



**CONSOLIDATED UNAUDITED FINANCIAL  
STATEMENTS FOR THE FIRST QUARTER  
ENDED 31 MARCH, 2020**

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**CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED MARCH 31, 2020**

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## 15. Significant events

The whole world and therefore the whole Group is affected by the COVID-19 pandemic which started to impact on its operations as from middle of March 2020. As such the Q1 results are not severely impacted, but need to consider a changed outlook on the business activities in subsequent quarters, as long as the pandemic persists to affect the economic life in Nigeria.

The Company's turnover has been affected, since Governmental regulations on curfews in some states and on the shutdown of some Federal Ministries and Agencies led to the non-certification of some invoices raised for progress.

Due to the shutdown of activities at the end of March 2020, Company incurred additional costs for demobilization, being included in the Cost of Sales of Q1 2020.

Assuming a longer period of curfews and the Company being shut down, we have considered expected future impacts on the basis of the following accounting standards:

### 1. Expected credit losses under IFRS 9 'Financial instruments'

COVID-19 can affect the ability of the Group to receive payments as and when due which is an indication of a significant increase in credit risk. For this, the Group reviewed its impairment assessment of trade receivables.

### 2. Impairment of tangible and intangible assets under IAS 36 'Impairment of non-financial assets'

As a result of the impact of COVID-19, the Group performed an impairment assessment of assets (in addition to the requirement to perform an impairment test at least annually of goodwill and intangible assets with an indefinite useful life).

### 3. The net realisable value of inventory under IAS 2 'Inventories'

Since the company's construction level is abnormally (temporary shutdown of construction sites), the Group has reviewed the costing of inventories to ensure that unallocated fixed overheads are recognised in profit or loss in the period in which they are incurred in accordance with IAS 2.

### 4. Deferred tax assets in accordance with IAS 12 'Income taxes'

Tax considerations, e.g. the impact of a reduced flow of goods and services on transfer pricing agreements; recoverability of deferred tax assets, emergency economic stimulus by tax authorities in the form of special tax rebate has been assessed by the Group.

As a result of the assessments mentioned above, Company has included into the Statement of Comprehensive Income an extraordinary provision for COVID-19 related impacts amounting to Naira 2,357 Billion.

The Board of Directors is taking all necessary steps to ensure business continuity for the Group and to protect its turnover, results and cash-flow as much as possible against the impacts from the COVID-19 pandemic and its impact on the Nigerian economy.

Nevertheless, it must be assumed, that the Group's turnover, results and cash-flow will substantially reduce in the Financial Year 2020. The forecasts in Note 11 are based on the business environment in January 2020 and shall be reviewed in due course.

## 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

Except as disclosed above, there were no other material events after the reporting period which could have had material effect on the state of affairs of the Company as at March 31, 2020 and the result for the period that has not been adequately provided for or recognised in the Financial Statements.

## 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.