

Press Release | June 22, 2020

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Julius Berger Holds 50TH Annual General Meeting as Company Celebrates Golden Jubilee of Incorporation in Nigeria

MD, Dr. Richter says both health and livelihoods of staff must be maintained in spite of covid-19 challenges

Nigeria's leading and legacy engineering construction company, **Julius Berger Nigeria Plc**, on Thursday, 18 June, innovatively beat all logistical challenges posed by the covid-19 pandemic and held its 2020 Annual General Meeting.

The meeting was anchored from Abuja the Nigerian capital where the head office of the reputedly efficient and ever reliable corporation is located. Shareholders also participated from the company's facility in Lagos. The virtually coordinated and transmitted meeting was effectively directed by the company's Chairman, Mutiu Sunmonu, *CON*, The erudite and experienced Chairman hit the ground running with precision on the agenda of the meeting. Without wasting time, he welcomed shareholders, board directors and members of executive management and the media to the meeting, then he invited the Managing Director, Engr. Dr. Lars Richter, to address shareholders on the performance of the company till date. Dr. Richter, who holds a PhD in Civil Engineering, and who is also a time conscious management professional, immediately thanked the participants for their presence even if largely, for the first time, virtual. He commenced his remarks at the AGM with a celebration of Julius Berger's golden jubilee, the 50th anniversary since the corporation, fondly called **JB** by Nigerians, was registered as a Nigerian company.

It is noteworthy that, at both locations, strict compliance with covid-19 prevention protocols as prescribed by the Nigerian Centre for Disease Control (NCDC) was seriously put in place and maintained throughout the meeting. Physical and social distancing measures proactively and measurably defined the sitting and speaking arrangements put in place for Board members, shareholders, regulators, auditors, registrars and members of the media present both at the Abuja and Lagos venues of the meeting.

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Directors: Mr. M. Sunmonu, *CON*, Chairman • Mr. G. Marks, Vice Chairman (German) • Engr. Dr. L. Richter, Managing Director (German) • Mr. M. Brack, Financial Director (German)
Alh. Z. I. Bayi, Director Administration • Mr. T. Meletschus, Director Corporate Development (German) • Dr. E. N. Azudialu-Obiejesi • Engr. J. Damulak • Mrs. B. A. Disu
Mr. E. C. Ebi, MFR, FCIB • Mr. K. Hensel (German) • Engr. G. M. Sheikh • Mrs. G. O. Talabi

The Managing Director reviewed Julius Berger's business for the reporting year, 2019, with specific focus on the current status of the company's operations since the COVID-19 pandemic, with a projection on the company's outlook for 2020 and beyond. Richter recalled that **Julius Berger** arrived Nigeria as a *Special Project Vehicle* in 1965 for the construction of the still standing and strong Eko Bridge in Lagos, and was formally incorporated as a Nigerian company in February 1970. Since incorporation in Nigeria, Julius Berger has relentlessly worked with best international quality and top-notch engineering standards to become the country's leading domestic construction company. Richter said: ***"...this year, we celebrate five decades of achievement ...and each of these five decades has been a building block to our success and growth"***.

Richter christened the 1970s the decade of many pioneering engineering and business firsts for **Julius Berger** in Nigeria, including the first project completed outside of Lagos, the Laminga Dam; the first major road contract for the Lagos inner ring road; the company's first industrial contract for turnkey construction of the Volkswagen assembly plant; and the contract for building the Tin Can Island port, completed in an incredible time span of 18 months. Julius Berger in the 1980s, Richter said, took a big leap forward as the company acquired and reliably completed major projects, such as the initial infrastructure for the then new federal capital, Abuja; the Jos Steel Rolling Mill; the Ajaokuta Steel Plant; the new Carter bridge in Lagos; the Niger River road bridge; and works for the Itakpe-Ajaokuta railway project, thus, establishing itself firmly as a key contributor to Nigeria's development. Still on the proud history of the company, Richter said that, in the 90s, Julius Berger continued to grow and evolve, transforming into a **Public Limited Company** and gained entry into the Oil and Gas industry through civil works lots for Nigerian Liquefied Natural Gas (NLNG) trains 1 & 2 on Bonny Island.

Dr. Richter referred to the next phase of the company's growth, the early 2000's, as ***"...the golden years, in which the company expanded its reputation and reach, achieving ISO certification and working on landmark projects such as the CBN head office, the Escravos Gas-To-Liquids Plant, the Tinapa Business Center, the National Stadium and Velodrome in Abuja and more"***. The late 2000's, the MD said, ***"heralded a greater focus on innovation and technology, where new construction methodologies were pioneered on projects - including trenchless pipejacking in Akwa Ibom and cable stay technology for the iconic Admiralty Alexander bridge, linking Lekki and Ikoyi districts in Lagos. Furthermore, Julius Berger achieved its strategic targets of entering the Power sector and expanding its client portfolio to include international companies - such as Procter & Gamble and General Electric"***.

Dr. Richter on a positively proud note said ***"2019 was the last year of the decade, and we ended it on a very high note"***. **Julius Berger**, he said, closed the 2019 financial year with great success, achieving an increase in turnover of 37%; and with an extraordinarily high cash flow and increase in profitability. He hinged the success on ***"powerful operational performance, where Julius Berger increasingly***

modernized its human resource structures and systems, invested in new equipment and advanced its work while maintaining top standards for quality and record-breaking HSE performance and achievements as well as identifying and exploring opportunities for diversification of its business”.

Dr. Richter also gave kudos to the high-performing subsidiaries of the **Julius Berger Plc** Group. He cited **Abumet Nigeria Limited** which expanded on its product portfolio, with the development of an insulated glass production line, under the brand **EVONIG GLASS** and **Julius Berger Services Nigeria Limited** (the company’s maritime subsidiary at the Warri Port) which launched a cooperation agreement for a liner service between Northern Europe and Warri Port as well as **Julius Berger’s furniture facility, AFP**, which worked to expand its market share with the opening of its showroom in Lagos, Nigeria’s commercial and business capital.

Dr Richter listed projects the company successfully acquired in 2019 to include Office of the National Security Adviser, New HQ Abuja; New Technology Building, Abuja; rehabilitation of Control Towers at Tin Can Island Port and Lagos Port Complex, Apapa; International Worship Centre, Uyo, Main Contract scoped at 9,000 m² with a capacity holding for roughly 5,500 visitors; and construction of Rumuokoro, Garrison, Artillery flyovers in Port Harcourt.

Other major and ongoing projects of the company include works for the delivery of the Abuja-Kaduna-Zaria-Kano Road where a partial handing over was implemented on December 19, 2019, in section 2 (10 km on the southbound) and on February 6, 2020, in section 3 (7.4 km on the northbound); the Second Niger Bridge where **Julius Berger** is working day and night to ensure timely project completion and where the last pile cap across the Niger was placed, only a few weeks ago; the Lagos-Shagamu Expressway where work continues to progress steadily; the Bodo-Bonny Road, a key priority project where progress continues to be achieved daily and the road at Bodo has nearly been completed and the main structure of the AFA bridge is, indeed, completed.

Other ongoing **Julius Berger** projects include the FAFMA Office Tower in Lagos which continued to grow with superstructure works progressing towards the realization of the building’s 20-storey height; the new technology building in Abuja projected for completion this year.

Speaking on the global covid-19 pandemic and its negative impact on business, Dr. Richter thanked the Federal and State governments for acting swiftly to contain covid-19 and its degenerative effect on the economy. He informed the AGM that the speed and seriousness of the pandemic’s impact across the globe and on business was not immediately tractable. Richter added that in compliance with the Federal Government’s lockdown restrictions, **Julius Berger** continues to implement response and mitigation measures. In line with the phased and gradual easing of the lockdown measures, the company is carrying

out a phased reopening, with **“return to work protocols”** in place. This process the MD said **“includes an internal and external awareness campaign, specialized HSE training, dedicated hygiene and safety precautions and social distancing practices, all part of our return to work protocol”**.

To a resounding applause from participants at the meeting, Dr. Richter informed the meeting that **“...it is notable to mention that no Julius Berger staff has lost their job due to COVID-19. The management’s priority was not only to protect the health of all staff, but also to protect their livelihood”**.

Richter also informed the meeting that, as part of the company’s important Corporate Social Responsibility Policy, **“...in the face of the covid-19 crisis, Julius Berger has stood strong as a pillar of support to our communities and the nation at large. Beyond the protective measures enacted towards staff safety and well-being, Julius Berger has supported Federal and State Governments, as well as key public agencies and healthcare providers and communities in their fight against the pandemic. Julius Berger continues to give targeted donations of supplies and equipment, including PPE, over 700 beds for hospitals and a much-needed ambulance vehicle. Furthermore, to provide direct relief to citizens, Julius Berger launched a Food for our Communities campaign, with over 100,000 kilograms of food supplies donated to communities to date”**.

On the future outlook for the company’s business, the MD remains reasonably hopeful, saying that **“strengthening Julius Berger’s core construction business, client mix and the group’s subsidiaries as well as diversification with a greater balance of private sector projects will act as a support to shore up opportunities beyond the company’s core business”**. Richter added that **“...in the public sector, focus will remain on successfully executing projects of national priority”**.

Julius Berger, Dr. Richter confidently asserted, continues to be in a strong position to succeed. According to Richter, **“Our reputation for reliability and record of success provides clients strong assurance that no matter the requirement, Julius Berger will always deliver.... Through the introduction of new and efficient technologies, we continue to be unmatched in our ability to pioneer time and cost saving construction methodologies that add value. Our quality sets the bar in Nigeria and ISO Certification demonstrates that our Quality Management Systems support consistency and excellence in operations. Julius Berger’s resources, the strongest of which are its highly skilled staff, remain unmatched in the Nigerian construction sector”**.

Julius Berger paid out a dividend of two naira for every share of 50kobo held as well as a bonus share to shareholders for the business year ended December 31, 2019. An investor with the company, Mr Matthew Akinlade happily enthused: **“Julius Berger is the delight of investors in Nigeria any day”**.



L-R: Julius Berger Financial Director, Martin Brack; Company Secretary, Mrs Cecilia E. Madueke; Chairman, Mutiu Sunmonu, CON; Managing Director, Engr. Dr. Lars Richter; and Executive Director Administration, Alhaji Zubairu Bayi, at the company’s virtual Annual General Meeting anchored from Abuja last Thursday



L-R: Julius Berger Executive Director Corporate Development, Tobias Meletschus; Board Director, Engr. Jafaru Damulak; and Board Director, Sheik Musa Goni at the company’s virtual Annual General Meeting anchored from Abuja last Thursday