663,056**	-	-		**663,056**
Carrying amount						
At 31 December 2023	**7,708,112**	**6,571,803**	**64,510,493**	**1,501,887**	**93,161**	**80,385,456**
At 31 December 2022	**7,108,112**	**7,318,272**	**68,965,296**	**1,145,221**	-	**84,536,901**

16. Property, plant and equipment (Continued)

Company	Land	Buildings	Plant & Machinery	Office Equipment	IT Equipment	Total
Cost:	₦ '000	₦ '000	₦ '000	₦ '000	₦ '000	₦ '000
As at 1 January 2022	6,457,449	10,727,573	131,474,226	21,915	-	148,681,163
Additions	358,739	1,056,640	21,177,691	60,799	-	22,653,869
Reclassifications as held for sale	-	-	(7,822,275)	-	-	(7,822,275)
As at 1 January 2023	6,816,188	11,784,213	144,829,642	82,714	-	163,512,757
Additions	600,000	-	4,808,839	10,433	99,091	5,518,363
Disposals	-	-	(943,533)	-	-	(943,533)
Reclassifications as held for sale	-	-	(5,127,243)	-	-	(5,127,243)
At 31 December 2023	**7,416,188**	**11,784,213**	**143,567,705**	**93,147**	**99,091**	**162,960,344**
Accumulated depreciation and impairment loss:						
As at 1 January 2022	-	5,260,747	92,931,948	20,848	-	98,213,543
Charge for the year	-	307,097	9,149,864	1,204	-	9,458,165
Reclassifications from held for sale	-	-	-	-	-	-
Reclassifications as held for sale	-	-	(6,290,664)	-	-	(6,290,664)
As at 1 January 2023	-	5,567,844	95,791,148	22,052	-	101,381,044
Charge for the year	-	344,376	9,383,853	7,220	5,930	9,741,379
Disposals	-	-	(721,440)	-	-	(721,440)
Reclassifications as held for sale	-	-	(4,746,785)	-	-	(4,746,785)
At 31 December 2023	-	**5,912,220**	**99,740,161**	**29,272**	**5,930**	**105,687,583**
Impairment:						
Balance at 1 January 2022	-	-	732,724	-	-	732,724
Reversal in the year	-	-	(23,972)	-	-	(23,972)
Balance at 1 January 2023	-	-	708,752	-	-	708,752
Charges for the year	-	663,056	-	-	-	663,056
Reversal in the year	-	-	(708,752)	-	-	(708,752)
Balance at 31 December 2023	-	**663,056**	-	-	-	**663,056**
Carrying amount						
At 31 December 2023	7,416,188	5,208,937	43,827,544	63,875	93,161	56,609,705
At 31 December 2022	6,816,188	6,216,369	48,329,742	60,662	-	61,422,961

17. Non currents assets held for sale

	Group			Company		
	Plant & machinery N'000	Office Equipment N'000	Total N'000	Plant & machinery N'000	Office Equipment N'000	Total N'000
Balance at 1 January 2022	126,889	-	126,889	126,889	-	126,889
Additions	1,531,611	-	1,531,611	1,531,611	-	1,531,611
Disposal	(282,134)	-	(282,134)	(282,134)	-	(282,134)
Balance at 1 January 2023	1,376,366	-	1,376,366	1,376,366	-	1,376,366
Additions	401,605	-	401,605	400,046	-	400,046
Re-activations	(51,333)	-	(51,333)	(51,333)	-	(51,333)
Disposal	(518,757)	-	(518,757)	(518,757)	-	(518,757)
Balance at 31 December 2023	**1,207,881**	-	**1,207,881**	**1,206,321**	-	**1,206,322**

At the reporting date, property, plant and equipment at a value of N401.6 million (2022: N1.5 billion) were reclassified as non-current assets held for sale. Assets are transfered to the sales yard when the Company's equipment repair centre determines that the equipment's value will be realised from sale, rather than from continuous use for business operations, and when sale is expected to be completed within one year.

18. Right-of-use assets

	Group		Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Cost	N'000	N'000	N'000	N'000
Balance at 1 January	19,811,909	18,717,385	5,575,124	5,203,778
Modification Adjustment	58,883	-	-	-
Additions	1,896,699	1,104,081	175,397	371,346
Fully amortized	(167,190)	-	-	-
Exchange Differences	10,958,435	(9,757)	-	-
Balance at 31 December	**32,558,736**	**19,811,909**	**5,750,521**	**5,575,124**
Accumulated amortisation:				
Balance at 1 January	6,874,631	5,287,472	3,446,048	2,897,990
Fully amortized	(167,190)	-	-	-
Charge for the year	2,613,829	1,587,159	816,668	548,058
Balance at 31 December	**9,321,270**	**6,874,631**	**4,262,716**	**3,446,048**
Carrying amount at 31 December	**23,237,466**	**12,937,278**	**1,487,805**	**2,129,076**

The Group leases a number of assets in the form of buildings. Information about leases, that do not meet the definition of investment property for which the Group is a lessee, is presented above.

19. Intangible assets

19.1 Goodwill	Group 12/31/2023	Group 12/31/2022	Company 12/31/2023	Company 12/31/2022
	N'000	N'000	N'000	N'000
Cost	4,606,412	4,606,412	-	-
Exchange difference	18,079,242	6,534,028	-	-
	22,685,654	**11,140,440**	-	-

The purchased goodwill above exist in the books of Julius Berger International GmbH. It is the Group's policy to test goodwill for impairment annually and more frequently if there are indications of impairment. No impairment loss has been recognised as there are no indications that the goodwill is impaired.

19.2 Other intangible assets	Group 12/31/2023	Group 12/31/2022	Company 12/31/2023	Company 12/31/2022
Cost:	N'000	N'000	N'000	N'000
As at 1 January 2023	2,451,389	2,451,389	-	-
Additions during the year	-	-	-	-
At 31 December 2023	**2,451,389**	**2,451,389**	-	-
Accumulated amortisation:				
As at 1 January 2023	754,272	565,704	-	-
Charge for the year	188,568	188,568	-	-
At 31 December 2023	**942,840**	**754,272**	-	-
Carrying amount				
At 31 December 2023	**1,508,549**	**1,697,117**	-	-

19.2.1 This represents the present value of future concession payments to Nigeria Port Authority by Julius Berger Services Nigeria Limited relating to the service concession arrangement for Multi-Purpose Terminal C (Canal Berth) at Warri Old Port. The related liability is disclosed in Note 32. The outstanding lease term is 8 years up to 2031.

20. Investment property

20. Investment property	Group 12/31/2023	Group 12/31/2022	Company 12/31/2023	Company 12/31/2022
Cost:	N'000	N'000	N'000	N'000
As at 1 January	2,785,189	2,785,189	2,785,189	2,785,189
Additions during the year	841,253	-	841,253	-
At 31 December	**3,626,442**	**2,785,189**	**3,626,442**	**2,785,189**
Accumulated amortisation:				
As at 1 January	1,165,071	778,664	1,165,071	778,664
Adjustment	-	286,140	-	286,140
Charge for the year	125,504	100,267	125,504	100,267
At 31 December	**1,290,575**	**1,165,071**	**1,290,575**	**1,165,071**
Carrying amount				
At 31 December	**2,335,867**	**1,620,118**	**2,335,867**	**1,620,118**

The investment property comprises of commercial properties that are leased to related and third parties.
Investment property is carried at cost and depreciated using the straight line method. The estimated useful life of the investment property is 25 years.

In estimating the fair value of the properties in line with the requirements of IFRS 13, the discounted cash flow technique is used to estimate the income to be generated by the properties in consecutive years of the projection.

The fair value of the Group's investment property was tested as per 31st December, 2022 by an valuation carried out by Osas & Oseji, an independent estate surveyor & valuer and certified by the firm's partner, Hyacinth Oseji, FRC/2012/00000000532 at that date to be N2.65 billion.

Revaluation is conducted at intervals of no more than three years. There was no revaluation performed in the year 2023.

		Group		Company	
21.	**Investments**	31/12/2023	31/12/2022	31/12/2023	31/12/2022
21.1	**Investments in subsidiaries**	N'000	N'000	N'000	N'000
	As at 1 January	-	-	18,916,771	18,916,771
	Additions during the year	-	-	-	-
	Disposals	-	-	-	-
	At 31 December	-	-	**18,916,771**	**18,916,771**

Investments undertakings are recorded at cost which is the fair value of the consideration paid.

Details of the parent's subsidiaries at the end of the reporting period are as follows:

Name of subsidiaries	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the parent group	
			2023	2022
Alumet Nigeria Limited	Manufacturers and dealers in aluminium, steel, iron or other structural products of such nature.	Abuja, Nigeria	98%	98%
Julius Berger Services Nigeria Limited	Providers of ports services, stevedores, cargo superintendents, port management, warehousemen, agents and proprietors of warehouses.	Abuja, Nigeria	100%	100%
Julius Berger Medical Services Limited	Health care providers for the operation of medical service institutions and all form of medical and health care services.	Abuja, Nigeria	100%	100%
PrimeTech Design and Engineering Nigeria Limited	Engineers, planning, design, development construction and maintenance of engineering works and products of all description.	Abuja, Nigeria	100%	100%
Julius Berger Investments Limited	Investment company and managers.	Abuja, Nigeria	100%	100%
Julius Berger International GmbH	Providers of logistical and technical support on an international level.	Wiesbaden, Germany	100%	100%
Julius Berger Free Zone Enterprise Calabar	Planning and construction of all kinds and aspects of civil engineering works and related activities as well as maintenance of buildings and facilities in Free Trade Zones.	Abuja, Nigeria	100%	100%

21.2 Other financial assets	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
	N'000	N'000	N'000	N'000
Loans and Receivables				
Balance as at 1 January	2,004,589	2,392,880	-	-
Exchange difference	1,899,898	131,161	-	-
Repayment	(572,270)	(516,294)	-	-
Impairment during the year	(316,318)	(3,157)	-	-
Balance as at 31 December	**3,015,899**	**2,004,589**	-	-
Analysed as follows				
Current portion	1,347,966	518,726	-	-
Non-current portion	1,667,933	1,485,863	-	-
	3,015,899	**2,004,589**	-	-

Other financial assets pertain to the Group's receivables from debt instruments, which are neither designated for trading nor constitute contingent considerations arising from business-combinations. Previously the amount was categorized as an equity instrument and initially measured at cost less impairment, but converted into a debt instrument in Financial Year 2021 and consequently reclassified to loans and receivables and assessed for impairment. The loan is denominated in a foreign currency and are translated using the prevailing exchange rate at the end of each reporting period. Specifically, the exchange differences arising on translation are recognised in profit or loss in the 'other gains and losses' line item (Note 10).

22. Inventories

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
	N'000	N'000	N'000	N'000
Construction materials	14,796,131	7,317,261	14,796,131	7,317,261
Consumables	16,886,173	11,761,069	14,145,824	10,014,472
Spares	20,997,137	17,065,606	20,996,128	17,001,660
Raw cashew nuts	1,226,952	3,362,274	1,226,952	3,362,274
Others	8,712,177	4,029,221	7,660,586	3,112,347
	62,618,570	43,535,431	58,825,621	40,808,014
Allowances (note 22.1)	(1,271,887)	(237,762)	(985,600)	-
	61,346,683	43,297,669	57,840,021	40,808,014

22.1 Inventory is stated net of allowances for obsolescence, an analysis of which is as follows;

	Group 31/12/2023	Group 31/12/2022	Company 31/12/2023	Company 31/12/2022
Balance at beginning of year	237,762	311,456	-	162,033
Amount charged/ (written back) to profit or loss	1,034,125	(73,694)	985,600	(162,033)
Balance at end of year	1,271,887	237,762	985,600	-

22.2 The cost of inventories recognised as an expense during the year in respect of operations was N204.6 billion (2022: N165.8 billion).

22.3 Inventories have not been pledged as security for liabilities.

23. Contract liabilities

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
	N'000	N'000	N'000	N'000
Due to customers under construction contracts	426,248,381	329,618,912	422,446,033	327,816,245
Analysed as follows:				
Current portion	3,802,349	1,802,667	-	-
Non-current portion	422,446,032	327,816,245	422,446,033	327,816,245
	426,248,381	329,618,912	422,446,033	327,816,245

	Group		Company	
24. Trade and other receivables	**31/12/2023**	**31/12/2022**	**31/12/2023**	**31/12/2022**
Trade receivables	**N'000**	**N'000**	**N'000**	**N'000**
Contract and retention receivables (Note 24.4)	167,140,112	143,091,361	160,166,887	138,692,977
Less: Allowance for doubtful debt (Note 24.3)	(13,018,308)	(9,695,572)	(11,987,996)	(8,879,432)
	154,121,804	133,395,789	148,178,891	129,813,545
Other receivables				
Vendor advances	17,137,313	18,393,454	16,710,661	18,004,847
Amount owed by related entities (Note 36.2)	-	-	4,286,276	4,901,126
Amount owed by staff debtors	197,732	123,339	164,340	120,095
Prepayments and accrued income	7,373,109	6,017,198	7,273,207	5,680,735
Other receivables	871,761	834,064	-	377,721
	179,701,719	**158,763,844**	**176,613,375**	**158,898,069**
Analysed as follows				
Current portion	100,179,110	75,386,398	97,300,364	75,520,623
Non-current portion	79,522,609	83,377,446	79,313,011	83,377,446
	179,701,719	**158,763,844**	**176,613,375**	**158,898,069**

Trade and other receivables are classified as loans and receivables.

The Group has recognised an allowance for doubtful debts (see note 24.3) against all receivables because management's continuous efforts to recover these debts is gradually becoming uncertain. Allowances for doubtful debts are recognised against trade receivables based on management's assessment of the historical loss rates and assessment of individual balances.

	31/12/2023	31/12/2022	**31/12/2023**	31/12/2022
	N'000	N'000	**N'000**	N'000
24.1 Age of Trade and other receivables exclusive of impairments				
up to 1 year	101,323,576	76,585,408	97,214,518	75,903,492
above 1 year	91,396,451	91,874,008	91,386,853	91,874,009
	192,720,027	**168,459,416**	**188,601,371**	**167,777,501**
24.2 Age of Trade and other receivables which are impaired				
up to 1 year	1,144,466	1,199,010	114,154	382,869
above 1 year	11,873,842	8,496,562	11,873,842	8,496,563
	13,018,308	**9,695,572**	**11,987,996**	**8,879,432**

	31/12/2023	31/12/2022	**31/12/2023**	31/12/2022
24.3 Allowances for credit losses	**N'000**	N'000	**N'000**	N'000
Balance at 1 January	9,695,572	8,205,942	8,879,432	7,523,860
Impairment charge for the year	3,322,736	1,489,630	3,108,564	1,355,572
Balance at 31 December	**13,018,308**	**9,695,572**	**11,987,996**	**8,879,432**

	31/12/2023	31/12/2022	**31/12/2023**	31/12/2022
	N'000	N'000	**N'000**	N'000
24.4 Trade receivables written off during the period	**59,944**	-	**27,423**	-

24. Trade and other receivables (Continued)

24.5 Information about concentration risk

Trade receivable exposures are typically with the federal and state governments which are the major customers of the group and credit risks are greatly minimised through forward funding where achievable.

	Group		Company	
24.6 Contract and retention receivables	**31/12/2023**	**31/12/2022**	**31/12/2023**	**31/12/2022**
	N'000	**N'000**	**N'000**	**N'000**
Balance at 1 January	143,091,360	166,724,247	138,692,977	163,147,970
Movements in the year	24,048,752	(23,632,887)	21,473,910	(24,454,993)
Balance at 31 December	**167,140,112**	**143,091,360**	**160,166,887**	**138,692,977**
24.7 Impairment of financial assets				
Recognized on trade receivables	3,322,736	1,486,473	3,108,564	1,355,572
Recognized on tax receivables	1,737,566	2,443,076	1,665,612	2,389,902
Recognized on other financial assets	316,318	3,157	-	-
Recognized on contract assets	631,092	-	-	-
	6,007,712	**3,932,706**	**4,774,176**	**3,745,474**

	Group		Company	
	31/12/2023	**31/12/2022**	**31/12/2023**	**31/12/2022**
25. Tax receivables	**N'000**	**N'000**	**N'000**	**N'000**
Balance at 1 January	66,894,398	62,089,323	66,053,117	61,133,132
Movements in the year	36,084,875	18,634,795	35,649,096	18,295,191
Utilised as tax offset	(4,895,188)	(5,713,374)	(4,727,178)	(5,416,301)
	98,084,085	75,010,744	96,975,035	74,012,022
Allowances	(9,853,912)	(8,116,346)	(9,624,517)	(7,958,905)
Write-off	(329,979)	-	(329,979)	-
Write-back	270,363	-	270,363	-
Balance at 31 December	**88,170,557**	**66,894,398**	**87,290,902**	**66,053,117**
Made up as follows:				
Current portion	18,930,293	24,612,035	18,513,467	24,265,870
Non-current portion	69,240,264	42,282,363	68,777,435	41,787,247
	88,170,557	**66,894,398**	**87,290,902**	**66,053,117**

Tax receivables include credit notes deducted at source and remitted to Federal Inland Revenue Services (FIRS).

	Group		Company	
26. Contract assets	**31/12/2023**	**31/12/2022**	**31/12/2023**	**31/12/2022**
Balance at 1 January	60,251,137	13,962,640	58,372,148	12,396,224
(Reductions)/ Additions	(8,658,455)	46,288,497	(17,006,674)	45,975,924
Impairment	(631,092)	-	-	-
Balance at 31 December	**50,961,590**	**60,251,137**	**41,365,474**	**58,372,148**

As long as revenue cannot be recognized appropriately, the group recognizes an asset from the cost incurred in fulfilling a contract with a customer, once these costs directly relate to the fulfilment of the contract, enhance or generate resources that will be used to satisfy the performance obligation and are expected to be recovered by the customer. Contract assets are subject to impairment requirements of IFRS 9 and IFRS 15.107. Any amount previously recognised as a contract asset is reclassified to trade receivables once it is qualified as such in line with IFRS 15, see Note 3.6.2.

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
27. Issued capital and dividend	**N'000**	**N'000**	**N'000**	**N'000**
Share Capital (Note 27.1)	800,000	800,000	800,000	800,000
Share Premium	425,440	425,440	425,440	425,440
	1,225,440	**1,225,440**	**1,225,440**	**1,225,440**

27.1 Share Capital

The issued and fully paid share capital of the Company is N800 million (2022: N800 million). This comprises 1.6 billion (2022: 1.6 billion) ordinary shares of 50 kobo each. All the ordinary shares rank parri passu in all respects. To the best of the Company's knowledge and belief, there are no restrictions on the transfer of shares of the Company or on voting rights.

27.2 Dividend

The Directors are proposing a final dividend in respect of the financial year ended 31 December 2023 of N3.00 (2022: N2.50) per ordinary share of 50 kobo each, which will absorb an estimated sum of N4.8 billion (2022: N4.0 billion). Subject to approval, it will be paid on 21 June 2024 to shareholders on the register of members as at close of business on May 31, 2024 (qualification date). The dividend has not been provided for and withholding tax will be deducted at the appropriate rate when payment is made.

27.2.1 Unclaimed Dividend

Unclaimed dividend is the difference of dividend declared by the Company and payments made to shareholders. The amount is payable on demand to shareholders. The funds are held partially by the registrar and the Company in a separate bank account.

Unclaimed Dividend as at 31/12/2023	**Year**	**Registrar**	**Company**
		N'000	**N'000**
Dividend No. 35	2011	11,065	91,708
Dividend No. 36	2012	9,541	90,582
Dividend No. 37	2013	4,260	99,494
Dividend No. 38	2014	6,513	103,172
Dividend No. 39	2015	3,295	65,404
Dividend No. 40	2017	9,415	55,821
Dividend No. 41	2018	17,778	112,827
Dividend No. 42	2019	19,874	131,121
Dividend No. 43	2020	5,774	27,300
Dividend No. 44	2021	40,264	166,027
Dividend No. 45	2022	138,992	-

	Group		Company	
28. Non-controlling interest	**2023**	**2022**	**2023**	**2022**
	N'000	**N'000**	**N'000**	**N'000**
Balance at 1 January	47,050	5,839	-	-
Share of profit for the year	108,623	41,211	-	-
Balance at 31 December	**155,673**	**47,050**	-	-

	Group		Company	
	2023	2022	2023	2022
29. Borrowings	₦'000	₦'000	₦'000	₦'000
Bank overdrafts (Note 29.1)	961,298	337,605	961,298	337,605
Term loan (Note 29.2)	3,511,486	3,409,431	3,511,486	3,409,431
Intra-group loan (Note 29.3)	-	-	30,070,698	-
	4,472,784	3,747,036	34,543,482	3,747,036

29.1 Bank overdrafts comprise various facilities obtained by the Group to meet working capital

29.2 This relates to the drawdown of a loan of €25,000,000 secured from Zenith Bank Plc in 2019 to finance the purchase and importation of various construction equipment. The loan has a tenor of 5 years and repayable in ten (10) equal and consecutive semi-annual installment commencing six (6) months from the date of initial drawdown at an interest of 6.2%.

	Group		Company	
	2023	2022	2023	2022
29.2.1 Term loan movement schedule	₦'000	₦'000	₦'000	₦'000
Balance at 1 January	3,409,431	5,590,022	3,409,431	5,590,022
Exchange difference	3,428,116	125,588	3,428,116	125,588
Repayment in the year	(3,326,061)	(2,306,179)	(3,326,061)	(2,306,179)
Balance at 31 December	**3,511,486**	**3,409,431**	**3,511,486**	**3,409,431**
Analysed as follows				
Current portion	3,511,486	2,308,299	3,511,486	2,308,299
Non-current portion	-	1,101,132	-	1,101,132
	3,511,486	**3,409,431**	**3,511,486**	**3,409,431**

29.3 Intra-group loan is a €30,000,000 unsecured facility from Julius Berger International (GmbH) to finance the working capital needs and other general corporate purposes of Julius Berger Nigeria Plc. The loan has a tenor of 8 years with a moratorium period of 24 month on the principal amount. The interest amount during the moratorium period is accrued for and repayable with the principal amount in six (6) equal and consecutive annual installments commencing thirty six (36) months from the agreement date at an interest of 3-month EURIBOR + 3% per annum.

	Group		Company	
	2023	2022	2023	2022
29.3.1 Intra-group loan schedule	₦'000	₦'000	₦'000	₦'000
Balance at 1 January	-	-	-	-
Additions in the year	-	-	25,076,013	-
Exchange difference	-	-	4,994,686	-
Repayment in the year	-	-	-	-
Balance at 31 December	-	-	30,070,699	-
Analysed as follows				
Current portion	-	-	-	-
Non-current portion	-	-	30,070,699	-
	-	-	30,070,699	-

30. Retirement benefit liabilities

30.1 Defined contribution plan

Retirement benefits for members of staff are structured through a defined contributory pension scheme, which is independent of the Group's finances and is managed by private pension fund administrators. The scheme, which is funded by contributions from both employees at 8% and employer at 10% each of relevant emoluments, is consistent with the Pension Reform Act 2014.

Staff pensions	Group		Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Group	N'000	N'000	N'000	N'000
Balance at 1 January	423,270	210,282	406,570	197,401
Provision during the year	2,981,026	1,282,878	2,765,599	3,091,665
Remittance to pension fund administrators	(3,356,979)	(1,069,890)	(3,140,280)	(2,882,495)
Balance at 31 December	**47,317**	**423,270**	**31,889**	**406,571**

30.2 Defined benefit plan and termination benefits

	12/31/2023	12/31/2022	12/31/2023	12/31/2022
	N'000	N'000	N'000	N'000
Present value of unfunded defined benefit obligation	3,810,899	4,687,084	3,080,973	3,367,894
Net liability arising from defined benefit obligation	**3,810,899**	**4,687,084**	**3,080,973**	**3,367,894**
Movements in the present value of the defined benefit obligation in the current year were as follows:				
Opening defined benefit obligation	4,687,084	3,757,987	3,367,894	2,863,996
Current service cost	310,443	1,259,007	259,515	291,331
Interest on defined benefit obligation	452,449	451,043	452,446	369,289
Actuarial (gain)/losses	(300,501)	(103,254)	(218,365)	172,222
Payments in the year	(1,338,575)	(677,699)	(780,517)	(329,144)
Closing defined benefit obligation	**3,810,899**	**4,687,084**	**3,080,973**	**3,367,894**

30.3 Liability in the statement of financial position is as follows:

Current portion	47,317	423,270	31,889	406,571
Non-current portion	3,810,899	4,687,084	3,080,973	3,367,894
	3,858,216	**5,110,354**	**3,112,862**	**3,774,465**
The total amount is recognised in the year analysed as follows:				
Recognised in profit or loss	3,743,917	3,996,649	3,477,560	3,383,196
Recognised in other comprehensive income	(300,501)	(103,254)	(218,365)	172,222
Total amount recognised in the Income Statement	**3,443,416**	**3,893,395**	**3,259,195**	**3,555,418**

The costs, assets and liabilities of the defined benefit schemes operated by the Group are determined using methods relying on actuarial estimates and assumptions. The actuarial valuation was carried out by Ernst & Young, an independent actuarial firm and certified by the firm's actuary, Miller Kingsley (FSA, FNAS), FRC/2012/NAS/00000002392.

30. Retirement benefit liabilities (continued)

30.4 Termination benefits

In the 2012 financial year, an agreement was signed between the Company and the staff union on staff employments benefits pursuant to the termination of the old scheme under the National Joint Industrial Council (NJIC) agreement. The scheme is designed for the benefit of staff member with at 5 years continuous service for ex-gratia and 10 years continuous service for severance benefits.

There are no planned assets for the scheme as the company believes that these obligations can be supported in the event they become payable. The present value of the defined benefit obligation, and the related current service cost and past service cost, were performed in-house and measured using the projected unit credit method.

The principal assumptions used for the purposes of the actuarial valuations were as follows

	Valuation at	
	12/31/2023	12/31/2022
Discount rate(s) in %	17.5	14.0
Expected rate(s) of salary increase in %	15.0	13.0
Average rate(s) of inflation in %	14.5	13.0

Note: The discount rate used is the average yield on government securities.

Other assumptions:

- The scheme computation is based on the agreement with the staff unions;
- The basis of computation are in line with the exit bonus and ex-gratia payments; and
- The mortality rates are based on A67/70 Ultimate Tables by the Institute of Faculty of Actuaries (UK)

	Group		Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
	N'000	N'000	N'000	N'000
Amounts recognised in profit or loss in respect of these defined benefit plans are as follows.	762,891	1,710,050	711,961	660,820

The expense for the year is included in the employee benefits expense in profit or loss.

31. Trade and other payables

	12/31/2023	12/31/2022	12/31/2023	12/31/2022
	N'000	N'000	N'000	N'000
Trade payables	52,151,553	51,573,905	33,460,408	43,174,361
Amount owed to related entities (Note 36.2)	-	-	28,314,448	31,942,421
Other taxation and social security costs	3,743,934	1,810,722	3,743,953	1,012
Accruals and deferred income	17,171,830	8,583,561	10,302,136	5,686,963
Dividend payable (Note 31.1)	943,655	1,058,373	943,655	1,058,373
Other payables	1,577,344	897,089	770,832	252,272
Trade and other payables	**75,588,316**	**63,923,650**	**77,535,412**	**82,115,402**
Analysed as follows:				
Current portion	73,188,284	60,532,621	75,135,380	78,902,282
Non-current portion	2,400,032	3,391,029	2,400,032	3,213,120
	75,588,316	63,923,650	77,535,412	82,115,402

The directors consider that the carrying amount of trade payables approximates to their fair value.

31.1 Dividend Payable

	12/31/2023	12/31/2022	12/31/2023	12/31/2022
	N'000	N'000	N'000	N'000
As at 1 January	1,058,373	1,114,090	1,058,373	1,114,090
Dividend declared	4,000,000	4,000,000	4,000,000	4,000,000
Dividend refunded	174,704	(55,717)	(170,435)	(55,717)
	5,233,077	5,058,373	5,233,077	5,058,373
Payments	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)
Transferred to Equity	(289,422)	-	(289,422)	-
As at 31 December	943,655	1,058,373	943,655	1,058,373

32. Lease liabilities

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Maturity analysis - contractual undiscounted cash flows	N'000	N'000	N'000	N'000
Less than one year	3,595,822	1,708,005	190,000	400,983
One to five years	18,367,112	5,576,128	900,000	1,148,047
More than five Years	11,132,041	6,253,845	-	1,016,448
Total undiscounted lease liabilities at 31 December	33,094,975	13,537,978	1,090,000	2,565,478
Lease liabilities				
Balance at 1 January	15,003,935	15,134,354	1,182,730	1,058,291
Addition during the year	1,770,429	662,855	-	2,573
Interest on leases	1,325,678	808,393	232,062	121,866
Payments during the year	(3,305,427)	(1,395,920)	(664,141)	-
Additions / Reductions due to Exchange Differences	11,159,013	(9,909)	-	-
Balance at 31 December	**25,953,628**	**15,003,935**	**750,651**	**1,182,730**
Analysed as follows:				
Current portion	3,802,652	2,033,517	93,675	343,090
Non-current portion	22,150,976	12,970,418	656,976	839,641
	25,953,628	15,003,935	750,651	1,182,731
Amounts recognised in profit or loss				
Interest on lease liabilities	1,325,678	808,393	232,062	121,866
Amortisation of right-of-use assets	2,802,397	1,775,727	856,668	348,058
Amounts recognised in the statement of cash flows				
Total cash outflow for leases recognised in the statement of cash flows	3,305,427	1,395,920	664,141	-

33. Provisions

	Group		Company	
Balance at 1 January	3,244,019	1,227,997	1,970,245	300,000
Change in the year	763,305	2,016,022	(680,245)	1,670,245
Balance at 31 December	**4,007,324**	**3,244,019**	**1,290,000**	**1,970,245**
Analysed as follows:				
Current portion	-	-	-	-
Non-current portion	4,007,324	3,244,019	1,290,000	1,970,245
	4,007,324	3,244,019	1,290,000	1,970,245

33.1 Information about individual provisions and significant estimates

As at 31 December 2023, there are a number of legal suits outstanding against the group. Based on the current status of ongoing court cases, facts and circumstances, management assesses the amounts at risk by their probability of occurrence and backed up with both internal and external evaluations. As a result, management recognises a provision in line with the requirements of IAS 37 and IFRS 3 accordingly.

33.2 Movements in provisions

Movements in each class of provision during the financial year are set out below:

Group	Legal claims	Other Provisions	Total
	N'000	N'000	N'000
At 1 January 2023	1,000,000	2,244,019	3,244,019
Additional provisions recognised	-	109,130	109,130
Amounts used during the year	-	(573,245)	(573,245)
Unused amounts reversed	-	(107,000)	(107,000)
FX Evaluation effect	-	1,334,420	1,334,420
Carrying amount at end of year	**1,000,000**	**3,007,324**	**4,007,324**

Company	Legal claims	Other Provisions	Total
	N'000	N'000	N'000
At 1 January 2023	1,000,000	970,245	1,970,245
Additional provisions recognised	-	-	-
Amounts used during the year	-	(573,245)	(573,245)
Unused amounts reversed	-	(107,000)	(107,000)
Carrying amount at end of year	**1,000,000**	**290,000**	**1,290,000**

36. Reconciliation of profit to net cash provided by operating activities

	Group		Company	
	12/31/2023 N'000	12/31/2022 N'000	12/31/2023 N'000	12/31/2022 N'000
Profit for the year	12,552,665	7,914,031	7,695,689	6,347,834
Adjustments for:				
Investment income	(6,989,050)	(1,072,395)	(7,032,043)	(1,222,393)
Finance costs	3,720,906	4,294,728	6,721,174	4,107,569
Depreciation of property, plant and equipment	10,070,871	10,925,658	9,741,379	10,707,641
Impairment (gain)/loss on property, plant and equipment	(45,696)	23,972	(45,696)	23,972
Depreciation of investment property	-	386,408	-	386,408
Actuarial gains on retirement benefits	(300,301)	172,222	(218,365)	172,222
Gain on disposal of property, plant and equipment	(4,836,684)	(896,346)	(4,823,326)	(890,463)
Interest on lease liabilities	1,325,678	124,440	252,062	124,440
Amortisation of right-of-use/intangible assets	2,802,397	1,436,631	816,668	548,058
Exchange differences and other gains	1,388,298	(522,169)	14,152,062	(751,904)
Increase/(Decrease) in provisions	763,303	1,995,799	(680,243)	1,670,246
Operating cash flows before movements in working capital	**20,452,189**	**24,780,781**	**26,534,359**	**21,223,630**
Increase in inventories	(18,049,014)	(6,949,054)	(17,032,007)	(6,815,755)
Decrease/(Increase) in contract assets	9,289,547	(45,948,871)	17,006,674	(45,975,924)
(Increase)/Decrease in trade and other receivables	(20,937,675)	52,855,971	(17,715,306)	56,107,695
Increase in tax receivable	(21,276,159)	(1,506,992)	(21,257,785)	(3,133,809)
(Decrease)/Increase in retirement benefit liabilities	(1,252,157)	1,126,196	(661,605)	713,067
Increase/(Decrease) in trade and other payables	11,004,006	(21,657,083)	(4,579,950)	(5,204,056)
Increase in contract liabilities	96,629,469	39,323,685	94,629,788	38,175,758
Cash generated by operations	**76,520,686**	**40,024,633**	**76,944,130**	**35,090,628**
Movement in taxation	4,884,191	2,061,656	1,164,460	1,995,685
Cash from operating activities	**81,404,877**	**42,086,289**	**78,108,590**	**37,086,313**

36.1 Analysis of cash, cash equivalents and net cash

Group

	Balance at 1-Jan-2023 N'000	Cash flow N'000	Exchange and non-cash movements N'000	Balance at 31-Dec-2023 N'000
Cash and bank balances	33,431,745	74,026,792	53,511,565	160,970,102
Cash and cash equivalents	33,431,745	74,026,792	53,511,565	160,970,102
Bank overdraft	(337,605)	(623,693)	-	(961,298)
	33,094,140	**73,403,099**	**53,511,565**	**160,008,804**

Company

	Balance at 1-Jan-2023 N'000	Cash flow N'000	Exchange and non-cash movements N'000	Balance at 31-Dec-2023 N'000
Cash and bank balances	43,508,864	70,377,914	22,465,197	136,351,975
Cash and cash equivalents	43,508,864	70,377,914	22,465,197	136,351,975
Bank overdraft	(337,605)	(623,693)	-	(961,298)
	43,171,259	**69,754,221**	**22,465,197**	**135,390,677**

35. Financial instruments

35.1 *Capital risk management*

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy is to thrive on quality in offering integrated construction solutions and services while maintaining its core competence and efficient working capital management with low cost for funds.

The capital structure of the Group and Company consists of net debt (which includes the borrowings offset by cash and cash equivalents) and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed in the relevant notes in the consolidated financial statements.

The Group is not subject to any externally imposed capital requirements.

The management of the Group reviews the capital structure on a frequent basis to ensure that gearing is within acceptable limit.

The gearing ratio at the year end is as follows:

	Group		Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
	N'000	N'000	N'000	N'000
Bank overdraft	(961,298)	(337,605)	(961,298)	(337,605)
Borrowings	(4,472,784)	(3,409,431)	(34,543,483)	(3,409,431)
Cash and bank balance	160,970,102	53,431,745	136,351,975	43,508,864
Net debt (i)	**155,536,020**	**49,684,709**	**100,847,194**	**39,761,828**
Equity (ii)	**106,468,156**	**57,061,727**	**36,270,842**	**32,144,422**
Net debt to equity ratio	**1.46**	**0.87**	**2.78**	**1.24**

i. Debt is defined as current and non-current term borrowings as described in note 29.

ii. Equity includes all capital and reserves of the Group that are managed as capital.

35.2 Categories of financial instruments	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Financial assets	N'000	N'000	N'000	N'000
<u>**Loans and receivables (Amortised costs)**</u>				
Trade and other receivables	179,701,720	158,763,845	176,613,376	158,898,068
Tax receivables	88,170,558	66,894,398	87,290,902	66,053,117
Contact assets	50,961,390	60,251,137	41,365,474	58,372,148
Other financial assets	3,015,899	2,004,589	-	-
Cash and bank balances	160,970,102	53,431,745	136,351,975	43,508,864
Total reportable financial assets	**482,819,869**	**341,345,713**	**441,621,727**	**326,832,197**
Financial liabilities				
<u>**Amortised cost**</u>				
Borrowings and bank overdraft	4,472,784	3,747,036	34,543,483	3,747,036
Trade and other payables and provisions	79,595,639	67,167,669	78,825,410	84,085,646
Lease liabilities	25,953,628	15,003,932	750,653	1,182,730
Current tax liabilities	16,916,822	13,132,367	17,279,868	12,730,353
<u>**Fair Value Through Other Comprehensive Income (FVOCI)**</u>				
Retirement benefit liabilities	3,858,216	5,110,353	3,112,862	3,774,464
Total reportable financial liabilities	**130,797,089**	**104,161,357**	**134,512,276**	**105,520,229**

35. Financial instruments (continued)

35.3 Risk management

The Group has an integrated risk management system that identifies and measures the impact of the risks it faces. Furthermore, it establishes a framework to evaluate and counteract such risks through various control and monitoring mechanisms. Such risks include market risk (foreign currency risk and interest rate risk), credit risk and liquidity risk.

35.3.1 Market risk management

Market risk exposures are measured using sensitivity analysis and there has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

35.3.1.1 Interest rate risk management

The Group is exposed to interest rate risk because it borrows funds at fixed interest rates for both bank overdraft and long-term loan. Since the bank overdraft is repayable on demand, the carrying amount reflects the fair value as at the reporting date.

The amounts of the Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section, note 35.3.4.

35.3.2 Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters. The group utilises a currency mix with part agreement in Naira and part in either Euro or US Dollar for contracts that are expected to last for more than one financial year.

The Group publishes its consolidated and separate accounts in Naira. It conducts business in a range of currencies, including Euro and US Dollar. As a result, the Group is exposed to foreign exchange risks, which will affect transaction costs and the translation results.

	Group		Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
	N'000	N'000	N'000	N'000
Monetary assets/liabilities denominated in Euro				
Cash and bank balances	22,700,871	8,496,633	343,595	362,239
Trade receivables	35,554,212	13,275,053	30,395,221	11,177,616
Trade and other payables, Contract Liabilities	(49,613,392)	(16,442,954)	(82,621,339)	(39,647,786)
	8,641,691	**5,328,732**	**(51,882,523)**	**(28,107,931)**
Monetary assets/liabilities denominated in Dollar				
Cash and bank balances	45,158,982	14,444,302	43,420,542	12,731,805
Trade receivables	13,253,868	4,558,153	6,390,232	3,630,308
Trade and other payables, Contract Liabilities	(24,288,193)	(26,621,530)	(24,052,944)	(23,619,491)
	34,124,657	**(8,619,075)**	**25,758,830**	**(7,257,378)**

35. Financial instruments (continued)

35.3.2 Foreign currency risk management

For Euro and US Dollar, the exchange rates fluctuated by +103.63% and +96.56% (2022: -0.09% and +6.09%) during the reporting period. The translation of outstanding monetary items denominated in foreign currency were adjusted by the above mentioned rates to account for the change in foreign currency rates.

	Group		Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
	N'000	N'000	N'000	N'000
Naira depreciates by 103.63% (2022: -0.09%) against Euro	8,955,384	(4,796)	(53,765,859)	25,297
Naira depreciates by 96.56% (2022: 6.09%) against US Dollar	32,950,770	(342,202)	24,872,727	(440,756)
Impact on reported profit and other comprehensive income	**41,906,154**	**(346,998)**	**(28,893,132)**	**(415,459)**

Foreign exchange rate risk sensitivity to foreign exchange movements in the above example has been calculated on a symmetric basis. The symmetric basis assumes that an increase or decrease in foreign exchange movement would result in the same amount.

35.3.3 Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operational activities (primarily trade receivables), and from its financing activities; including deposits with financial institutions and financial guarantees.

35.3.3.1 Trade and tax receivables

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables, tax receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets while discounting model is the reasonable approximation for tax receivables.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2022 or 1 January 2023 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The group has identified that the CBN Monetary Policy Rate to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

35.3.3.2 Deposits with financial institutions

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Surplus funds are spread amongst reputable commercial banks and funds must be within credit limits assigned to each counterpart. Counterpart credit limits are reviewed by the Group's financial controller periodically and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty's failure.

35.3.3.3 Exposure to credit risks

The carrying value of the Company's financial assets represents its maximum exposure to credit risk. The maximum exposure to credit risk at the reporting date was:

	Group		Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
	N'000	N'000	N'000	N'000
Trade receivables	154,121,804	133,395,789	148,178,891	129,813,545
Cash and bank balances	160,970,102	53,431,745	136,351,975	43,508,864
	315,091,906	**186,827,534**	**284,530,866**	**173,322,409**

35.3.3.4 Collateral held as security and other credit enhancements

Except in the form of advances, the Group does not hold any other collateral or other credit enhancements to cover its credit risks associated with its financial assets.

35. Financial instruments (continued)

35.3.4 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's funding and liquidity maturity. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The maturity profile of the recognised financial instruments are as follows:

	Group		
	up to 1 year	above 1 year	Total
Financial assets	N'000	N'000	N'000
Trade and other receivables	100,179,111	79,522,609	179,701,720
Tax receivables	18,930,295	69,240,264	88,170,559
Contract assets	50,961,590	-	50,961,590
Total	170,070,996	148,762,873	318,833,869
Other financial assets	1,347,966	1,667,933	3,015,899
Cash and bank balances	160,970,102	-	160,970,102
	332,389,064	150,430,806	482,819,870
Financial liabilities			
Borrowings	3,511,486	-	3,511,486
Trade and other payables	73,188,283	2,400,032	75,588,315
Tax liabilities	16,916,822	-	16,916,822
Lease liabilities	3,802,652	22,150,976	25,953,628
Retirement benefit liabilities	47,317	3,810,899	3,858,216
	98,427,858	28,361,907	126,789,765

	Company		
	up to 1 year	above 1 year	Total
Financial assets	N'000	N'000	N'000
Trade and other receivables	97,100,365	79,513,011	176,613,376
Tax receivables	18,513,466	68,777,435	87,290,901
Contract assets	41,365,474	-	41,365,474
Cash and bank balances	136,351,975	-	136,351,975
	293,331,280	148,290,446	441,621,726
Financial liabilities			
Bank overdraft	961,298	-	961,298
Borrowings	3,511,486	30,070,699	33,582,185
Trade and other payables	75,135,378	2,400,032	77,535,410
Tax liabilities	17,279,868	-	17,279,868
Lease liabilities	93,675	656,978	750,653
Retirement benefit liabilities	31,889	3,080,973	3,112,862
	97,013,994	36,208,682	133,222,276

35.3.5 Fair value of financial instruments

Trade and other receivables/payables, cash and cash equivalents and short term investments are valued at their amortised cost, which are deemed to reflect their value.

36. Related party information

36.1 Identity of related entities

Abumet Nigeria Limited	Subsidiary
Julius Berger Services Nigeria Limited	Subsidiary
PrimeTech Design and Engineering Limited	Subsidiary
Julius Berger Medical Services Limited	Subsidiary
Julius Berger International GmbH	Subsidiary
Julius Berger Investments Limited	Subsidiary
Julius Berger Free Zone Enterprise	Subsidiary
CEC Food GmbH	Sub-subsidiary

Key management personnel and entities controlled by key management (Note 36.3)

Abumet Nigeria Limited

This is a 90% owned subsidiary of Julius Berger Nigeria Plc. The company entered into various transactions with the related party ranging from purchase of goods and services, to expenses incurred by the related company. The outstanding amount is from the various transactions entered with the related party.

Julius Berger Services Nigeria Limited

This is a 100% owned subsidiary of Julius Berger Nigeria Plc. The company entered into various transactions with the related party ranging from stevedoring services, to expenses incurred by the related company. The outstanding amount is from the various transactions entered with the related party.

PrimeTech Design and Engineering Limited

This is a 100% owned subsidiary of Julius Berger Nigeria Plc. The company entered into various transactions with the related party ranging from Design and Engineering services, to expenses incurred by the related company. The outstanding amount is from the various transactions entered with the related party.

Julius Berger Medical Services Limited

This is a 100% owned subsidiary of Julius Berger Nigeria Plc. The company entered into various transactions with the related party ranging from Medical services, to expenses incurred by the related company. The outstanding amount is from the various transactions entered with the related party.

Julius Berger International GmbH

This is a 100% owned subsidiary of Julius Berger Nigeria Plc. The company entered into various transactions with the related party ranging from purchase of goods and services, to expenses incurred by the related company. The outstanding amount is from the various transactions entered with the related party.

Julius Berger Investments Limited

This is a 100% owned subsidiary of Julius Berger Nigeria Plc. The company did not enter into any transactions with the related party in the period.

36. Related party information (Continued)

Julius Berger Free Zone Enterprise

This is a 100% owned subsidiary of Julius Berger Nigeria Plc. The company entered into various transactions with the related party ranging from engineering services, to expenses incurred by the related company. The outstanding amount is from the various transactions entered with the related party.

CEC Food GmbH

The registered business purpose of the company is the cultivation, purchase, refinement, processing and sale in wholesale and retail trade, import and export of agricultural raw products, processed raw products, finished foodstuffs, food ingredients and food supplements as well as by-products of the aforementioned products, development of product brands and product formulations for foodstuffs, food ingredients and food supplements, as well as all business related thereto.

36.2 Transactions with related parties

	Sale of goods and services		Purchase of goods and services	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
	N'000	**N'000**	**N'000**	**N'000**
Subsidiaries				
Abumet Nigeria Limited	2,921,717	1,339,336	7,378,948	4,881,830
Julius Berger Services Nigeria Limited	659,827	1,213,958	1,477,057	975,955
PrimeTech Design and Engineering Limited	1,618,722	1,126,016	2,827,922	963,053
Julius Berger Medical Services Limited	1,375,345	106,120	2,318,309	1,945,555
Julius Berger International GmbH	3,006,652	560,808	42,653,211	51,588,447
Julius Berger Investment Limited	15,275	-	-	-
Julius Berger Free Zone Enterprise	2,047	-	-	-
Entities controlled by key management personnel	1,249,204	1,216,820	-	50,080
	10,868,989	**5,563,058**	**56,657,477**	**60,404,940**

	Receivables		Payables	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
	N'000	**N'000**	**N'000**	**N'000**
Subsidiaries				
Abumet Nigeria Limited	1,135,965	1,080,600	2,759,097	-
Julius Berger Services Nigeria Limited	1,843,630	2,875,654	330,989	150,000
PrimeTech Design and Engineering Limited	1,040,335	476,519	737,775	-
Julius Berger Medical Services Limited	251,051	270,201	1,194,756	1,022,211
Julius Berger International GmbH	-	-	51,208,283	30,356,261
Julius Berger Investment Limited	-	143,708	1,584,494	-
Julius Berger Free Zone Enterprise	15,295	40,444	309,752	413,949
Entities controlled by key management personnel	3,364,387	2,286,938	1,327,328	358,189
	7,650,663	**7,188,064**	**59,712,474**	**32,300,610**

36. Related party information (Continued)

36.3 Key management personnel

Mr. Mutiu Sunmonu, CON	-	Non-Executive Director (Chairman)
Mr. George Marks (German)	-	Non-Executive Director (Vice Chairman)
Dr. Ernest Nnaemeka Azudialu-Obiejesi, OFR	-	Non-Executive Director
Engr. Jafaru Damulak	-	Non-Executive Director
Mrs. Belinda Ajoke Disu, CAL	-	Non-Executive Director
Engr. Gani Musa Sheikh	-	Non-Executive Director
Mrs. Gladys Olubusola Talabi	-	Non-Executive Director
Mr. Chidi Anya, Esq.	-	Independent Non-Executive Director
Amb. Adamu Saidu Dauru, MFR	-	Independent Non-Executive Director
Mr. Ernest Chukwudi Ebi, MFR, FCIB, FIOD	-	Independent Non-Executive Director
Engr. Dr. Lars Richter (German)	-	Managing Director
Alhaji Zubairu Ibrahim Bayi	-	Director Administration (resigned wef December 31, 2023)
Mr. Christian Hausemann (German)	-	Executive Director, Finance
Mr. Tobias Meletschus (German)	-	Director Corporate Development (resigned wef December 31, 2023)

36.3.1 Remuneration of key management personnel	Group		Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
	N'000	N'000	N'000	N'000
Short term benefits	1,842,996	1,197,952	1,786,396	1,139,852
Long term benefits	-	-	-	-
Post-employment benefits	-	-	-	-
Termination benefits	472,820	-	472,820	-
	2,315,816	**1,197,952**	**2,259,216**	**1,139,852**

The short term benefits include fees and expenses and other remunerations for Directors

36.4 Details of loans from/to key management personnel

There were no loans from/to key management personnel during the reporting period.

36.5 Identify the ultimate controlling party of Julius Berger Nigeria Plc.

No entity has been identified as the ultimate controlling party for the reporting period.

36.6 Other information on key management personnel	Group		Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Emoluments:	N'000	N'000	N'000	N'000
Chairman	11,000	10,500	11,000	10,500
Other directors	2,304,816	1,187,452	2,248,216	1,129,352
	2,315,816	**1,197,952**	**2,259,216**	**1,139,852**
Fees	128,800	120,600	72,200	62,500
Other emoluments	2,187,016	1,077,352	2,187,016	1,077,352
	2,315,816	**1,197,952**	**2,259,216**	**1,139,852**
Highest paid director	**887,739**	**417,532**	**887,739**	**417,532**

The number of directors excluding the chairman whose emoluments fell within the following ranges were:

N N				
1,000,001 - 3,000,000	-	-	-	-
3,000,001 and above	16	13	13	13
Number of directors who had no emoluments	-	-	-	-

No Director's emoluments other than stated were waived during the year and no payments were made to any Directors, past or present in respect of pension and compensation for loss of office.

37. Guarantees and other financial commitments

37.1 Guarantee, pledge of financial commitments

The Company did not guarantee or pledge any financial commitment on behalf of any of its subsidiaries or third parties.

37.2 Contingent liabilities

During the reporting period, there were a number of legal suits outstanding against the group, some of which are at supreme court level (SC300/2013, DOLAPO OGUNDEHIN, SC/639/2017, SUNDAY HARRY & Others; CA/L/105/2008, CHIEF BISIRIYU ARIYO & 5 Others; CA/L/CV/718/2008, TOPIA ORDALE; CA/A/646/2016 LAKELEISURE WORLD AND RESORT LTD V JBN & 3 Others; CA/L/673M/2012 PORTS & MARINE SERVICES LTD V JBN & 3 Others). The group, in consultation with its legal advisers, considers it probable that the judgments will be in its favour and has therefore not recognised a provision for the full amount in dispute. However, these cases were considered in the evaluation for the provision amount for court cases, see Note 33.2.

37.3 Financial commitments

The Directors are of the opinion that all known liabilities and commitments have been taken into account in the preparation of these consolidated financial statements.

38. Events after the reporting period

There were no material events after the reporting period which could have had material effect on the state of affairs of the Group as at 31 December 2023, and the profit for the year then ended date, which have not been adequately provided for or recognised in the Consolidated Financial Statements.

39. Comparative figures

Certain prior year balances have been reclassified to conform with current year's presentation for a more meaningful comparison.

39.1 Amendments in prior years figures

In the Report of the Financial Year 2023, the comparable figures for 2022 were adjusted in the following notes and related disclosures:

a. Statement of Financial Position - Reclassifications in prior year balances as described in Notes 39.1.i. to 39.1.l.
b. Statement of Profit or Loss and Other Comprehensive Income - Earnings per share computation amended in line with Accounting Policy (Note 3.23 "Earnings per share")
c. Statement of Profit or Loss and Other Comprehensive Income - Amended reporting structure to provide a more meaningful presentation of operational outcomes.
d. Note 7.3. - Reporting structure adjusted in line with Note 39.1.c.
e. Note 7.5. - Change in the methodology of allocation of assets and liabilities
f. Note 13. - Correction of allocation ("salaries and wages", "material cost") for meaningful comparability.
g. Note 15. -Earnings per share computation amended in line with Accounting Policy (Note 3.23 "Earnings per share")
h. Note 24.1. - Disclosure enhanced to increase meaningfulness.
i. Note 24. - Opening balance prior year adjusted by reclassification of VAT from "Trade and other receivables" to "Tax receivables"
j. Note 25. - Opening balance prior year adjusted by reclassification of VAT from "Trade and other receivables" to "Tax receivables"
k. Note 31. - Opening balance prior year adjusted by reclassification of taxes from "Trade and other payables" to "Tax payables"
l. Note 35.2. - Opening balance prior year adjusted by reclassification of taxes from "Trade and other payables" to "Tax payables"

40. Approval of consolidated financial statements

The Consolidated Financial Statements were approved by the Board of Directors and authorised for issue on 28 March 2024.

41. Corporate Diversification

At the meeting held on September 22, 2020, the Board of Directors approved a diversification opportunity for the Company, namely the business case for the processing of Raw Cashew Nuts in Nigeria. This diversification direction will strongly establish the Company in the food sector, support the continued success of the Group in the future and align with the strategic objective of the Federal Government of Nigeria to stimulate value creation in country. On September 10, 2022, the Company formally commissioned its pioneer cashew processing plant in Epe, Lagos State. However, following the observation of significant recent events and the downturn in prices, surpassing all our initial projections, and after reevaluating our cashew business strategy, the decision was taken to temporarily halt our operations in Epe, by the fourth quarter of 2023, with the aim to counteract the adverse effects of fluctuating market prices.

Julius Berger remains strongly committed to diversification, particularly into the food sector.

42. Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of The Exchange 2015 (Issuers' Rule), Julius Berger Nigeria Plc maintains a Security Trading Policy (Policy) which guides Directors, Audit Committee members, employees and all individuals categorized as insiders in relation to their dealings in the Company's securities. The Policy undergoes periodic review by the Board and is updated accordingly. The Company has made specific inquiries of all its Directors and other insiders and is not aware of any infringement of the Policy during the period.

STATEMENT OF VALUE ADDED
FOR THE YEAR ENDED 31 DECEMBER 2023

	Group				Company			
	2023 ₦'000	%	2022 ₦'000	%	2023 ₦'000	%	2022 ₦'000	%
Revenue	443,439,238		440,981,644		421,407,176		425,761,125	
Bought in materials and services:								
Foreign	(2,733,640)		(1,992,688)		(42,655,211)		(31,034,071)	
Local	(320,993,600)		(315,482,975)		(271,703,076)		(300,624,077)	
Value added	**119,711,998**	**100.0**	**123,505,981**	**100.0**	**107,048,889**	**100.0**	**94,102,977**	**100.0**
Applied as follows:								
To pay employees' salaries, wages, and social benefits:								
Staff costs	83,067,423	69.4	94,826,606	76.8	76,571,623	71.5	69,277,649	73.6
To pay providers of capital:								
Finance costs	3,720,906	3.1	4,294,728	3.5	6,721,174	6.3	4,107,569	4.4
To pay government:								
Taxation	4,722,264	3.9	5,810,555	4.7	4,640,426	4.3	4,428,963	4.7
To provide for maintenance and development								
Depreciation	10,273,791	8.6	8,814,482	7.1	9,824,784	9.2	8,632,442	9.2
Deferred tax	4,884,192	4.1	1,810,658	1.5	1,164,463	1.1	1,424,770	1.5
Retained earnings	12,934,799	10.8	7,907,741	6.4	8,126,419	7.6	6,231,584	6.6
Non-controlling interest	108,623	0.1	41,211	0.0	-	-	-	-
Value added	**119,711,998**	**100.0**	**123,505,981**	**100.0**	**107,048,889**	**100.0**	**94,102,977**	**100.0**

Value added represents the additional wealth which the Company and its subsidiaries have been able to create by its employees' efforts. This statement shows the allocation of that wealth between employees, shareholders, government, providers of finance and that retained for the future creation of more wealth.

Balance sheet

	2023	2022	2021	2020	2019
Assets	N'000	N'000	N'000	N'000	N'000
Property, plant and equipment	80,385,456	84,536,585	72,772,695	65,567,163	42,769,660
Right of use assets	23,217,466	12,957,278	13,430,113	14,267,877	15,457,335
Goodwill	22,685,654	11,140,440	11,130,502	11,393,312	9,268,642
Other intangible assets	1,508,549	1,697,117	1,883,603	2,074,255	2,262,821
Investment property	2,355,867	1,620,118	2,006,325	1,972,807	1,792,431
Trade receivables	79,522,609	83,327,446	60,031,624	64,847,370	52,908,765
Tax receivables	69,240,264	33,370,443	29,833,890	28,182,927	24,400,384
Deferred tax assets	11,474,607	8,319,640	6,750,415	4,413,990	3,798,902
Other financial assets	1,667,553	1,485,863	2,592,880	2,505,606	2,048,547
Net current assets	292,713,418	187,015,650	184,035,662	77,539,032	100,259,125
	584,711,823	**425,780,807**	**384,272,187**	**252,564,837**	**252,966,810**
Non-current liabilities					
Borrowings	-	(3,101,132)	(3,279,030)	(5,303,437)	(7,273,973)
Retirement benefits liabilities	(3,810,999)	(4,687,084)	(5,757,987)	(4,615,549)	(3,594,920)
Deferred tax liabilities	(23,428,404)	(15,429,246)	(12,060,675)	(8,498,928)	(8,730,298)
Contract liabilities	(422,446,032)	(327,806,265)	(289,640,487)	(167,360,747)	(169,950,198)
Lease liabilities	(22,150,976)	(12,970,416)	(13,436,016)	(14,248,750)	(13,468,417)
Trade payables	(2,400,032)	(3,591,029)	(7,735,813)	(6,173,492)	(9,027,064)
Provisions	(4,007,324)	(3,244,019)	(1,227,997)	(1,216,552)	(873,940)
Net assets	**106,468,156**	**57,061,727**	**53,112,774**	**44,947,602**	**40,327,992**
Capital and reserves					
Share capital	800,000	800,000	800,000	792,000	660,000
Share premium	425,440	425,440	425,440	425,440	425,440
Foreign currency translation reserve	56,264,985	15,901,977	13,943,640	13,987,480	9,303,052
Retained earnings	48,822,058	39,887,260	33,937,836	27,683,487	29,882,143
Attributable to equity holders of the parent	106,312,483	57,014,677	53,106,936	44,888,407	40,270,635
Non-controlling interest	155,673	47,050	5,838	59,195	57,357
	106,468,156	**57,061,727**	**53,112,774**	**44,947,602**	**40,327,992**
Revenue and profit					
Revenue	445,459,239	440,985,644	338,806,798	241,779,455	266,430,327
Profit before taxation	22,059,957	15,537,252	14,176,018	3,856,642	13,918,812
Profit after taxation	12,552,665	7,914,031	8,344,310	1,256,275	8,799,535
Profit after taxation attributable to the equity holders of the parent company	12,444,042	7,872,820	8,397,666	1,232,455	8,755,787
Dividend	-	4,000,000	4,000,000	615,600	2,642,000
Earnings per ordinary share (Naira):					
- Actual	7.78	4.92	5.25	0.78	6.63
- Diluted/ Adjusted	7.78	4.92	5.25	0.77	5.47
Net asset per share (Naira):					
- Actual	66.54	35.66	33.20	28.38	30.55
- Diluted/ Adjusted	66.54	35.66	33.20	28.09	25.20
Dividend per share (Naira):					
- Actual	-	2.50	2.50	0.40	2.00
- Diluted/ Adjusted	-	2.50	2.50	0.40	1.65
- Dividend cover (times)	-	1.98	2.09	1.95	3.32

Earnings, dividend and net asset per share are based on profit after tax attributable to equity holders of the parent and the number of issued and fully paid ordinary shares at the end of each financial year.

Balance sheet

	2023	2022	2021	2020	2019
Non-current assets	N'000	N'000	N'000	N'000	N'000
Property, plant and equipment	76,609,703	81,422,961	69,734,897	42,513,804	39,700,230
Right of use assets	1,487,805	2,329,076	2,305,788	1,957,973	1,918,354
Investment property	2,335,867	1,620,118	2,086,325	1,972,987	1,792,431
Investment in subsidiaries	18,916,771	16,916,771	16,916,771	16,916,771	16,916,771
Trade receivables	79,513,011	83,377,446	60,031,624	64,847,570	52,908,763
Tax receivables	68,777,433	41,787,247	29,120,528	27,408,092	23,366,705
Deferred tax assets	8,899,987	6,772,761	5,213,061	4,011,003	3,617,728
Net current Assets	295,364,027	148,823,687	157,716,008	49,847,723	72,391,777
	551,904,608	**382,050,067**	**343,045,202**	**209,277,845**	**212,812,759**
Non-current liabilities					
Borrowings	(30,070,699)	(1,101,132)	(3,279,636)	(3,303,457)	(7,273,975)
Retirement benefits liabilities	(3,080,971)	(3,567,894)	(2,863,996)	(3,224,121)	(2,062,135)
Deferred tax liabilities	(15,609,051)	(12,597,367)	(9,412,896)	(7,694,230)	(7,508,543)
Contract liabilities	(422,446,035)	(327,816,245)	(289,643,487)	(167,360,747)	(169,930,198)
Lease liabilities	(636,976)	(859,641)	(878,302)	(417,324)	(476,568)
Trade payables	(2,400,052)	(3,213,120)	(6,736,967)	(2,013,598)	(4,867,170)
Provisions	(1,290,000)	(1,970,243)	(300,000)	(300,000)	(300,000)
Net assets	**36,270,842**	**32,144,422**	**29,912,838**	**22,764,368**	**20,394,170**
Capital and reserves					
Share capital	800,000	800,000	800,000	792,000	660,000
Share premium	425,440	425,440	425,440	425,440	425,440
Foreign currency translation reserve	-	-	-	-	-
Retained earnings	35,045,402	30,918,982	28,687,398	21,546,928	19,308,730
Attributable to equity holders of the parent	36,270,842	32,144,422	29,912,838	22,764,368	20,394,170
Non - controlling interest	-	-	-	-	-
	36,270,842	**32,144,422**	**29,912,838**	**22,764,368**	**20,394,170**
Revenue and profit					
Revenue	421,407,376	425,761,125	317,210,503	235,206,675	245,488,979
Profit before taxation	15,423,518	12,258,152	10,794,746	8,175,009	10,079,724
Profit after taxation	7,690,689	6,347,854	7,283,767	5,011,198	6,323,248
Profit after taxation attributable to the equity holders of the parent company	7,690,689	6,347,854	7,283,767	5,011,198	6,323,248
Dividend	-	4,000,000	4,000,000	633,600	2,640,000
Earnings per ordinary share (Naira):					
- Actual	4.81	3.97	4.55	3.16	4.79
- Diluted/ Adjusted	4.81	3.97	4.55	3.13	3.95
Net asset per share (Naira):					
- Actual	22.67	20.09	18.70	14.37	15.45
- Diluted/ Adjusted	22.67	20.09	18.70	14.23	12.75
Dividend per share (Naira):					
- Actual	-	2.50	2.50	0.40	2.00
- Diluted/ Adjusted	-	2.50	2.50	0.40	1.65
- Dividend cover (times)	-	1.59	1.82	7.91	2.40

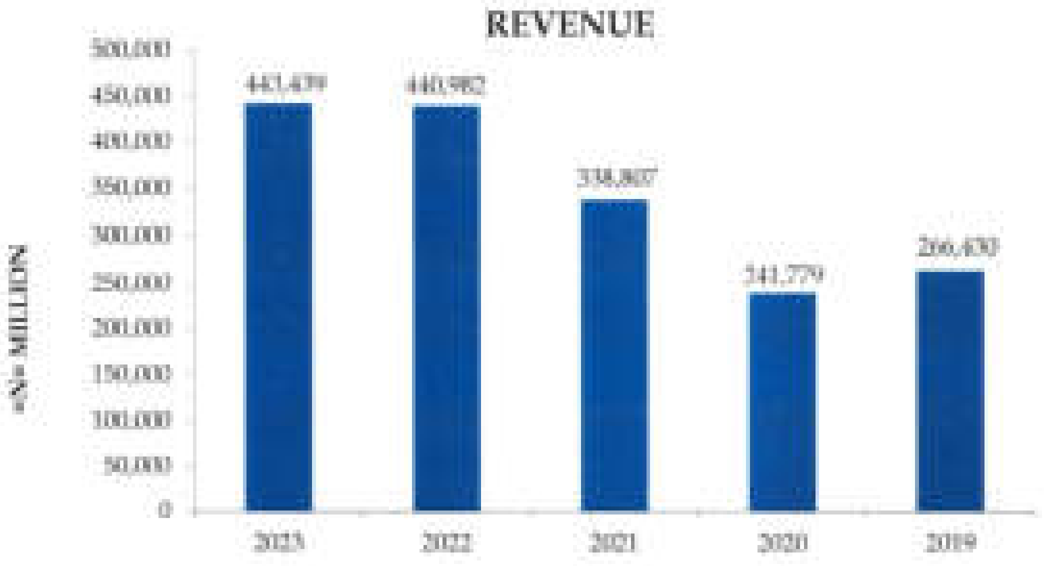
Earnings, dividend and net asset per share are based on profit after tax attributable to equity holders of the parent and the number of issued and fully paid ordinary shares at the end of each financial year.

JULIUS BERGER

DETAILED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2023

	Group		Company	
	31/12/2023 N'000	31/12/2022 N'000	31/12/2023 N'000	31/12/2022 N'000
Revenue	443,439,239	440,981,644	421,407,176	425,761,125
Cost of sales				
Wages, salaries and allowances	54,491,982	47,052,034	51,430,710	45,848,229
Materials & consumables	116,905,011	116,507,980	112,155,385	115,733,825
Sub-contractors	60,023,740	73,841,507	59,670,067	73,279,421
Petroleum products	65,168,551	46,218,514	64,612,579	45,722,829
Transportation of materials	18,741,845	18,899,877	17,991,677	18,375,623
Spares and repairs	22,853,745	21,306,762	22,302,120	20,519,753
Depreciation	10,196,376	8,824,262	9,824,783	8,632,443
Project planning, design and engineering expenses	25,922,838	33,712,961	25,922,838	33,213,272
	374,304,088	366,363,897	363,910,157	361,325,395
Gross profit	**69,135,151**	**74,617,747**	**57,497,019**	**64,435,730**
Marketing expenses				
Advertisement & publications	1,044,194	179,926	939,886	159,951
	1,044,194	**179,926**	**939,886**	**159,951**
Administrative expenses				
Salaries and allowances	28,575,440	27,108,433	25,140,914	23,429,420
Rents	3,218,960	3,307,279	1,697,504	2,783,964
Insurance expenses	6,160,537	4,719,927	5,671,027	4,520,082
Travelling expenses	2,591,268	1,278,533	2,291,957	1,153,107
Entertainment expenses	437,973	377,115	402,492	344,192
Motor vehicle expenses	176,412	232,918	158,876	218,573
Medical expenses	2,199,737	1,907,784	2,119,244	1,854,679
Audit fees	222,195	144,088	89,050	68,500
Stationery and general office expenses	6,097,430	5,294,262	3,755,829	3,612,801
Information technology expenses	753,664	461,190	725,547	449,598
Bank charges	376,163	216,761	341,488	197,045
Legal and other professional fees	2,052,011	3,851,541	1,884,582	3,748,912
	52,861,790	**48,799,831**	**44,278,510**	**42,380,873**
Impairment of financial assets	6,007,712	3,932,706	4,774,176	3,745,474
Other gains and losses	(15,740,821)	(1,530,547)	(11,758,665)	(1,470,227)
Foreign exchange acquisition	6,170,463	4,626,331	6,170,463	4,626,331
Operating profit	**18,791,813**	**18,609,500**	**13,092,649**	**14,993,328**

REVENUE AND PROFIT



EARNINGS & DIVIDEND PER SHARE