



**ARBICO PLC
UNAUDITED FINANCIAL STATEMENT
FOR PERIOD ENDED 30 SEPTEMBER 2023**

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Result at a Glance:

	THE GROUP		THE COMPANY	
	2023 SEP ₦'000	2022 SEP ₦'000	2023 SEP ₦'000	2022 SEP ₦'000
Revenue	4,348,332	6,774,796	4,281,309	6,381,248
Profit/Loss Before Tax	(105,245.00)	72,859	232,162	143,979
Earnings per share	(0.69)	0.49	1.56	0.97

BY ORDER OF THE BOARD



COMPANY SECRETARY FRC/2013/NBA/0000000001615

26th October 2023



**UNAUDITED CONSOLIDATED &
SEPARATE STATEMENTS OF PROFIT OR
LOSS AND OTHER COMPREHENSIVE
INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER
2023**

NOTES	THE GROUP				THE COMPANY			
	9 MONTHS JAN- SEPT 2023 ₹'000	3 MONTHS JUL- SEPT 2023 ₹'000	9 MONTHS JAN- SEPT 2022 ₹'000	3 MONTHS JUL- SEPT 2022 ₹'000	9 MONTHS JAN- SEPT 2023 ₹'000	3 MONTHS JUL- SEPT 2023 ₹'000	9 MONTHS JAN- SEPT 2022 ₹'000	3 MONTHS JUL- SEPT 2022 ₹'000
Revenue 6	4,348,332	1,359,961	6774796	2241770	4,281,309	1,349,865	6381248	2032167
Cost of Sales 7	(4,053,311)	(1,432,900)	(6002190)	(3165263)	(3,721,505)	(1,426,937)	-5594116	-2762877
Gross Profit	295,021	(72,939)	772,606	(923,493)	559,804	(77,072)	787,132	(730,710)
Other Operating Income 8	30,375	17,303	8,037	4,509	30,375	17,303	7,921	4,499
Administrative Expenses 9	(430,641)	(188,884)	(707,784)	(351,669)	(358,017)	(134,704)	(651,074)	(340,065)
Expected Credit loss	-	-	-	-	-	-	-	-
Operating (loss)/profit	(105,245)	(244,520)	72,859	(1,270,653)	232,162	(194,473)	143,979	(1,066,276)
Finance income 10	-	-	-	-	-	-	-	-
(Loss)/profit before income taxation	(105,245)	(244,520)	72,859	(1,270,653)	232,162	(194,473)	143,979	(1,066,276)
Income Tax Expenses 11	-	-	-	-	-	-	-	-
(Loss)/profit For The Period	(105,245)	(244,520)	72,859	(1,270,653)	232,162	(194,473)	143,979	(1,066,276)
Other comprehensive income (loss)/income for the year, net	-	-	-	-	-	-	-	-
Total Comprehensive (loss)/Income attributable to:	(105,245)	(244,520)	72,859	(1,270,653)	232,162	(194,473)	143,979	(1,066,276)
Equity holders of parent	(101,871)	9,467	73,570	(1,271,945)	232,162	(194,473)	-	-
Non Controlling Interest	(3,374)	1,333	(711)	1,292	-	-	-	-
to								
Ordinary equity holders of the parent 12	(0.69)	(1.65)	0.49	(8.56)	1.56	(1.31)	0.97	(7.18)

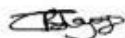
ARBICO PLC

UNAUDITED CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023

	NOTES	THE GROUP			THE COMPANY		
		9 MONTHS	9 MONTHS	9 MONTHS	9 MONTHS	9 MONTHS	9 MONTHS
		JAN-SEPT 2023	JAN-SEPT 2022	JAN-DEC 2022	JAN-SEPT 2023	JAN-SEPT 2022	JAN-DEC 2022
ASSETS		₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
NON - CURRENT ASSETS							
Property Plant and Equipment	13	1,317,242	1,579,986	1,505,370	1,317,242	1,457,348	1,382,713
Intangible Assets	14	2,490	4,070	3,280	2,490	4,070	3,280
Deferred Tax Asset	11	1,261,958	1,261,958	1,261,958	1,261,958	1,261,958	1,261,958
Investment in Subsidiary	15				27,104	27,104	27,104
Other assets							
TOTAL NON CURRENT ASSETS		2,581,690	2,846,014	2,770,608	2,608,793	2,750,480	2,675,055
CURRENT ASSETS							
Inventories		4,340,404	1,788,233	2,904,179	3,205,720	1,292,878	2,276,697
Contract asset		12,600,303	7,205,646	10,716,279	11,719,038	6,827,594	10,256,400
Trade and other receivables		289,593	738,783	5,746,024	1,618,657	2,145,654	7,617,168
Prepayments		8,614,628	4,209,457	5,183,663	8,559,706	3,751,603	4,810,420
Other asset		-	-	1,093,151	-	-	925,398
Cash and cash equivalents		884,711	910,614	40,869	665,262	1,292,155	12,347
TOTAL CURRENT ASSETS		26,729,638	14,852,733	25,684,165	25,768,384	15,309,884	25,898,430
TOTAL ASSETS		29,311,329	17,698,747	28,454,773	28,377,177	18,060,364	28,573,485
LIABILITIES							
NON - CURRENT LIABILITIES							
Share Deposit	22	1,950,000	1,950,000	1,950,000	1,950,000	1,950,000	1,950,000
TOTAL NON-CURRENT LIABILITY		1,950,000	1,950,000	1,950,000	1,950,000	1,950,000	1,950,000
CURRENT LIABILITIES							
Contract liability		10,729,308	6,542,089	15,685,856	9,745,351	5,696,691	14,701,899
Bank overdraft		-	-	151,321	-	-	151,321
Trade and other payables		19,504,226	9,771,650	10,929,816	19,296,144	9,428,559	11,146,022
Income tax payable		185,999	52,036	217,400	185,999	52,036	217,400
TOATL CURRENT LIABILITY		30,419,534	16,365,775	26,984,393	29,227,494	15,177,286	26,216,642
TOTAL LIABILITY		32,369,534	18,315,775	28,934,393	31,177,494	17,127,286	28,166,642
EQUITY							
Share Capital	21	74,250	74,250	74,250	74,250	74,250	74,250
Share Premium	21	141,184	141,184	141,184	141,184	141,184	141,184
Asset revaluation reserve	21	1,193,534	(2,021,030)	1,193,534	1,193,534	(475,890)	1,193,534
Accumulated losses		(4,463,799)	1,193,534	(1,878,821)	(4,209,285)	1,193,534	(1,002,125)
Non-controlling interests		(3,374)	(4,966)	(9,767)	-	-	-
TOTAL EQUITY		(3,058,205)	(617,028)	(479,620)	(2,800,317)	933,078	406,843
TOTAL EQUITY AND LIABILITY		29,311,329	17,698,747	28,454,773	28,377,178	18,060,364	28,573,485



Alkimos Makaronidis
Director
FRC/2019/IODN/00000019977



Olomoyoyo Adedayo
Financial controller
FRC/2023/PRO/ICAN/001/360117



Eyo Asuquo
Director
FRC/2017/CIBN/00000000016193

ARBICO Plc
Statement of changes in equity

30 September 2023

The Group

	Issued Capital (Note 21) N'000	Share Premium (Note 21) N'000	Asset revaluation surplus N'000	Other reserves N'000	Total N'000	Non controlling interest N'000	Total N'000
As at 1 January 2023	74,250	141,184	1,193,534	(4,361,928)	(2,952,960)	-	(2,952,960)
Effective of adoption of new standard	-	-	-	-	-	-	-
As at 1 January 2023	74,250	141,184	1,193,534	(4,361,928)	(2,952,960)	-	(2,952,960)
Profit/(Loss) for the year/Changes	-	-	-	(101,871)	(101,871)	(3,374)	(105,245)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	(101,871)	(101,871)	(3,374)	(105,245)
Acquisition of subsidiary	-	-	-	-	-	-	-
At 30 September 2023	74,250	141,184	1,193,534	(4,463,799)	(3,054,831)	(3,374)	(3,058,205)

Issued Capital (Note 21) N'000	Share Premium (Note 21) N'000	Asset revaluation surplus N'000	Other reserves N'000	Total N'000	Non controlling interest N'000	Total N'000
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The Company

As at 1 January 2023						
As at 1 January 2023						
Profit/(Loss) for the year/Changes						
Other comprehensive income						
Total comprehensive income						
At 30 September 2023						



ARBICO PLC							
UNAUDITED CONSOLIDATED & SEPARATE STATEMENT OF CASH FLOWS							
FOR THE PERIOD ENDED 30 SEPTEMBER 2023							
THE GROUP THE COMPANY							
		Sept.	Sept	Dec.	Sept.	Sept.	Dec.
		2023	2022	2022	2023	2022	2022
		₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Operating activities	Notes						
(Loss)/profit before tax		(105,245)	72,859	514,792	232,162	143,980	441,027
Adjustments to reconcile profit before tax to net cash flows							
Depreciation of property, plant and equipment	13	72,025	193,857	275,018	72,025	193,875	275,038
Amortisation of intangible assets		790	1,579	2,369	790		2,369
Net Unrealized foreign exchange (gain)/loss	9			(54,437)	-		(14,647)
Profit on disposal of property, plant and equipment	8&9			-	-		-
Finance income	10						-
Impairment of receivables	9			-	-		-
Expected credit loss - Contract asset				217,913	-		217,913
Expected credit loss - Intercompany receivables	9			139,103	-		139,103
Contract asset recognised in revenue				-	-		85,663
Contract liability recognised in revenue					-		
		(32,430)	268,295	1,094,758	304,977	337,855	1,146,466
Working capital adjustments							
Increase in trade and other receivables		252,021	(556,073)	(3,203,669)	(971,993)	(52,860)	(5,000,163)
(Increase)/ decrease in prepayments		(8,494,351)	(55,290)	(2,888,664)	(8,447,469)	64,217	(2,685,998)
increase in inventories		(2,941,842)	(894,338)	(935,795)	(2,061,232)	679,701	(643,952)
Increase in contract asset		(6,310,121)	(5,668,246)	(8,507,657)	(5,546,804)	(5,278,151)	(8,060,327)
Increase/ (decrease) trade and other payables		11,670,744	3,793,273	4,186,166	11,895,128	1,777,619	4,981,411
Increase/(decrease) in advance from customers		-	4,372,913	9,976,221	-	4,527,596	9,985,535
Increase/(decrease) in contract liabilities		4,069,885		-	3,931,326		-
Other asset(restricted)				(525,784)			(504,715)
Income tax paid	11			(39,588)			(39,588)
Cash flows from/(used in) operating activities		(1,786,095)	1,260,534	(844,012)	(896,066)	2,055,977	(821,331)
Net cash flows from/(used in) operating activities		(1,786,095)	1,260,534	(844,012)	(896,066)	2,055,977	(821,331)
Investing activities							
Purchase of property, plant and equipment	13		(239,582)	(247,536)		(239,582)	(247,536)
Finance income			1,329	-	-	1,329	-
Proceed from sale of property, plant and equipment		250,332		-	127,694		
Purchase of intangible assets	14	1,974	-		1,974		
Increase in other Investment							
Advance payment in fixed deposit (restricted)				-			
Financing activities Movement	10	1,690,206	(837,070)		364,065	(1,174,194)	
Net cash flows used in investing activities		1,942,513	(1,075,323)	(247,536)	493,733	(1,412,447)	(247,536)
Net increase/(decrease) in cash and cash equivalents		156,418	185,211	(1,091,548)	(402,333)	643,530	(1,068,867)
Net foreign exchange difference		-	-	54,437	-	-	14,647
Cash and cash equivalents at the beginning of the year		728,293	725,403	926,659	1,067,596	648,625	915,246
Cash and cash equivalents at the end of the period	20	884,711	910,614	(110,452)	665,263	1,292,155	(138,974)



ARBICO PLC

NOTES TO THE FINANCIAL STATEMENTS

1. Corporate information

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

2. Basis of preparation

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

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

3. Revenue

Construction contracts

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

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

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

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

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



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

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

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

Assets covered by a single contract are treated separately when:

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

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

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

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

The three criteria must be met before combination can occur.

3. Revenue

	THE GROUP		THE COMPANY	
	2023 SEP ₪'000	2022 SEP ₪'000	2023 SEP ₪'000	2022 SEP ₪'000
Revenue	4,348,332	6,774,796	4,281,309	6,381,248
Profit/Loss Before Tax	(105,245)	72,859	232,162	143,979
Earnings per share	(0.69)	0.49	1.56	0.97

4. Other Income:

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	SEP	SEP	SEP	SEP
	₹'000	₹'000	₹'000	₹'000
Claims on Insurance	3,202	-	3,202	-
Other Income	27,171	8,037	27,171	7,921
Finance Income	-	-	-	-
	30,375	8,037	30,375	7,921

5. Staff cost & Employees Benefit

	THE GROUP		THE COMPANY	
	2023	2022	2023	2022
	SEP	SEP	SEP	SEP
	₹'000	₹'000	₹'000	₹'000
Salaries & Wages	99,506	122,235	128,832	89,994
Staff Welfare	1,897	12,651	6,302	12,531
Staff Medical	16,832	24,809	16,503	24,809
Labour	152,341	42,308	19,353	40,188
	256,115	202,003	170,990	167,522

6. Plant Property & Equipment

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

Property, plant, and equipment
The Group

	Land & Building ₺'000	Plant, tool and equipment ₺'000	Motor Vehicles ₺'000	Office furniture and equipment ₺'000	IT Infrastructure ₺'000	Total ₺'000
Cost :						
At 31 December 2022		2,359,628	459,258	8,142		3,998,343
Additions during the period (+)	1,171,316					
Disposals during the period (-)	-	162,049	116,790	989	-	279,828
At 30 September 2023	(24,124)	-	-	-		(24,124)
Accum Depreciation						
At 1 January 2023						
Charge for the period						
Disposals for the period						
At 31 December 2022	171,050	1,892,668	409,402	5,635	51,141	2,529,898
Charge for the period	5,325	50,477	14,087	172	1,964	72,025
Disposals for the period	(1,416)	275,291	65,486	812	(247,451)	92,723
At 30 September 2023	174,960	2,218,437	488,975	6,620	(194,346)	2,694,646
Carrying value:						
At 30 September 2023	972,232	303,240	87,072	2,511	194,346	1,559,401
At 31 December 2022	1,000,266	466,959	49,856	2,506	(51,141)	1,468,445

The Company

	Land ₺'000	Plant, tool and equipment ₺'000	Motor Vehicles ₺'000	Office furniture and equipment ₺'000	IT Infrastructure ₺'000	Total ₺'000
Cost :						
At 31 December 2022		2,170,584	459,258	5,041	67,034	3,873,233
Additions during the period	1,171,316					
Disposals during the period	-	229,986	116,790	567	890	348,233
At 30 September 2023	(24,124)	-	-	-	-	(24,124)
Accum Depreciation						
At 1 January 2023	171,050	1,824,943	409,402	3,750	50,886	2,460,032
Charge for the period	5,325	50,477	14,087	172	1,964	72,025
Disposals for the period	(1,416)	275,291	65,486	601	8,080	348,043
At 30 September 2023	174,960	2,150,711	488,975	4,524	60,929	2,880,100
Carrying value:						
At 30 September 2023	972,232	249,859	87,072	1,085	6,994	1,317,242
At 31 December 2022	1,000,266	345,641	49,856	1,291	16,148	1,413,201

7. Intangible Assets

Intangible assets	Company	
	Group Computer software	Computer software
Cost :		
At 1 January 2023	20,165	20,165
Additions during the year	800	800
At 30 September 2023	<u>20,965</u>	<u>20,965</u>
Accum Amortization		
At 1 January 2023		
Charge for the year		
At 30 September 2023	<u>14,766</u>	<u>14,766</u>
Charge for the year	3,709	3,709
At 30 September 2023	<u>18,475</u>	<u>18,475</u>
Carrying value:		
At 30 September 2023	<u>2,490</u>	<u>2,490</u>
At 31 December 2022	<u>5,399</u>	<u>5,399</u>

8. Trade & Other Receivables

Schedule of Other Receivables				
	THE GROUP		THE COMPANY	
	2023 SEP #’000	2022 SEP #’000	2023 SEP #’000	2022 SEP #’000
Trade Receivables	207,834	274,650	568,990	1,636,579
Other Receivables	81,759	464,133	1,049,668	509,075
	289,593	738,783	1,618,657	2,145,654

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

9. Trade & other Payables

	THE GROUP		THE COMPANY	
	2023 SEP ₦'000	2022 SEP ₦'000	2023 SEP ₦'000	2022 SEP ₦'000
Trade Payables	8,772,154	6,004,85	8,764,454	5,691,819
Other Payables	10,036,785	3,766,800	10531,690	3,736,740
	19,504,226	9,771,650	19,296,144	9,428,559

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

10. Disclosure on Director's Dealing.

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

11. Shareholding Pattern as at September 30, 2023

	Unit	%
Strategic Shareholder	118,750,000	79.97
Director Direct Shareholding	107,360	0.07
Free Float	29,642,640	19.96
PAID UP SHARE CAPITAL	148,500,000	100.00

11.1 Strategic Shareholders

	Unit	%
R28 Limited	103,900,000	69.97
A.O.G Limited	14,850,000	10.00
Elder N.C.U Okoro	107,360	0.07
Nigerians	29,642,640	19.96
PAID UP SHARE CAPITAL	148,500,000	100.00

11.1 Compliance with Free Float

As at the reporting date, the company is fully compliant with the free float requirement. This disclosure is in line with the requirement of provisions of Rule 2.1.1 of the free float rules on self-assessment and self-regulation.