

Unaudited Financial Statements for the period ended 31 March 2023

UPDC PLC RC.321582

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Directors: Mr. O. Oshin (Chairman), Mr. O. Ojo (CEO), Ms. B. Fadayomi (DD), Mr. F. Aiyesimoju, Mr. K. Osilaja, Mr. A. Falade

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UPDC Plc
Financial Statements
For the period ended 31 March 2023
Performance Highlights

	The Group			The Company		
	31 Mar 23 N'000	31 Mar 22 N'000	% Change	31 Mar 23 N'000	31 Mar 22 N'000	% Change
Revenue	843,122	780,780	8	102,282	282,430	(64)
Operating profit/(loss)	(37,606)	262,947	(114)	(71,014)	155,197	(146)
Net finance cost	(87,069)	(117,165)	26	(87,069)	(122,094)	29
Profit/ (loss) before taxation	(124,675)	145,782	(186)	(158,083)	33,103	(578)
Taxation	(32,951)	(16,243)	(103)	(753)	(706)	(7)
Loss from discontinued operations	-	(8,728)	100	-	-	
Profit/(loss) for the period	(157,626)	120,811	(230)	(158,836)	32,397	(590)
Total comprehensive profit/(loss) for the period	(137,614)	7,410	(1,957)	(138,824)	(81,004)	(71)
Total Equity	8,259,022	8,396,636	(2)	503,626	642,451	(22)
Total equity and liabilities	18,838,276	19,428,403	(3)	10,589,529	10,852,735	(2)
Cash and Cash equivalents	2,879,873	3,161,475	(9)	2,137,468	2,532,109	(16)
Basic Profit/(Loss) Per Share (Kobo)	(1)	1	(200)	(1)	-	(100)
NSE quotation as at December 31 (kobo)	99	119		99	119	
Number of shares in issue ('000)	18,559,970	18,559,970		18,559,970	18,559,970	
Market capitalisation as at December 31 (N'000)	18,374,370	22,086,364		18,374,370	22,086,364	

	Notes	The Group		The Company	
		3 months ended 31 Mar 23 N'000	3 months ended 31 Mar 22 N'000	3 months ended 31 Mar 23 N'000	3 months ended 31 Mar 22 N'000
Revenue	4 (i)	843,122	780,780	102,282	282,430
Cost of sales	6	(448,106)	(486,541)	(71,076)	(104,566)
Gross profit		395,016	294,239	31,206	177,864
Selling and distribution expenses	6	(20,222)	(14,594)	(13,712)	(13,743)
Administrative expenses	6	(417,692)	(130,036)	(137,235)	(106,390)
Other operating income	5	5,292	113,338	48,727	97,466
Operating profit/(loss)		(37,606)	262,947	(71,014)	155,197
Finance income	7	17,279	12,558	17,279	7,629
Finance cost	7	(104,348)	(129,723)	(104,348)	(129,723)
Net finance cost		(87,069)	(117,165)	(87,069)	(122,094)
Profit/ (loss) before taxation		(124,675)	145,782	(158,083)	33,103
Taxation	8	(32,951)	(16,243)	(753)	(706)
Profit/(loss) from continuing operations		(157,626)	129,539	(158,836)	32,397
Discontinued operations					
Loss from discontinued operations		-	(8,728)	-	-
Profit/(loss) for the period		(157,626)	120,811	(158,836)	32,397
Other comprehensive income:					
<i>Items not to be subsequently recycled to profit or loss:</i>					
Net changes in fair value of financial assets	14	20,012	(113,401)	20,012	(113,401)
Tax on other comprehensive income		-	-	-	-
Total comprehensive profit/(loss) for the period		(137,614)	7,410	(138,824)	(81,004)
Profit/ (loss) attributable to:					
Equity holders of the parent		(168,197)	105,139	(158,836)	32,397
Non controlling interest		10,571	15,672	-	-
Total profit/(loss)		(157,626)	120,811	(158,836)	32,397
Total comprehensive profit/(loss) attributable to:					
Equity holders of the parent		(148,185)	(8,262)	(138,824)	(81,004)
Non controlling interests		10,571	15,672	-	-
Total comprehensive profit/(loss)		(137,614)	7,410	(138,824)	(81,004)
Earnings per share for profit/(loss) attributable to the equity holders of the group:					
Basic Profit/(Loss) Per Share (Kobo)					
From continuing operations	10	(1)	1	(1)	-
From discontinued operations	10	-	-	-	-
From profit/(loss) for the period		(1)	1	(1)	-
Diluted Profit/(Loss) Per Share (Kobo)					
From continuing operations	10	(1)	1	(1)	-
From discontinued operations	10	-	-	-	-
From profit/(loss) for the period		(1)	1	(1)	-

The notes on pages 6 to 14 are an integral part of these consolidated financial statements.

UPDC Plc
Consolidated and Separate Statement of Financial Position
At 31 March 2023

	Notes	The Group		The Company	
		31 Mar 23 N'000	31 Dec 22 N'000	31 Mar 23 N'000	31 Dec 22 N'000
Assets					
Non-current assets					
Property, plant and equipment	11	8,403,616	8,390,160	32,561	28,744
Intangible assets	12	46,132	45,442	10,184	10,970
Investments in joint ventures	13	125,647	125,647	124,843	124,843
Equity instrument at fair value	14	420,252	400,240	420,252	400,240
Investments in subsidiaries	15	-	-	1,719,716	1,719,716
		8,995,647	8,961,489	2,307,556	2,284,513
Current assets					
Inventories	16	5,142,575	5,265,759	4,149,571	3,927,220
Trade and other receivables	17	1,692,388	1,911,918	1,867,173	1,981,131
Current tax assets	9	127,792	127,762	127,762	127,762
Cash at bank and in hand	18	2,879,873	3,161,475	2,137,468	2,532,109
		9,842,629	10,466,914	8,281,974	8,568,222
Total assets		18,838,276	19,428,403	10,589,529	10,852,735
Equity					
Share capital		9,279,985	9,279,985	9,279,985	9,279,985
Share premium		8,971,551	8,971,551	8,971,551	8,971,551
Fair value reserve of financial assets at FVOCI		(146,755)	(166,767)	(146,755)	(166,767)
Revenue reserve		(9,899,766)	(9,731,569)	(17,601,155)	(17,442,318)
Equity attributable to equity holders of the Company		8,205,015	8,353,200	503,626	642,451
Non controlling interest		54,007	43,436	-	-
Total equity		8,259,022	8,396,636	503,626	642,451
Liabilities					
Non-current liabilities					
Interest bearing Loans and Borrowings	19	4,702,096	4,702,096	4,702,096	4,702,096
Deferred taxation liabilities		73,016	73,016	72,537	72,537
		4,775,112	4,775,112	4,774,633	4,774,633
Current liabilities					
Trade and other payables	20	5,452,070	6,041,882	5,098,112	5,327,596
Current income tax liabilities		176,999	144,048	38,083	37,330
Interest bearing Loans and Borrowings	19	175,073	70,725	175,073	70,725
		5,804,142	6,256,655	5,311,268	5,435,651
Total liabilities		10,579,254	11,031,767	10,085,902	10,210,284
Total equity and liabilities		18,838,276	19,428,403	10,589,529	10,852,735

The unaudited financial statements were approved by the board of directors on 27 April 2023 and signed on its behalf by:



Wole Oshin
Chairman
FRC/2013/CIIN/00000003054



Odunayo Ojo
Chief Executive Officer
FRC/2016/NIESV/00000014322



Gbenga Fagbami
Financial Controller
FRC/2018/ICAN/00000018050

The notes on pages 6 to 14 are an integral part of these consolidated financial statements.

UPDC Plc
Consolidated and Separate Statement of Changes in Equity
For the period ended 31 March 2023

The Group
Attributable to owners of the Company

	Share Capital N'000	Share Premium N'000	Revenue Reserve N'000	Other Reserves N'000	Fair value reserve of financial assets at FVOCI N'000	Total N'000	Non Controlling interest N'000	Total N'000
Balance at 1 January 2023	9,279,985	8,971,551	(9,731,569)	-	(166,767)	8,353,200	43,436	8,396,636
Profit for the period	-	-	(168,197)	-	-	(168,197)	10,571	(157,626)
Net changes in fair value of financial assets through other comprehensive income	-	-	-	-	20,012	20,012	-	20,012
Balance at 31 March 2023	9,279,985	8,971,551	(9,899,766)	-	(146,755)	8,205,015	54,007	8,259,022
Balance at 1 January 2022	9,279,985	8,971,551	(10,654,133)	391,420	26,683	8,015,506	(48,493)	7,967,013
Loss for the period	-	-	105,139	-	-	105,139	15,672	120,811
Net changes in fair value of financial assets through other comprehensive income	-	-	-	-	(113,401)	(113,401)	-	(113,401)
Balance at 31 March 2022	9,279,985	8,971,551	(10,548,994)	391,420	(86,718)	8,007,244	(32,821)	7,974,423

The Company
Attributable to owners of the Company

	Share Capital N'000	Share Premium N'000	Revenue Reserve N'000	Other Reserves N'000	Fair value reserve of financial assets at FVOCI N'000	Total N'000
Balance at 1 January 2023	9,279,985	8,971,551	(17,442,318)	-	(166,767)	642,451
Profit for the period	-	-	(158,836)	-	-	(158,836)
Net changes in fair value of financial assets through other comprehensive income	-	-	-	-	20,012	20,012
Balance at 31 March 2023	9,279,985	8,971,551	(17,601,155)	-	(146,755)	503,627
Balance at 1 January 2022	9,279,985	8,971,551	(17,737,557)	391,420	26,683	932,082
Loss for the period	-	-	32,397	-	-	32,397
Net changes in fair value of financial assets through other comprehensive income	-	-	-	-	(113,401)	(113,401)
Balance at 31 March 2022	9,279,985	8,971,551	(17,313,738)	391,420	(86,718)	851,078

The summary of significant accounting policies and notes on pages 6 to 14 are an integral part of these financial statements.

UPDC Plc
Consolidated Statement of Cash Flows
For the period ended 31 March 2023

	Notes	The Group		The Company	
		2023 March N'000	2022 March N'000	2023 March N'000	2022 March N'000
Loss before tax		(124,675)	145,782	(158,083)	33,103
Adjustment for non cash items:					
Depreciation	11	26,464	3,931	2,770	2,340
Amortization of intangible asset	12	1,179	1,133	786	987
Finance cost	7	104,348	129,723	104,348	129,723
Finance income	7	(17,279)	(12,558)	(17,279)	(7,629)
Exchange (gain)/loss	5	(383)	(34)	(383)	(34)
		(10,346)	267,977	(67,842)	158,489
Changes in working capital:					
(Increase)/decrease in inventories		123,184	424,309	(222,351)	84,804
Decrease/(increase) in receivables		219,500	506,755	113,955	386,343
Increase/(decrease) in payables		(565,853)	(524,286)	(213,639)	(288,897)
Cash flow (used in)/from operating activities		(233,514)	674,755	(389,876)	340,739
Tax paid		(23,958)	(12,296)	(15,842)	(5,627)
Net Cash inflow from operating activities		(257,472)	662,459	(405,718)	335,112
Cash flow from investing activities					
Purchase of property, plant & equipment	11	(39,921)	(977)	(6,586)	(554)
Purchase of intangible asset	12	(1,869)	-	-	-
Interest received	7	17,279	12,558	17,279	7,629
Net cash flow from investing activities		(24,511)	11,581	10,693	7,075
Cash flow from financing activities					
Proceeds from borrowings	19	-	-	-	-
Repayment of borrowings	19	-	-	-	-
Interest paid	19	-	-	-	-
Net cash flow from financing activities		-	-	-	-
Net increase/(decrease) in cash and cash equivalents		(281,985)	674,040	(395,025)	342,188
Net foreign exchange difference		383	34	383	34
Cash and cash equivalents at the beginning of the period		3,161,475	1,878,320	2,532,109	1,329,891
Cash and cash equivalents at the end of the period	18	2,879,873	2,552,394	2,137,468	1,672,113

The summary of significant accounting policies and notes on pages 6 to 14 are an integral part of these financial statements.

1.1 General information

UPDC Plc ('the Company') and its subsidiaries (together 'the Group') is a company incorporated in Nigeria. The Group has businesses with activities in real estate and hotel management. The registered office address is 1-5 Odunlami Street, Lagos.

The Company is a public limited company and is listed on the Nigerian Exchange Group.

1.2 Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) UPDC Plc maintains effective Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy is regularly reviewed and updated by the Board. The Company has made specific inquiries of all the directors and other insiders and is not aware of any infringement.

1.3 Management's Assessment of Internal Controls

The management of UPDC Plc is responsible for establishing and maintaining adequate internal control over financial reporting. UPDC's internal control system was designed to provide reasonable assurance to the Company's management and board of directors regarding the preparation and fair representation of published financial statements.

UPDC's management assessed the effectiveness of the Company's internal controls within the reporting period. Based on our assessment, we believe that as of 31 March 2023, the Company's internal controls are effective. We will continue to work on further strengthening this position.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with IAS 34. The financial statements have been prepared on a historical cost basis except for Investment Properties, held for trading and available for sale financial instruments which are carried at fair value.

2.2 Accounting Policies

The accounting policies adopted are consistent with those for the year ended 31 December, 2022.

2.3 Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2022.

3 Financial Risk Management

The group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance.

This interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Company's annual financial statements as at 31 December 2022. There have been no changes in the risk management structure since year end or in any risk management policy.

4. Segment Analysis

The chief operating decision-maker has been identified as the Executive Committee (Exco). The Exco reviews the Company's internal reporting in order to assess performance and allocate resources.

Nigeria is the Company's primary geographical segment as the operations of the Company are entirely carried out in Nigeria. As at 31 March 2023, UPDC Plc's operations comprised two main business segments which are Property Development, Sales & Management and Hospitality Services.

Property Development, Sales & Management - UPDC Plc's main business is the acquisition, development, sales and management of high quality serviced commercial and residential properties in the Highbrow and Middle Income segments of the real estate market in Nigeria. The Company approaches property planning from the customers' perspective to create comfortable living/working environments. UPDC Facility Management Limited is a subsidiary of UPDC Plc. The Company provides facilities management services to residential and commercial properties in Nigeria.

Hospitality Services - UPDC Hotels Limited, the company's subsidiary is in the hospitality industry and leverages significantly on the success of its principal promoter UPDC Plc. The hotel provides services such as sale of rooms, conference halls as well as food & beverages.

The following measures of performance are reviewed by the Exco:

- Revenue to third parties
- Earnings before interest and tax
- Profit before tax
- Net current assets
- Property, plant and equipment

	The Group			
	Property Development Sales & Management N'000	Hospitality Services N'000	Classified as Discontinued Operation/ Held for Sale N'000	Total N'000
31 March 2023				
Total Revenue	625,001	218,120	-	843,122
Intergroup revenue	-	-	-	-
Revenue to third parties	625,001	218,120	-	843,122
Earnings before interest and tax	29,602	(67,208)	-	(37,606)
Loss before tax	(57,467)	(67,208)	-	(124,675)
Net current assets	4,947,377	(908,890)	-	4,038,487
Property, plant and equipment	38,286	8,365,330	-	8,403,616

	The Group			
	Property Development Sales & Management N'000	Hospitality Services N'000	Classified as Discontinued Operation/ Held for Sale N'000	Total N'000
31 March 2022				
Total Revenue	780,780	66,786	(66,786)	780,780
Intergroup revenue	-	-	-	-
Revenue to third parties	780,780	66,786	(66,786)	780,780
Earnings before interest and tax	275,505	(8,728)	8,728	275,505
Loss before tax	145,782	(8,728)	8,728	145,782
Net current assets	4,210,259	(1,020,592)	1,020,592	4,210,259
Property, plant and equipment	8,390,160	11,943,485	(11,943,485)	8,390,160

	The Company		The Company	
	Property development sales & management N'000	Total N'000	Property development sales & management N'000	Total N'000
31 March 2023				
Total revenue	102,282	102,282	282,430	282,430
Intergroup revenue	-	-	-	-
Revenue from third parties	102,282	102,282	282,430	282,430
Profit before interest and tax	(53,735)	(53,735)	162,826	162,826
Profit before tax	(158,083)	(158,083)	33,103	33,103
Net current assets	2,970,706	2,970,706	3,132,571	3,132,571
Property, plant and equipment	32,561	32,561	28,744	28,744

4 (i). Revenue from contracts with customers

Entity wide information

	The Group		The Company	
	31 Mar 23 N'000	31 Mar 2022 N'000	31 Mar 23 N'000	31 Mar 2022 N'000
Analysis of revenue by category:				
UPDC Sale of Property Stock	62,850	143,000	62,850	143,000
Project/ Asset Management Fee	39,432	139,430	39,432	139,430
UPDC Hotel Ltd. Revenue	218,120	-	-	-
Deep Horizon Inv. Ltd Sale of Property Stock	414,591	420,660	-	-
UPDC Facility Mgt Ltd. Management Surcharge Income	108,129	77,690	-	-
Group	843,122	780,780	102,282	282,430
Analysis of revenue by geographical location:				
Nigeria	843,122	780,780	102,282	282,430

5. Other Operating Income

	The Group		The Company	
	31 Mar 23	31 Mar 22	31 Mar 23	31 Mar 22
	N'000	N'000	N'000	N'000
Investment income	-	24,623	-	24,623
Exchange gain	383	34	383	34
Recovery on facility management	-	15,873	-	-
Others	4,909	72,809	48,343	72,809
Total other income	5,292	113,338	48,727	97,466

6. Expenses by nature

	The Group		The Company	
	31 Mar 23	31 Mar 22	31 Mar 23	31 Mar 22
	N'000	N'000	N'000	N'000
Change in inventories of finished goods & other direct costs of inventories	391,567	433,252	55,000	84,804
Property Maintenance expenses	6,101	7,486	6,101	7,153
Personnel expenses (Note 7a)	177,412	110,964	87,053	73,600
Depreciation of Property, Plant & Equipment (Note 13)	25,729	4,556	2,770	2,964
Amortization of intangible asset (Note 14)	948	508	786	362
Rent and rates*	3,319	3,581	3,319	3,245
Vehicles repairs, maintenance & fueling	2,018	937	1,344	819
Other repairs & maintenance	20,308	1,437	-	1,437
Legal expenses	10,269	3,665	10,000	3,665
Directors' emoluments (Note 7a)	950	850	950	850
Information Technology	7,419	11,021	6,023	9,932
Insurance	8,904	3,865	3,259	3,086
Marketing, advertising & communication	12,956	9,195	6,446	8,344
Professional fees	54,592	5,169	11,633	4,569
Agency Fees	7,139	9,122	943	1,677
Printing and stationery	2,894	935	1,471	912
Energy Cost - UPDC Hotel Ltd.	95,646	-	-	-
Other expenses**	57,848	24,628	24,924	17,281
	886,020	631,171	222,023	224,699
Cost of sales	448,106	486,541	71,076	104,566
Selling and distribution expenses	20,222	14,594	13,712	13,743
Administrative expenses	417,692	130,036	137,235	106,390
	886,020	631,171	222,023	224,699

* Rent and rates are short term leases of office building that are below one year.

** Other expenses include, registrars expenses, training cost, transport & travels, security expenses, NSE listing fees, service charge, statutory payments.

7. Net Finance Income/(Cost)

	The Group		The Company	
	31 Mar 23	31 Mar 22	31 Mar 23	31 Mar 22
	N'000	N'000	N'000	N'000
Finance Income	17,279	12,558	17,279	7,629
Interest on borrowings	(104,348)	(129,723)	(104,348)	(129,723)
Finance Costs	(104,348)	(129,723)	(104,348)	(129,723)
Net Finance Cost	(87,069)	(117,165)	(87,069)	(122,094)

Finance income relate to interest on short term deposits.

8. Taxation

	The Group		The Company	
	31 Mar 23	31 Mar 22	31 Mar 23	31 Mar 22
	N'000	N'000	N'000	N'000
Current tax				
Current income tax	32,951	16,243	753	706
Total current tax charge	32,951	16,243	753	706

Nigeria corporation tax is calculated at 30% (2021: 30%) of the estimated assessable profit for the year.

9. Current tax assets

	The Group		The Company	
	31 Mar 23	31 Dec 22	31 Mar 23	31 Dec 22
	N'000	N'000	N'000	N'000
Unutilised withholding tax credit notes as at January 1	127,762	96,908	127,762	96,908
Additional during the year	30	30,854	-	30,854
Unutilised withholding tax credit notes as at period end	127,792	127,762	127,762	127,762

These relate to WHT credit notes yet to be utilized. The notes will be utilized against future income tax liabilities when filing tax returns to the FIRS.

10. Earnings/(loss) Per Share

(a) Basic

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the period excluding ordinary shares purchased by the Company and held as treasury shares.

	The Group		The Company	
	31 Mar 23 N'000	31 Mar 22 N'000	31 Mar 23 N'000	31 Mar 22 N'000
Loss after tax for the year from discontinued operations	-	(8,728)	-	-
Profit/(loss) attributable to ordinary equity shareholders (NGN'000)	(157,626)	129,539	(158,836)	32,397
Profit/(loss) for the period	(157,626)	120,811	(158,836)	32,397
Basic earnings/(loss) per share (Kobo)	(1)	1	(1)	-
From discontinued operations	-	-	-	-
From continuing operations	(1)	1	(1)	-
Diluted earnings/(loss) per share (Kobo)	(1)	1	(1)	-
From discontinued operations	-	-	-	-
From continuing operations	(1)	1	(1)	-

	The Group		The Company	
	31 Mar 23 Number ('000)	31 Mar 22 Number ('000)	31 Mar 23 Number ('000)	31 Mar 22 Number ('000)
Basic weighted average and Diluted weighted average number of shares	18,559,970	18,559,970	18,559,970	18,559,970
Absolute number of shares	18,559,970	18,559,970	18,559,970	18,559,970

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The group has no dilutive instruments.

11. Property, plant and equipment

The Group

	Land & Building	Motor vehicles	Plant and Machinery	Furniture & Fittings	Computer Equipment	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Cost						
At 1 January 2022	-	62,512	12,737	46,843	72,099	194,191
Addition	10,153	-	110,753	17,627	10,918	149,451
Reclassification from Assets held for sale	8,118,332	6,623	77,663	32,861	5,521	8,241,000
Disposals	-	(24,456)	-	-	-	(24,456)
At 31 December 2022	8,128,485	44,679	201,153	97,331	88,538	8,560,185
At 1 January 2023	8,128,485	44,679	201,153	97,331	88,538	8,560,185
Addition	250	3,772	17,630	13,714	4,555	39,921
Disposals	-	-	-	-	-	-
At 31 March 2023	8,128,735	48,451	218,783	111,045	93,093	8,600,106
Accumulated depreciation and impairment						
At 1 January 2022	-	26,756	12,737	46,419	58,351	144,262
Charge for the period	16,489	9,231	5,859	1,322	5,245	38,145
Disposals	-	(12,381)	-	-	-	(12,381)
At 31 December 2022	16,489	23,606	18,595	47,741	63,596	170,027
At 1 January 2023	16,489	23,606	18,595	47,741	63,596	170,027
Charge for the period	13,208	1,391	7,406	2,086	2,374	26,464
Disposals	-	-	-	-	-	-
At 31 March 2023	29,697	24,997	26,001	49,827	65,969	196,491
Net book values						
At 31 March 2023	8,099,038	23,454	192,782	61,218	27,123	8,403,616
At 31 December 2022	8,111,996	21,073	182,558	49,590	24,942	8,390,160

No Property, Plant and Equipment was pledged as security for any liability as at 31 March 2023 (2022: Nil)

The Company

	Motor vehicles N'000	Plant and Machinery N'000	Furniture & Fittings N'000	Computer Equipment N'000	Total N'000
Cost					
At 1 January 2022	33,170	12,736	46,234	67,986	160,126
Additions	-	-	3,404	3,897	7,302
Disposals	-	-	-	-	-
At 31 December 2022	33,170	12,736	49,639	71,883	167,428
At 1 January 2023	33,170	12,736	49,639	71,883	167,428
Additions	-	-	2,571	4,015	6,586
At 31 March 2023	33,170	12,736	52,210	75,898	174,014
Accumulated depreciation					
At 1 January 2022	13,696	12,736	45,839	56,454	128,723
Charge for the period	5,563	-	508	3,890	9,961
Disposals	-	-	-	-	-
At 31 December 2022	19,259	12,736	46,347	60,344	138,684
At 1 January 2023	19,259	12,736	46,347	60,344	138,683
Charge for the period	1,391	-	255	1,124	2,770
At 31 March 2023	20,649	12,736	46,602	61,468	141,452
Net book values					
At 31 March 2023	12,521	-	5,608	14,430	32,561
At 31 December 2022	13,911	-	3,292	11,539	28,744

No Property, Plant and Equipment was pledged as security for any liability as at 31 March 2023 (2022: Nil)

12. Intangible Assets

	The Group Software N'000	The Company Software N'000
Cost		
At 1 January 2022	309,009	305,770
Additions	33,039	-
Reclassification from Assets held for sale	43,638	-
At 31 December 2022	385,686	305,770
At 1 January 2023	385,686	305,770
Additions	1,871	-
At 31 March 2023	387,557	305,770
Amortisation		
At 1 January 2022	292,620	291,455
Reclassification from Assets held for sale	42,039	-
Amortisation for the period	5,586	3,346
At 31 December 2022	340,246	294,801
At 1 January 2023	340,246	294,801
Amortisation for the period	1,179	786
At 31 March 2023	341,425	295,587
Net book values		
At 31 March 2023	46,132	10,184
At 31 December 2022	45,442	10,970

No intangible asset was pledged as security for any liability as at 31 March 2023 (2022: Nil)

13. Investments in equity accounted joint ventures

The amounts recognised in the statement of financial position are as follows:

	The Group		The Company			
	31 Mar 23 N'000	31 Dec 22 N'000	31 Mar 23 N'000	31 Dec 22 N'000	31 Mar 23 % holding	31 Dec 22 % holding
Joint ventures	125,647	125,647	124,843	124,843	51%	51%
	125,647	125,647	124,843	124,843		

The movement in the investment in joint ventures during the year is stated below:

	The Group		The Company	
	31 Mar 23 N'000	31 Dec 22 N'000	31 Mar 23 N'000	31 Dec 22 N'000
At 1 January	125,647	128,926	124,843	128,122
Movement during the year	-	(3,279)	-	(3,279)
	125,647	125,647	124,843	124,843

Nature of investment in Joint ventures:

Name	Project	Country of incorporation	Nature of relationship	Measurement method	% Interest held
First Festival Mall Ltd.	Festival Mall	Nigeria	Joint venture	Equity	45%
First Restoration Dev. Coy Ltd.	Olive Court	Nigeria	Joint venture	Equity	51%
Pinnacle Apartment Dev. Ltd.	Pinnacle Apartments	Nigeria	Joint venture	Equity	51%
Calabar Golf Estate Ltd.	Golf Estate	Nigeria	Joint venture	Equity	51%
UPDC Metro City Ltd.	Metrocity	Nigeria	Joint venture	Equity	60%
Transit Village*	Transit Village	Nigeria	Joint venture	Equity	40%

All joint ventures are primarily set up for projects as stated above. The investments in Joint Venture were measured at cost in the separate financial statements.

* Transit Village JV was not operational as at year end. The company's investment represents the seed capital contributed towards acquiring the land for the project.

14. Equity instrument at fair value through other comprehensive income

As at 31 March 2023, UPDC held 133,413,475 units, representing 5% of the total issued REIT units. This is in compliance with Section 532(z) of the SEC Rules and Regulations (as amended) that requires promoters of real estate investment schemes to subscribe to a minimum of 5% of the registered units of the scheme at inception and hold such units throughout the life of the real estate investment scheme. The fair value changes is as a result of the difference in share price from prior year of N3.00 to N3.15 per unit in current year.

	The Group		The Company	
	31 Mar 23 N'000	31 Dec 22 N'000	31 Mar 23 N'000	31 Dec 22 N'000
As at 1 January	400,240	593,690	400,240	593,690
Fair value changes	20,012	(193,450)	20,012	(193,450)
As at period end	420,252	400,240	420,252	400,240

	The Group		The Company	
	31 Mar 23 N'000	31 Dec 22 N'000	31 Mar 23 N'000	31 Dec 22 N'000
Openina balance of Investment	400,240	593,690	400,240	593,690
Fair valuation at reporting date	(420,252)	(400,240)	(420,252)	(400,240)
Fair value (gain)/ loss	(20,012)	193,450	(20,012)	193,450

15. Investments in subsidiaries

Principal investments	The Company		% Shareholding	
	31 Mar 23 N'000	31 Dec 22 N'000	31 Mar 23 %	31 Dec 22 %
UPDC Hotels Ltd. 2,082,500,000 Shares of ₦1.00 each	2,082,500	2,082,500	94%	94%
Manor Gardens Dev. Company Ltd. 53,810,000 Ordinary Shares of ₦1.00 each	53,810	53,810	67.5%	67.5%
UPDC Facility Management Ltd. 5,000,000 Ordinary Shares of ₦1.00 each	108,019	108,019	50%	50%
Deep Horizon Investment Ltd. 1,000,000 Ordinary Shares of ₦1.00 each	1,611,697	1,611,697	95%	75%
	3,856,026	3,856,026		
Impairment of investments	(2,136,310)	(2,136,310)		
	1,719,716	1,719,716		

Investments in subsidiaries are measured at cost. Investment in UPDC Hotels Ltd. previously classified as a discontinued operation has now been classified as continuing operation.

16. Inventories

	The Group		The Company	
	31 Mar 23 N'000	31 Dec 22 N'000	31 Mar 23 N'000	31 Dec 22 N'000
Non trade stock	68,671	120,595	-	-
Properties under construction - Note 16 (i)	5,073,906	5,145,164	4,149,571	3,927,220
Balance	5,142,577	5,265,759	4,149,571	3,927,220

All Inventory above are carried at lower of cost or net realisable value at all the periods reported.

16. (i). Properties under construction

	The Group		The Company	
	31 Mar 23 N'000	31 Dec 22 N'000	31 Mar 23 N'000	31 Dec 22 N'000
Balance 1 January	5,145,164	6,084,508	3,927,220	4,468,168
Additions	376,931	2,380,740	277,351	2,000,000
Transfer from Calabar Golf Estate Ltd.	-	310,452	-	310,452
Disposal	(348,609)	(3,951,285)	(55,000)	(2,851,400)
Deferred Commissioning cost/ write back	(99,580)	320,749	-	-
	5,073,906	5,145,164	4,149,571	3,927,220

17. Trade and other receivables

	The Group		The Company	
	31 Mar 23 N'000	31 Dec 22 N'000	31 Mar 23 N'000	31 Dec 22 N'000
Trade receivables	943,046	960,269	844,821	846,821
Less: Impairment of trade receivables	(861,496)	(861,496)	(809,557)	(809,557)
Net trade receivables	81,550	98,773	35,264	37,264
Receivables from group companies (Note 23)	1,114,151	1,157,733	1,414,386	1,488,546
Other receivables (Note 17 (i))	495,906	654,533	416,743	453,474
Advances to staff	781	879	781	1,847
	1,692,388	1,911,918	1,867,173	1,981,131

17. (i) Analysis of other receivables

	31 Mar 23 N'000	31 Dec 22 N'000	31 Mar 23 N'000	31 Dec 22 N'000
Mobilization payments to contractors	54,903	87,588	26,767	26,767
Prepayments and accrued income	46,706	29,729	47,166	24,105
Withholding tax receivables	6,352	5,443	6,352	5,443
Other Debtors*	387,945	531,773	336,457	397,159
	495,906	654,533	416,743	453,474

*Other debtors comprise mainly of service charge expenses incurred on empty plot of land at Pinnock Beach. These are reimbursable by individual customers upon commencement of development work on their respective plots.

18. Cash and cash equivalents

	The Group		The Company	
	31 Mar 23 N'000	31 Dec 22 N'000	31 Mar 23 N'000	31 Dec 22 N'000
Cash at bank and in hand	1,495,323	1,406,179	752,687	776,582
Short term investment	1,384,871	1,755,617	1,384,871	1,755,617
Less: Impairment of Short term investments	(321)	(321)	(90)	(90)
Cash and cash equivalents	2,879,873	3,161,475	2,137,468	2,532,109

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

19. Borrowings

	The Group		The Company	
	31 Mar 23 N'000	31 Dec 22 N'000	31 Mar 23 N'000	31 Dec 22 N'000
UAC of Nigeria Plc. Loan	79,935	32,292	79,935	32,292
Custodian Investment Plc Loan	95,138	38,433	95,138	38,433
Current borrowings	175,073	70,725	175,073	70,725
Non-current borrowings				
UAC of Nigeria Plc. Loan	2,146,881	2,146,881	2,146,881	2,146,881
Custodian Investment Plc Loan	2,555,215	2,555,215	2,555,215	2,555,215
	4,702,096	4,702,096	4,702,096	4,702,096
Total borrowings	4,877,169	4,772,821	4,877,169	4,772,821

Movement in total borrowing during the year is as follows:

	The Group		The Company	
	31 Mar 23 N'000	31 Dec 22 N'000	31 Mar 23 N'000	31 Dec 22 N'000
Balance as at 1 January	4,772,821	5,511,653	4,772,821	5,511,653
Proceeds from borrowings	-	-	-	-
Initial measurement of proceeds	-	391,420	-	391,420
Interest accrued	104,348	521,432	104,348	521,432
Repayment of borrowings*	-	(1,143,421)	-	(1,143,421)
Interest paid	-	(508,264)	-	(508,264)
Balance	4,877,169	4,772,821	4,877,169	4,772,821

In April 2021, the majority shareholders of UPDC Plc (CIP & UACN Plc) granted UPDC Plc a loan for N5.9billion at the rate of 9%/annum with a 3year moratorium. It was also agreed that the loan would be provided by CIP and UACN Plc's pro rata their shareholding in the UPDC i.e. CIP contributed 54.34% of the Loan whilst UACN Plc contributed 45.66% of the Loan. The purpose of the loan was to pay down the 5-year bond and UACN Bridge Finance.

*In December 2022, UPDC Plc repaid N1.143million, being the bridge portion of the Shareholders' loan to CIP & UACN Plc as well as the accrued interest as at the date of principal repayment.

20. Trade and other payables

	The Group		The Company	
	31 Mar 23 N'000	31 Dec 22 N'000	31 Mar 23 N'000	31 Dec 22 N'000
Trade payables	914,703	912,712	536,810	541,463
Contract liabilities (Note 21)	1,867,087	2,538,829	1,792,622	2,469,929
Amounts owed to other related parties (Note 29)	349,072	211,789	1,493,171	1,071,278
	3,130,863	3,663,330	3,822,603	4,082,670
Value Added Tax/ Withholding Tax Payables	104,979	114,508	8,248	27,308
Other payables	410,754	360,641	329,666	265,135
Assets Replacement Deposits	239,405	241,597	228,405	232,597
Unclaimed dividend (Note 22)	252,411	252,411	252,411	252,411
Deferred Commissioning cost	221,169	320,749	-	-
Accruals	1,092,489	1,088,646	456,779	467,475
Total	5,452,070	6,041,882	5,098,112	5,327,596

*Trade and other payables comprise amounts outstanding for trade purchases and ongoing costs. The directors consider the carrying amount of trade and other payables to approximate its fair value due to their short term maturity period and no significant discounts is expected on payments of the obligations.

*Other payables development levy deposits, and other payroll related statutory payment due.

*Accruals is made up of legal fee, audit fee, amongst others.

21. Contract liabilities

	The Group		The Company	
	31 Mar 23 N'000	31 Dec 22 N'000	31 Mar 23 N'000	31 Dec 22 N'000
Deposit by customers	1,867,087	2,538,829	1,792,622	2,469,929
	1,867,087	2,538,829	1,792,622	2,469,929

This represents advances received from customers in respect of sale of property stocks and facility management fees. This is a non-interest bearing liability.

22. Unclaimed dividend

	The Group		The Company	
	31 Mar 23 N'000	31 Dec 22 N'000	31 Mar 23 N'000	31 Dec 22 N'000
As at 1 January	252,411	252,411	252,411	252,411
Dividend declared	-	-	-	-
	252,411	252,411	252,411	252,411

23. Related party transactions

The ultimate parent and controlling party of the Company is Custodian Investment Plc incorporated in Nigeria. There are other companies that are related to UPDC through common shareholdings.

Period-end balances arising from sales/purchases of goods/services

	The Group		The Company	
	31 Mar 23 N'000	31 Dec 22 N'000	31 Mar 23 N'000	31 Dec 22 N'000
Receivable:				
Receivables balance	4,301,673	4,345,254	18,650,940	18,725,102
Provision for expected credit losses	(3,187,521)	(3,187,521)	(17,236,555)	(17,236,555)
Balance as at 31 December	1,114,151	1,157,733	1,414,386	1,488,548

Period-end balances arising from sales/purchases of goods/services

	Relationship	The Group		The Company	
		31 Mar 23 N'000	31 Dec 22 N'000	31 Mar 23 N'000	31 Dec 22 N'000
Receivable:					
UPDC Metrociti Limited	Joint Venture	963,155	1,019,242	963,155	1,019,242
UPDC Hotel Ltd.	Subsidiary	-	-	14,349,608	14,330,230
First Festival Mall Limited	Joint Venture	2,614,513	2,614,513	2,614,513	2,614,513
Pinnacle Apartment Dev. Ltd/ Imani and Sons	Joint Venture	332,727	320,222	332,727	320,222
Galaxy Mall Current Account	Joint Venture	74,034	74,034	74,034	74,034
Manor Gardens	Subsidiary	317,244	317,244	317,244	317,244
UPDC Facility Management Ltd.	Subsidiary	-	-	(340)	49,618
		4,301,673	4,345,254	18,650,940	18,725,102
Impairment of Intercompany receivables		(3,187,521)	(3,187,521)	(17,236,555)	(17,236,555)
		1,114,151	1,157,733	1,414,386	1,488,546

	Relationship	The Group		The Company	
		31 Mar 23 N'000	31 Dec 22 N'000	31 Mar 23 N'000	31 Dec 22 N'000
Payable:					
UAC of Nigeria Plc.	Associate	1,002	7,002	1,002	7,002
UPDC REIT	Equity investment	48,603	75,416	48,603	75,416
MDS Logistics Ltd.	Sister Company	-	1,787	-	1,787
First Restoration Dev. Co. Limited	Joint Venture	299,467	127,583	299,467	127,583
Deep Horizon Investment Ltd.	Subsidiary	-	-	1,144,098	859,489
		349,072	211,789	1,493,171	1,071,278

All trading balances will be settled in cash.

The related party transactions were carried out on commercial terms and conditions.

24. Events after reporting period

Covid-19 Pandemic

Impact Review:

We have continued to implement our strategies for managing the impact of the pandemic on our business by focusing on our people, operations, customers and finances. Our strategy remains the same, and is as follows:

- **People:** We adopted a "People First" approach, ensuring the safety of our staff and customers. Flexible working was adopted to minimize the risk of exposure to the virus, and we were able to establish minimum disruption to business operations while working from home.
- **Operations:** Our businesses were stress tested at varying levels. We have continued to focus on cost optimization, negotiating discounts on every expenditure and agreeing appropriate payment plans with contractors.
- **Strategy:** We have reviewed and analyzed internal data and conducted market research, and based on these, we have reviewed our products and service offerings to align with the market. We will focus our energies on products and service offerings which offer stable and consistent demand
- **Technology:** We embraced digital transformation to ensure continued paperless access to our files, seamless communication with our employees and customers through virtual meeting platforms; and continued access to our products and services via the available digital channels.

Balance sheet analysis:

- **Property, Plant and Equipment:** The Company's Property Plant and Equipment consists mainly Motor Vehicles, Furniture & Fittings and Computer Equipment. We do not envisage any negative impact on this class of asset.
- **Intangible Assets:** This class of asset includes software, which will not be negatively impacted by the effects of the pandemic.
- **Investment in Joint Ventures:** There was a slowdown in sales of Joint Venture assets and recovery of receivables. We have planned for this in our budget for the year.
- **Inventories:** There was a slowdown in sales of property stock. Our new developments will focus on Middle Income housing, which will help drive revenue for the year.
- **Trade and Other Receivables:** We have performed a quarterly analysis and review of the portfolio and the impact on the Company. We will also continue to embark on recovery drives. Any required adjustment will be reflected in the appropriate reporting period.
- **Non-current liabilities:** The Company has put measures in place to ensure that the interest obligations on UACN and Custodian Investment Plc loans are met as and when due. The principal repayment is not yet due until 2026.
- **Current liabilities:** We do not envisage any adverse impact on current liabilities.

UPDC Free Float Computation			
Company Name:	UPDC PLC		
Board Listed:	MAIN BOARD		
Year End:	December		
Reporting Period:	31 Mar 23		
Share Price at end of reporting period:	₦0.99		
Shareholding Structure/Free Float Status			
Description	31 Mar 23		
	Units	Percentage	
Issued Share Capital	18,559,969,936	100%	
Substantial Shareholdings (5% and above)			
Custodian Investment Plc	9,486,390,663	51.11%	
UAC of Nigeria Plc	7,953,143,897	42.85%	
Total Substantial Shareholdings	17,439,534,560	93.96%	
Directors' Shareholdings (direct and indirect), excluding directors with substantial interests			
Mr. Wole Oshin	-	-	
Mr. Folasope Aiyesimoju	-	-	
Mr. Odunayo Ojo	-	-	
Ms. Bidemi Fadayomi	-	-	
Mr. Adeniyi Falade	-	-	
Mr. Oyekunle Osilaja	-	-	
Total Directors' Shareholdings	-	-	
Other Influential Shareholdings			
First PCN/Crusader Pensions - PFA Main	216,154,500	1.16%	
Total Other Influential Shareholdings	216,154,500	1.16%	
Free Float in Units and Percentage	904,280,876	4.88%	
Free Float in Value	₦693,815,153.25		

Declaration:

UPDC Plc, with a free float percentage of 4.88% as at 31 March 2023, does not meet the free float requirements of the Nigerian Exchange Group for companies listed on the Main Board.

The Company is working on a plan to resolve this. This plan will be communicated appropriately as soon as it is implemented.