



**CONSOLIDATED UNAUDITED FINANCIAL
STATEMENTS FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER, 2021**

Julius Berger Nigeria Plc
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Utako 900 108 | Abuja FCT
RC No. 6852



**CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2021**

SUMMARY

	3rd Quarter	Year to date
	N'000	N'000
Revenue	<u>107,603,563</u>	<u>253,909,798</u>
Profit before tax	899,912	6,906,111
Taxation	<u>275,873</u>	<u>(973,965)</u>
Profit/(loss) after tax	<u>1,175,785</u>	<u>5,932,146</u>

BY ORDER OF THE BOARD

MRS. CECILIA MADUEKE
COMPANY SECRETARY
FRC/2017/NBA/00000017540
October 28, 2021

For more information please visit www.julius-berger.com



**CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2021**

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**CONSOLIDATED UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2021**

					AUDITED	
		2021		2020		31/12/2020
		3 months Jul - Sep	9 months Jan - Sep	3 months Jul - Sep	9 months Jan - Sep	
Note		N'000	N'000	N'000	N'000	N'000
	Revenue	107,603,563	253,909,798	66,363,167	168,418,602	241,779,455
	Cost of sales	(92,995,771)	(211,930,724)	(55,288,656)	(138,710,245)	(193,519,528)
	Gross profit	14,607,792	41,979,074	11,074,511	29,708,357	48,259,927
	Other gains and losses	845,301	1,766,675	468,503	(2,633,506)	(1,167,310)
	Marketing expenses	15,453,094	43,745,750	11,543,014	27,074,852	47,092,617
	Administrative expenses	(69,551)	(185,993)	(49,742)	(156,883)	(287,848)
	Impairment loss on trade and tax receivables	(10,612,694)	(28,398,043)	(6,280,598)	(22,024,462)	(34,510,009)
		-	(0)	(793,428)	(793,428)	(963,714)
	<i>Operating profit</i>	<i>4,770,849</i>	<i>15,161,714</i>	<i>4,419,246</i>	<i>4,100,079</i>	<i>11,331,046</i>
	Investment Income	(110,304)	360,413	126,261	318,486	461,325
	Foreign exchange acquisition loss	(2,292,727)	(5,585,030)	(3,065,333)	(3,575,164)	(4,219,796)
	Finance costs	(1,467,906)	(3,030,986)	(929,001)	(1,839,891)	(3,715,933)
	Profit/(loss) before tax	899,912	6,906,111	551,173	(996,490)	3,856,642
	Income tax expenses	275,873	(973,965)	(601,724)	(985,136)	(2,620,369)
	Profit/(loss) after taxation	1,175,785	5,932,146	(50,551)	(1,981,626)	1,236,273
	Profit/(loss) for the year	1,175,785	5,932,146	(50,551)	(1,981,626)	1,236,273
	Other comprehensive Income for the year:					
	Actuarial gains on retirement benefits	(29,646)	(133,406)	44,772	(89,544)	(933,841)
	Related tax	9,487	42,690	(14,327)	28,654	298,829
	Exchange difference on translation of foreign operations	(20,159)	(90,716)	30,445	(60,890)	(635,012)
		(715,831)	(647,923)	1,313,468	3,345,078	6,684,427
	Total comprehensive income	439,795	5,193,507	1,293,362	1,302,563	7,285,688
	Attributable to:					
	Owners of the Company	440,428	5,255,238	1,318,061	1,341,583	7,281,850
	Non-controlling interests	(633)	(61,731)	(24,699)	(39,020)	3,838
		439,795	5,193,507	1,293,362	1,302,563	7,285,688
	Earnings per share (Naira)	0.28	3.28	0.83	0.85	4.60
	Diluted earnings per share	0.28	3.28	0.83	0.85	4.55

The tax rate applied above is assumed based on the corporate tax rate of 30% payable by corporate entities in Nigeria on taxable profits under the Companies Income Tax Act, and 2% education tax based on the assessable profit of companies.

**CONSOLIDATED UNAUDITED STATEMENT OF FINANCIAL POSITION
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2021**

		2021	2020	AUDITED
		9 months Jan - Sep	9 months Jan - Sep	2020
		N'000	N'000	N'000
NON- CURRENT ASSETS				
Property, plant and equipment	7	54,832,887	45,727,657	45,567,163
Right of use assets		13,035,761	13,438,267	14,267,877
Goodwill		10,833,021	10,228,451	11,393,512
Other intangible assets		1,931,966	2,109,178	2,074,253
Investment property		1,898,863	1,718,387	1,972,907
Other financial assets		2,323,196	2,192,812	2,305,606
Trade and other receivables		60,413,279	65,165,691	64,847,570
Tax receivable	9	35,650,789	28,863,957	28,182,927
Deferred tax assets		4,906,725	4,182,249	4,413,990
Total noncurrent assets		185,826,486	173,626,649	175,025,805
CURRENT ASSETS				
Inventories		22,687,410	21,727,613	16,537,762
Trade and other receivables		156,164,078	121,769,623	98,344,953
Current tax receivable	9	1,339,341	978,490	2,349,524
Contract asset		4,024,000	-	1,646,457
Non- current assets classified as held for sale		106,711	95,375	105,873
Cash and bank balances		14,471,967	25,523,167	34,931,861
Total current assets		198,793,508	170,094,269	153,916,430
CURRENT LIABILITIES				
Contract liabilities		(915,044)	(1,414,794)	(517,421)
Lease liabilities		(1,643,598)	(556,899)	(1,561,390)
Trade and other payables	8	(79,395,446)	(56,852,313)	(49,720,753)
Bank overdraft		(52,547,585)	(29,488,395)	(19,301,811)
Borrowings		(2,310,386)	(1,094,683)	(2,310,386)
Current tax payable		(1,394,284)	(1,326,230)	(2,625,336)
Retirement benefit liabilities	13	(433,957)	(192,674)	(340,301)
Total current liabilities		(138,640,299)	(90,925,989)	(76,377,398)
Net current assets/(liabilities)		60,153,209	79,168,280	77,539,032
TOTAL ASSETS LESS CURRENT LIABILITIES		245,979,695	252,794,929	252,564,837
NON- CURRENT LIABILITIES				
Borrowings		(4,184,473)	(6,869,790)	(5,503,437)
Retirement benefit liabilities	13	(5,156,199)	(4,716,510)	(4,615,549)
Deferred tax liabilities		(8,486,702)	(8,889,610)	(8,498,928)
Contract Liabilities		(158,811,454)	(164,074,284)	(167,360,747)
Lease liabilities		(13,017,639)	(14,246,370)	(14,248,730)
Trade and other payables	8	(4,867,170)	(13,992,494)	(6,173,492)
Provisions		(2,012,280)	(1,056,337)	(1,216,352)
NET ASSETS		49,443,778	38,949,535	44,947,602
EQUITY				
Share capital		800,000	792,000	792,000
Share premium		425,440	425,440	425,440
Foreign currency translation reserve		15,339,557	12,648,130	15,987,480
Retained earnings		32,883,317	25,067,628	27,683,487
Attributable to owners of the company		49,448,314	38,933,198	44,888,407
Non-controlling interest		(4,536)	16,337	59,195
		49,443,778	38,949,535	44,947,602

These interim financial statements were approved by the Board on October 28, 2021 and signed on its behalf by:

ENGR. DR. LARS RICHTER
FRC/2019/COREN/00000019602
MANAGING DIRECTOR

MARTIN BRACK
FRC/2014/ANAN/00000006481
FINANCIAL DIRECTOR



**STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2021**

	Share capital	Share premium	Foreign currency translation reserve	Retained earnings	Attributable to owners of the Company	Attributable to non - controlling interest	Total equity
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2021	792,000	425,440	15,987,480	27,683,487	44,888,407	59,195	44,947,602
Impact of change in accounting policy	-	-	-	-	-	-	-
Adjusted balance at 1 January 2021	792,000	425,440	15,987,480	27,683,487	44,888,407	59,195	44,947,602
Scrip Issue	8,000	-	-	(8,000)	-	-	-
Profit for the year	-	-	-	5,932,146	5,932,146	(61,731)	5,870,415
Other comprehensive income (net of tax)	-	-	(647,923)	(90,716)	(738,639)	-	(738,639)
Total comprehensive income for the year	8,000	-	(647,923)	5,833,430	5,193,507	(61,731)	5,131,777
Dividends to shareholders	-	-	-	(633,600)	(633,600)	(2,000)	(635,600)
Balance at 30 September 2021	800,000	425,440	15,339,557	32,883,317	49,448,314	(4,536)	49,443,778
Balance at 1 January 2020	660,000	425,440	9,303,052	29,882,143	40,270,635	57,357	40,327,992
Impact of change in accounting policy	-	-	-	-	-	-	-
Adjusted balance at 1 January 2020	660,000	425,440	9,303,052	29,882,143	40,270,635	57,357	40,327,992
Scrip Issue	132,000	-	-	(132,000)	-	-	-
Profit for the year	-	-	-	(1,981,626)	(1,981,626)	(39,020)	(2,020,646)
Other comprehensive income(net of tax)	-	-	3,345,078	(60,890)	3,284,189	-	3,284,189
Total comprehensive income for the year	132,000	-	3,345,078	(2,174,515)	1,302,563	(39,020)	1,263,543
Dividends to shareholders	-	-	-	(2,640,000)	(2,640,000)	(2,000)	(2,642,000)
Balance at 30 September 2020	792,000	425,440	12,648,130	25,067,628	38,933,198	16,337	38,949,535

**CONSOLIDATED UNAUDITED STATEMENT OF CASHFLOWS
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2021**

Cashflows from operating activities

Cash receipts from customers
Cash paid to suppliers and employees

Cash flows (used in)/provided by operating activities

Interest paid
Purchase of FOREX loss
Tax paid

Net cash used in operating activities

Cashflows from investing activities:

Interest received
Proceeds from sale of fixed assets
Purchase of fixed assets

Net cash provided by investing activities:

Cashflows from financing activities:

Repayment of Loan
Payment of Lease Liabilities
Dividend paid

Net cash used in financing activities:

Net increase in cash and cash equivalents
Cash and cash equivalent at 1st January 2021

Cash and cash equivalent at 30th September 2021

Cash and bank balances
Bank overdrafts

	2021	2020
	9 months Jan - Sep	9 months Jan - Sep
	N'000	N'000
Cash receipts from customers	252,951,468	159,403,985
Cash paid to suppliers and employees	(277,630,930)	(174,586,470)
Cash flows (used in)/provided by operating activities	(24,679,462)	(15,182,485)
Interest paid	(2,484,896)	(1,443,963)
Purchase of FOREX loss	(5,585,030)	(3,575,164)
Tax paid	(476,834)	(480,372)
Net cash used in operating activities	(33,226,221)	(20,681,985)
Cashflows from investing activities:		
Interest received	360,413	318,486
Proceeds from sale of fixed assets	1,103,754	1,167,171
Purchase of fixed assets	(18,689,065)	(8,055,397)
Net cash provided by investing activities:	(17,224,898)	(6,569,740)
Cashflows from financing activities:		
Repayment of Loan	(1,119,143)	(1,119,143)
Payment of Lease Liabilities	(1,499,807)	(874,727)
Dividend paid	(635,600)	(2,641,800)
Net cash used in financing activities:	(3,254,550)	(4,635,670)
Net increase in cash and cash equivalents	(53,705,668)	(31,887,396)
Cash and cash equivalent at 1st January 2021	15,630,050	27,922,168
Cash and cash equivalent at 30th September 2021	(38,075,618)	(3,965,228)
Cash and bank balances	14,471,967	25,523,167
Bank overdrafts	(52,547,585)	(29,488,395)
	(38,075,618)	(3,965,228)

1. GENERAL INFORMATION

Julius Berger Nigeria Plc (the Company) was incorporated as a private limited liability company in 1970 and was converted to a public liability company in 1979 and the company's shares are quoted on the Nigerian Stock Exchange. The principal activities of the Company cover planning, design and construction of civil engineering and building works. The subsidiaries, Abumet (Nigeria) Limited in which the Company owns 90%, is involved in the manufacturing and installation of building aluminium components while Julius Berger Services Nigeria Limited a wholly owned subsidiary, is involved in port management services. Other subsidiaries include Julius Berger Medical Services Limited which is wholly owned and is into the provision of medical services while Primetech Design and Engineering Nigeria Limited also wholly owned is into architectural and engineering design. Julius Berger Investments Limited is a wholly owned subsidiary and was incorporated in June 2012 as an investment company to acquire securities and act as investment managers, while Julius Berger International GmbH, Germany was acquired in May 2012 as Procurement and Supporting Unit of the JB Group. JBI is now a 100% owned subsidiary of Julius Berger Nigeria Plc. Julius Berger Free Zone Enterprise is a 100% owned subsidiary of the Company and has been granted licence to operate in various free trade zones in Nigeria.

2. Basis of preparation of financial statements

These financial statements are the unaudited interim results (hereafter "the Interim Financial Statements") of Julius Berger Group for the third quarter ended September 30, 2021 (hereafter "the interim period"). They are prepared in accordance with International Accounting Standard 34 (IAS 34), Interim Financial Reporting. These Interim Financial Statements should be read in conjunction with the consolidated Audited Financial Statements for the year ended December 31, 2020 prepared under IFRS (hereafter "the Consolidated Annual Financial Statements"), as they provide an update of previously reported information. The Interim Financial Statements have been prepared in accordance with the accounting policies set out in the Consolidated Annual Financial Statements. The presentation of the Interim Financial Statements is consistent with the Consolidated Annual Financial Statements. Where necessary, comparative information has been reclassified or expanded from the previously reported Interim Financial Statements to take into account any presentational changes made in the Consolidated Annual Financial Statements or in these Interim Financial Statements.

3. Segmental Analysis of Continuing operations

Julius Berger Nigeria Plc has three segments which offer construction, civil engineering, building and facility management services to third parties across Nigeria. Julius Berger is organised by segments, each of which is managed separately and considered to be a reportable segment. The Managing Director together with senior executive management constitute the chief operating decision maker and they regularly review the performance of these segments. Details of the services offered by these segments are provided in the business and financial review in the Annual financial statement.

Disaggregation of revenue

	Government		Private		Total Reportable Segments			
	2021	2020	2021	2020	2021		2020	
	3 months Jul - Sep	3 months Jul - Sep	3 months Jul - Sep	3 months Jul - Sep	3 months Jul - Sep	9 months Jan - Sep	3 months Jul - Sep	9 months Jan - Sep
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Primary geographical markets								
Nigeria	85,512,758	53,379,260	20,985,050	12,043,766	106,497,808	250,543,486	65,423,026	166,256,449
Europe	-	-	1,105,755	1,367,503	1,105,755	3,366,312	1,367,503	2,162,153
	85,512,758	53,379,260	22,090,805	13,411,269	107,603,563	253,909,798	66,790,529	168,418,602
Major product/services lines								
Civil works	62,433,661	42,254,693	13,371,896	5,296,963	75,805,557	179,073,955	47,551,656	119,002,127
Building works	17,464,853	7,157,933	3,681,053	2,375,001	21,145,906	46,490,049	9,532,934	26,625,928
Services	3,614,244	3,966,634	4,037,857	5,739,305	7,652,101	28,345,794	9,705,938	22,790,547
Diversification								
	83,512,758	53,379,260	21,090,805	13,411,269	104,603,563	253,909,798	66,790,529	168,418,602
Timing of revenue recognition								
At a point in time	412,796	474,974	998,351	1,787,013	1,411,147	1,411,147	2,261,987	6,054,157
Over time	83,099,961	52,904,286	20,092,455	11,624,255	103,192,416	252,498,651	64,528,541	162,364,444
	83,512,758	53,379,260	21,090,805	13,411,269	104,603,563	253,909,798	66,790,529	168,418,602

Disaggregation of Profit/(Loss)

	Government		Private		Total Reportable Segments			
	2021	2020	2021	2020	2021		2020	
	3 months Jul - Sep	3 months Jul - Sep	3 months Jul - Sep	3 months Jul - Sep	3 months Jul - Sep	9 months Jan - Sep	3 months Jul - Sep	9 months Jan - Sep
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Major product/services lines								
Civil works	2,847,528	2,795,814	609,877	350,478	3,457,405	10,693,042	3,146,291	2,897,056
Building works	796,552	473,610	215,267	157,144	1,011,819	2,873,335	630,754	648,197
Services	164,842	262,455	184,162	379,745	349,004	1,692,612	642,201	554,826
Diversification			(47,378)		(47,378)	(97,275)		
	3,808,921	3,531,879	961,928	887,367	4,818,227	15,161,714	4,419,246	4,100,079
Foreign exchange acquisition	(1,830,453)	(2,449,826)	(462,273)	(119,422)	(2,292,727)	(5,585,030)	(2,569,248)	(3,575,164)
Investment Income	-	-	(110,304)	126,261	(110,304)	360,413	126,261	318,486
Net financing (costs)/income	(1,171,938)	(742,461)	(295,968)	(186,540)	(1,467,906)	(3,030,986)	(929,001)	(1,839,891)
Profit before income tax	806,530	339,592	93,382	707,666	947,290	6,906,111	1,047,257	(996,490)

4. Other gains and losses

 Profit from sales of PPE
 Foreign exchange gains/(losses)

2021		2020	
3 months Jul - Sep	9 months Jan - Sep	3 months Jul - Sep	9 months Jan - Sep
N'000	N'000	N'000	N'000
508,905	1,129,339	833,774	1,201,970
336,397	637,337	(365,271)	(3,835,476)
845,301	1,766,675	468,503	(2,633,506)

5. Investment income

Other interest income

2021		2020	
3 months Jul - Sep	9 months Jan - Sep	3 months Jul - Sep	9 months Jan - Sep
N'000	N'000	N'000	N'000
(110,304)	360,413	126,261	318,486
(110,304)	360,413	126,261	318,486

6. Finance costs

 Bank Commission
 Guaranty and Financing Cost
 Interest on overdraft
 Interest on loan
 Other finance charges

2021		2020	
3 months Jul - Sep	9 months Jan - Sep	3 months Jul - Sep	9 months Jan - Sep
N'000	N'000	N'000	N'000
(39,035)	(87,412)	(24,673)	(53,983)
(1,668)	(8,746)	(1,737)	(3,826)
(797,014)	(1,660,551)	(648,555)	(1,420,484)
(447,006)	(709,527)	35,491	-
(183,183)	(564,750)	(289,527)	(361,597)
(1,467,906)	(3,030,986)	(929,001)	(1,839,891)

7. Property, Plant and Equipment

Property, plant and equipment' comprise owned and leased assets that do not meet the definition of investment property.

 Property, plant and equipment owned
 Right-of-use assets, except for investment property
 Balance at 30 September

2021	2020
N'000	N'000
54,832,887	45,727,657
13,035,761	13,438,267
67,868,648	59,165,924

The Group leases many assets including buildings, vehicles, machinery and equipment. Information about leases for which the Group is a lessee is presented below.

7.1 Right-of-use assets
Cost

 Balance at 1 January 2020
 Additions
 Balance at 1 January 2021
 Additions/(Reduction)
Balance at 30 September 2021

	Plant & machinery		Total
	Buildings		
	N'000	N'000	N'000
Balance at 1 January 2020	14,236,921	523,615	14,760,536
Additions	2,758,197	-	2,758,197
Balance at 1 January 2021	16,995,118	523,615	17,518,733
Additions/(Reduction)	143,474	-	143,474
Balance at 30 September 2021	17,138,593	523,615	17,662,207
Accumulated amortisation:			
Balance at 1 January 2020	(1,279,017)	(23,984)	(1,303,001)
Charge for the period	(1,947,855)	-	(1,947,855)
Balance at 1 January 2021	(3,226,872)	(23,984)	(3,250,856)
Charge for the year	(1,375,590)	-	(1,375,590)
Balance at 30 September 2021	(4,602,462)	(23,984)	(4,626,446)
Carrying Value at 30 September 2021	12,536,130	499,630	13,035,761

7.2 Lease liabilities
Maturity analysis - contractual undiscounted cash flows:

 Less than one year
 One to five years
 More than Five Years

Total undiscounted lease liabilities at 30 September

2021	2020
N'000	N'000
831,248	1,427,921
8,190,312	7,519,322
12,907,135	12,555,385
21,928,695	21,502,628

7.2 Lease liabilities (Continued)

	2021 N'000	2020 N'000
Lease liabilities included in the statement of financial position at 30 September		
Balance at 1 January	15,810,120	15,064,336
Addition (Reduction) during the year	(209,901)	(439,432)
Interest on leases	560,825	1,053,093
Payments during the year	(1,499,807)	(874,727)
	14,661,237	14,803,269
Current	1,643,598	556,899
Non-current	13,017,639	14,246,370
Total Lease liabilities recognised in the statement of financial position at 30 September	14,661,237	14,803,269

Amounts recognised in profit or loss

	2021 N'000	2020 N'000
Expense on discounting of lease liabilities	560,825	1,053,093
Amortisation of right-of-use assets	1,375,590	1,947,855
Variable lease payments not included in the measurement of lease liabilities	-	-

Amounts recognised in the statement of cash flows

	2021 N'000	2020 N'000
Total cash outflow for leases	1,499,807	874,727

8. Trade and other payables
8.1 Current

	2021 N'000	2020 N'000
Trade Payable	79,395,446	56,852,313
Lease liabilities	1,643,598	556,899
Total current trade and other payables recognised in the statement of financial position	81,039,044	57,409,212

8.1 Non-Current

	2021 N'000	2020 N'000
Trade Payable	4,867,170	13,992,494
Lease liabilities	13,017,639	14,246,370
Total non-current trade and other payables recognised in the statement of financial position	17,884,809	28,238,864

9. Tax receivable

	2021 N'000	2020 N'000
Amounts expected to be recovered within one year	1,339,341	978,490
Amounts expected to be recovered after more than one year	35,650,789	28,863,957
	36,990,130	29,842,447

This represents withholding and value added taxes recoverable from clients and the Federal Inland Revenue Service.

10. Risk Management

The Group is exposed through its operations to the following financial risks:

- Ø Credit risk
- Ø Fair value or cash flow interest rate risk
- Ø Foreign exchange risk
- Ø Market price risk, and
- Ø Liquidity risk.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

11. 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.

	2021 N'000	2022 N'000	Total N'000
Civil Works	208,200,000	260,400,000	468,600,000
Building Works	79,200,000	89,000,000	168,200,000
Services	32,500,000	22,000,000	66,900,000
Diversification	2,000,000	7,600,000	9,600,000
Total	321,900,000	379,000,000	700,900,000

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

The Group applies the practical expedient in paragraph 121 of IFRS 15 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

12. Changes in accounting policies.

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

The Group has adopted IFRS 16 on Leases with a date of initial application of 1 January 2019. As a result, the Group has changed its accounting policy by recognising right of use assets and lease liabilities in the statement of financial position as detailed below.

The Group has assesses whether a contract is or contains a lease, at inception of the contract. The group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

12.1 Lease Liability Measurement

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the entity uses its incremental borrowing rate.

12.2 Right-of-Use Asset Measurement

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. The right-of-use assets are presented as a separate line in the statement of financial position. The entity applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, plant and equipment' policy.

13. Retirement benefit liabilities

Obligations under defined benefit plans are calculated separately for each plan by estimating the benefit amount that employees have earned in return for their service in the current and prior periods which represent employees' terminal gratuities based on qualifying years of service and applicable emoluments as per operating collective agreement. Management has decided to settle the obligations and it is probable that the amounts due will be paid. Consequently this had been incorporated in the preparation of these interim financial statements.

14. Related party transactions

The Company entered into various transactions with related parties ranging from purchase of goods or services, to expenses incurred by the related party on behalf of the Company. Related parties to the Company are as listed:

- Abumet (Nigeria) Limited: Subsidiary Company in which Julius Berger Nigeria PLC owns 90% stake.
- Julius Berger Services Nigeria Limited: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Julius Berger Medical Services Limited: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Julius Berger International GmbH: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Julius Berger Investments: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Primetech Design and Engineering Nigeria Limited: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Julius Berger Free Zone Enterprise: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been completed at arms length.

In accordance with the requirement of IAS 24 on related parties, the following directors are the key management personnel of the Company.

- | | |
|---|--|
| - Mr. Mutiu Sunmonu, CON | - Chairman |
| - Mr. George Marks (German) | - Vice Chairman |
| - Engr. Dr. Lars. Richter (German) | - Managing Director (Executive) |
| - Martin Brack (German) | - Financial Director (Executive) |
| - Alhaji Zubairu Ibrahim Bayi | - Director Administration (Executive) |
| - Mr. Tobias Meletschus (German) | - Director Corporate Development (Executive) |
| - Engr. Jafaru Damulak | - Director |
| - Dr. Ernest Nnaemeka Azudialu-Obiejesi | - Director |
| - Mrs Belinda Ajoke Disu | - Director |
| - Mrs Gladys Olubusola Talabi | - Director |
| - Engr. Goni Musa Sheikh | - Director |
| - Mr. Ernest C. Ebi, MFR, FCIB | - Independent Director |
| - Mr. Karsten Hensel (German) | - Director |

15. Significant events

Corporate Diversification

At the meeting held on September 22, 2020, the Board of Directors approved a diversification opportunity for the Company within the agro-processing sector. The Board of Directors and the Executive Management strongly believe that this diversification direction will support the continued success of the Group in the future and align with the strategic objective of the Government to stimulate value creation in Nigeria.

16. Comparative figures

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

17. Events after the reporting period

The Company on 20th October 2021 signed the Contract Agreement for the Revised Scope of Works and Augmentation of the Contract for the Rehabilitation of the Abuja - Kaduna - Kano Dual Carriageway and submitted an application for Advance Payment on 21st October 2021. These events shall impact the 4th quarter 2021 consolidated financial results of the Group.

18. 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 shares. 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.

19. Matters relating to shares and shareholding

The authorised share capital of the Company is ₦800 million made up of 1.6 billion ordinary shares of 50 Kobo each.

Members at the 51st Annual General Meeting, authorised the capitalisation of the sum of ₦8 million (eight million Naira) out of the balance standing to the credit of the Retained Earnings of the Company as at December 31, 2020 and available for distribution, and appropriation of the said sum in cash in paying for 16 Million Ordinary Shares of 50K each ("the Bonus Shares") to be has been distributed as fully paid-up ordinary shares to the existing shareholders, whose names appeared in the register of members as at May 28, 2021 ("transfer date") in the portion of 1 (one) new ordinary share for every existing 99 (ninety-nine) ordinary shares held as at the transfer date. The Bonus shares issued are registered with the Securities and Exchange Commission and tradeable on the Floor of the Nigerian Exchange Limited.

19.1. Shareholding Pattern as at 30 September, 2021

Shareholder	Shareholding	% shareholding
Goldstone Estates Ltd.	317,893,428	19.87
Neptune Hill Company Ltd.	287,740,832	17.98
Watertown Energy Ltd.	160,000,000	10.00
Ibile Holdings Ltd.	88,000,000	5.50
Benue Investment and Property Company Ltd.	82,477,199	5.15
Other Shareholders including Governments	663,888,541	41.49
Total	1,600,000,000	100.00

19.2. Compliance with Free Float

Julius Berger as at 30 September, 2021 is compliant with the Free float requirement for the Main Board of the Nigerian Stock Exchange Limited.