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GEREGU
POWER PLC

UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2023

GEREGU POWER PLC
STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE
UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023

In accordance with the provisions of the Companies and Allied Matters Act, 2020 the directors are responsible for the preparation of financial statements which give a true and fair view of the state of affairs of the Company at the end of the period and its profit or loss.

The responsibilities include ensuring that:

- i. The Company keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the company and comply with the requirements of the Companies and Allied Matters Act, 2020
- ii. Appropriate and adequate internal controls are established to safeguard its assets and to prevent and detect fraud and other irregularities;
- iii. The Company prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates that are consistently applied; and
- iv. It is appropriate for the financial statements to be prepared on a going concern basis.

The directors accept responsibility for the financial statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with the International Financial Reporting Standards, in compliance with Financial Reporting Council of Nigeria Act, No 6, 2011 and the requirements of the Companies and Allied Matters Act, 2020.

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of its profit and cash flows for the period.

The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.

Signed on behalf of the Board of Directors by:



Femi Otedola, CON
Chairman
FRC/2013/IODN/00000002426

Dated: 14 July 2023



Akin Akinfemiwa
Chief Executive Officer
FRC/2013/IODN/00000001994

Dated: 14 July 2023



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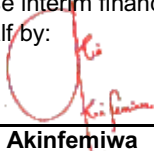
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GEREGU POWER PLC
UNAUDITED INTERIM STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2023


| | Notes | 30-Jun-23 N'000 | 31-Dec-22 N'000 |
|--------------------------------------|-------|--------------------|--------------------|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 13. | 37,510,910 | 37,994,728 |
| Intangible assets | 14. | 1,536 | 4,714 |
| Long term employee benefits | 19. | 8,941 | - |
| Total non-current assets | | 37,521,387 | 37,999,442 |
| Current assets | | | |
| Inventories | 15 | 470,220 | 506,175 |
| Trade and other receivables | 16. | 59,633,215 | 76,944,928 |
| Other current assets | 17. | 13,550,022 | 6,948,108 |
| Cash and cash equivalents | 18. | 44,310,351 | 51,631,751 |
| Total current assets | | 117,963,808 | 136,030,962 |
| Total assets | | 155,485,195 | 174,030,404 |
| Equity | | | |
| Share capital | 20. | 1,250,000 | 1,250,000 |
| Retained earnings | 20. | 35,920,414 | 47,866,530 |
| Actuarial reserves | 20. | (13,261) | (13,261) |
| Total equity | | 37,157,153 | 49,103,269 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Long term employee benefits | 19. | - | 11,702 |
| Deferred tax liabilities | 11. | 7,691,785 | 8,390,953 |
| Borrowings | 22. | 15,922,310 | 27,990,799 |
| Bond Payable | 23. | 40,085,000 | 40,085,000 |
| Total non-current liabilities | | 63,699,095 | 76,478,454 |
| Current liabilities | | | |
| Trade and other payables | 21 | 38,765,618 | 33,313,381 |
| Current tax payable | 11. | 11,892,993 | 7,646,589 |
| Borrowings | 22. | 1,440,978 | 5,004,539 |
| Bond Payable | 23. | 2,529,358 | 2,484,172 |
| Total current liabilities | | 54,628,947 | 48,448,681 |
| Total liabilities | | 118,328,042 | 124,927,135 |
| Total equity and liabilities | | 155,485,195 | 174,030,404 |

These interim financial statements were approved by the Board of Directors on 14 July 2023 and signed on its behalf by:


Akin Akinfemiwa
 Chief Executive Officer
 FRC/2013/IODN/000000001994


Ganiyu L. Adisa
 Chief Financial Officer
 FRC/2013/ICAN/000000003078


Femi Otedola, CON
 Chairman
 FRC/2013/IODN/000000002426


Julius B. Omodayo-Owotuga
 Deputy Chief Executive
 FRC/2013/ICAN/000000001995

The accompanying notes and significant accounting policies form an integral part of these unaudited interim financial statements.

GEREGU POWER PLC
UNAUDITED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2023

| Notes | 3 months ended 30-Jun-23 N'000 | 6 months ended 30-Jun-23 N'000 | 3 months ended 30-Jun-22 N'000 | 6 months ended 30-Jun-22 N'000 | Year ended 31-Dec-22 N'000 |
|-------|---|---|---|---|----------------------------------|
| 6. | 20,465,935 | 34,696,417 | 15,263,746 | 33,800,973 | 47,619,370 |
| 7. | (9,289,958) | (16,536,197) | (7,739,602) | (16,969,686) | (24,478,476) |
| | 11,175,977 | 18,160,220 | 7,524,144 | 16,831,287 | 23,140,894 |
| 8. | 9,711 | 11,341 | 1,623 | 3,264 | 157,253 |
| 9. | (1,900,868) | (1,900,868) | (441,983) | (518,450) | (3,727,473) |
| 9. | (1,221,205) | (2,415,473) | (940,642) | (1,727,978) | (4,750,360) |
| | 8,063,615 | 13,855,220 | 6,143,142 | 14,588,123 | 14,820,314 |
| 10 | 1,868,872 | 4,584,610 | 535,078 | 566,167 | 7,673,734 |
| 10 | (3,005,375) | (6,147,318) | (1,349,978) | (1,668,716) | (7,325,577) |
| | (1,136,502) | (1,562,707) | (814,900) | (1,102,549) | 348,157 |
| 11 | 6,927,113 | 12,292,513 | 5,328,244 | 13,485,575 | 15,168,471 |
| | (2,421,456) | (4,238,629) | (1,733,248) | (4,383,486) | (4,997,017) |
| | 4,505,657 | 8,053,884 | 3,594,996 | 9,102,089 | 10,171,454 |
| 19. | - | - | - | - | (6,820) |
| | 4,505,657 | 8,053,884 | 3,594,996 | 9,102,089 | 10,164,634 |
| 12. | 1.80 | 3.22 | 1.44 | 3.64 | 4.07 |
| 12. | 1.80 | 3.22 | 1.44 | 3.64 | 4.07 |

The accompanying notes and significant accounting policies form an integral part of these unaudited interim financial statements.

GEREGU POWER PLC
UNAUDITED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2023

| | Share capital N'000 | Retained earnings N'000 | Other reserves N'000 | Total equity N'000 |
|---|------------------------|-------------------------------|-------------------------|-----------------------|
| Balance at 1 January 2022 | 5,000 | 59,940,076 | (6,441) | 59,938,635 |
| Changes in equity for 2022: | | | | |
| Profit for the period | - | 9,102,089 | - | 9,102,089 |
| Defined benefit plan actuarial gain | - | - | - | - |
| Amount attributable to equity holders | 5,000 | 69,042,165 | (6,441) | 69,040,724 |
| Transactions with owners, recorded directly in equity | | | | |
| issue of shares | 1,245,000 | (1,245,000.00) | | |
| Dividend to equity holders | - | (12,330,247) | - | (12,330,247) |
| Balance at 30 June 2022 | 1,250,000 | 55,466,918 | (6,441) | 56,710,477 |
| Balance at 1 January 2023 | 1,250,000 | 47,866,530 | (13,261) | 49,103,269 |
| Changes in equity for 2023: | | | | |
| Profit for the period | - | 8,053,884 | | 8,053,884 |
| Amount attributable to equity holders | 1,250,000 | 55,920,414 | (13,261) | 57,157,153 |
| Dividend to equity holders(note 20) | - | (20,000,000) | - | (20,000,000) |
| Balance at 30 June 2023 | 1,250,000 | 35,920,414 | (13,261) | 37,157,153 |

The accompanying notes and significant accounting policies form an integral part of these unaudited interim financial statements.

GEREGU POWER PLC
UNAUDITED INTERIM STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2023

| | Notes | 6 Months Ended 30-Jun-23 N'000 | 6 Months Ended 30-Jun-22 N'000 | Year Ended 31-Dec-22 N'000 |
|---|------------|--------------------------------------|--------------------------------------|----------------------------------|
| Cash flows from operating activities | 24. | 17,013,427 | 16,903,678 | 21,026,762 |
| Changes in: | | | | |
| Inventories | 15. | 35,955 | (30,417) | (65,373) |
| Trade and other receivables | 16. | 15,410,846 | 6,846,777 | (5,569,853) |
| Other current assets | 17. | (6,601,914) | (179,988) | (6,320,457) |
| Trade and other payables | 21 | 5,452,237 | 1,062,889 | 2,895,990 |
| Non-trade payables | | - | (106,442) | - |
| Cash generated from operating activities | | 31,310,550 | 24,496,498 | 11,967,069 |
| Income taxes paid | 11. | (691,394) | (1,381,524) | (4,143,940) |
| Gratuity payment during the period | 19. | - | (3,049) | (6,381) |
| Net cash generated from operating activities | | 30,619,156 | 23,111,925 | 7,816,748 |
| Cash flows from investing activities | | | | |
| Proceeds from sale of property, plant and equipment | 13. | - | 12,600 | 12,600 |
| Purchase of property, plant and equipment | 13. | (829,518) | (4,785,723) | (588,178) |
| Funding of long term employee benefits | 19. | (45,972) | (25,078) | (60,613) |
| Interest received | 10. | 4,584,610 | 566,167 | 2,380,964 |
| Net cash generated/(used) from investing activities | | 3,709,120 | (4,232,034) | 1,744,773 |
| Cash flows from financing activities | | | | |
| Dividend paid | 20. | (20,000,000) | (39,431,998) | (21,000,000) |
| Repayment of long term borrowings | 22. | (35,823,926) | (9,898,742) | (17,126,887) |
| Proceeds from borrowings | 22. | 17,000,000 | 36,000,000 | 36,000,000 |
| Proceeds from bond | 23. | - | - | 40,085,000 |
| Payment of bond coupon | 23. | (2,837,090) | - | - |
| Net cash generated /(used) in financing activities | | (41,661,016) | (13,330,739) | 37,958,113 |
| Net (decrease)/increase in cash and cash equivalents | | | | |
| Analysis of changes in cash and cash equivalents: | | | | |
| Cash and cash equivalents at 1 January | | 51,631,751 | 3,954,864 | 3,954,864 |
| Increase/(decrease) in cash and cash equivalents | | (7,332,740) | 5,549,152 | 47,519,634 |
| Effect of exchange rate movement on cash balances | | 11,341 | 3,264 | 157,253 |
| Cash and cash equivalents at period/year | | 44,310,351 | 9,507,280 | 51,631,751 |

The accompanying notes and significant accounting policies form an integral part of these unaudited interim financial

GEREGU POWER PLC
NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

1. General Information

1.1 Reporting Entity

Geregu Power Plc ("the Company") is a registered Company domiciled in Nigeria. The registered office of the company is Itope-Ajaokuta Express Road, Ajaokuta, Kogi State, Nigeria.

1.2 Principal activities

The Company is principally engaged in the business of electric power generation and sale of electric power through the National Grid of the Transmission Company of Nigeria (TCN) to the Nigerian Bulk Electricity Trading Plc (NBET).

2 Security and trading policy

The Board has established an Insider Trading Policy designed to prohibit dealing in Geregu Power Plc. shares or securities on the basis of potentially price sensitive information that is not yet in the

3. Basis of preparation

3.1 Statement of compliance

These interim financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs) as issued by International Accounting Standard Board (IASB), and in compliance with Financial Reporting Council of Nigeria Act No 6, 2011. Additional information

The interim financial statements comprise the statement of financial position, statement of comprehensive income, the statement of changes in equity, cash flows and the related notes to the

The interim financial statements have been prepared in accordance with the going concern principle under the historical cost convention, as modified by financial instruments measured at fair value.

3.2 Functional and presentation currency

These interim financial statements are presented in Naira, which is the Company's functional currency. Except as indicated in these interim financial statements, financial information presented in Naira has been rounded to the nearest thousand.

3.3 Basis of measurement

These interim financial statements are prepared on the historical cost basis except as modified by actuarial valuation of staff gratuity and fair valuation of financial assets and liabilities where applicable. There are other assets and liabilities measured at amortised cost.

3.4 Use of estimates and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both. In particular, the Company has identified the following areas where significant judgements, estimates and assumptions are required. Changes in these assumptions may materially affect the financial position or financial results reported in future periods. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to

4 Standards, interpretations and amendments adopted by the Company

Several amendments and interpretations apply for the first time in 2023, but do not have an impact on the interim financial statements of the Company. The Company has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

5. Significant accounting policies

5.1 General

The accounting policies applied in these interim financial statements are the same as those applied in the company's audited financial statements as at and for the year ended 31 December 2022. This can be downloaded from our website www.geregupowerplc.com

5.2 Income tax

Income tax expenses are recognised based on management best estimation of the weighted average expected full year effective income tax rate.

GEREGU POWER PLC
NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

| | 3 Months Ended 30-Jun-23 N'000 | 6 Months Ended 30-Jun-23 N'000 | 3 Months Ended 30-Jun-22 N'000 | 6 Months Ended 30-Jun-22 N'000 | Year Ended 31-Dec-22 N'000 |
|---|---|---|---|---|---|
| 6. Revenue | | | | | |
| Energy sold | 12,569,192 | 21,651,146 | 9,708,634 | 21,498,146 | 30,252,241 |
| Capacity charge | 7,896,743 | 13,045,271 | 5,555,112 | 12,302,827 | 17,367,129 |
| | 20,465,935 | 34,696,417 | 15,263,746 | 33,800,973 | 47,619,370 |
| 7. Cost of sales | | | | | |
| Gas supply and transportation | 8,760,185 | 15,431,070 | 7,075,551 | 15,339,485 | 22,224,910 |
| Plant depreciation (note 13.1) | 529,773 | 1,105,128 | 664,051 | 1,630,201 | 2,253,566 |
| | 9,289,959 | 16,536,197 | 7,739,602 | 16,969,686 | 24,478,476 |
| Gross profit | 11,175,977 | 18,160,219 | 7,524,144 | 16,831,287 | 23,140,894 |
| 8. Other income | | | | | |
| | 3 Months Ended 30-Jun-23 N'000 | 6 Months Ended 30-Jun-23 N'000 | 3 Months Ended 30-Jun-22 N'000 | 6 Months Ended 30-Jun-22 N'000 | Year Ended 31-Dec-22 N'000 |
| Foreign exchange gain realised | 9,711 | 11,341 | 3,264 | 3,264 | 157,253 |
| Provision for inventory impairment no longer required | - | - | (1,641) | - | - |
| | 9,711 | 11,341 | 1,623 | 3,264 | 157,253 |
| 9. Administrative expenses | | | | | |
| Repair and maintenance of plant and machinery * | 29,634 | 89,756 | 28,036 | 67,015 | 212,321 |
| Energy import and regulatory charges | 1,573 | 7,340 | 4,212 | 6,436 | 24,008 |
| Personnel cost (Note 9.1) | 481,219 | 886,971 | 260,835 | 520,886 | 2,138,068 |
| Depreciation expenses (note 13.1) | 103,036 | 208,209 | 78,074 | 146,012 | 302,611 |
| Amortization expenses (note 14) | 1,548 | 3,177 | 2,291 | 3,919 | 6,515 |
| Plant and machinery insurance | 113,792 | 227,584 | 83,052 | 166,103 | 332,205 |
| Postages, printing and stationery | 4,879 | 13,658 | 1,899 | 3,944 | 9,102 |
| Rent and rates | 13,770 | 38,369 | 50,121 | 94,837 | 55,448 |
| Other repairs and maintenance expenses | 41,000 | 71,473 | 9,962 | 18,247 | 60,993 |
| Telephone and internet expenses | 31,843 | 47,162 | 24,024 | 42,636 | 83,829 |
| Legal and listing expenses | 44,414 | 55,603 | 105,139 | 105,139 | 180,254 |
| Public relations, promotions and advertisement | 4,168 | 13,579 | 19,288 | 31,166 | 100,329 |
| Transport, travel costs and entertainment | 147,389 | 307,225 | 103,929 | 177,086 | 438,619 |
| Annual General Meeting Expenses | (5,000) | 51,390 | - | - | - |
| Cleaning, safety and security expenses | 66,039 | 118,272 | 50,598 | 103,619 | 224,109 |
| Audit fees | 8,750 | 17,500 | 8,750 | 17,500 | 35,000 |
| Board meeting expenses | 2,950 | 5,050 | - | - | 27,525 |
| Professional and consultancy fees | 96,335 | 198,461 | 80,658 | 174,568 | 418,996 |
| Other insurance expenses | 16,752 | 32,539 | 10,135 | 18,255 | 40,250 |
| Bank charges | 15,664 | 19,256 | 18,990 | 29,310 | 55,110 |
| Directors' fees and allowances | 1,450 | 2,900 | 650 | 1,300 | 5,067 |
| | 1,221,205 | 2,415,473 | 940,642 | 1,727,978 | 4,750,360 |

*Included in the repair and maintenance of plant and machinery are spare parts, tools and consumables issued from the stores.

GEREGU POWER PLC
NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

| | 3 Months Ended 30-Jun-23 | 6 Months Ended 30-Jun-23 | 3 Months Ended 30-Jun-22 | 6 Months Ended 30-Jun-22 | Year Ended 31-Dec-22 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------------------|
| 9.1 Personnel expenses | | | | | |
| | N'000 | N'000 | N'000 | N'000 | N'000 |
| Salaries, wages and allowances | 257,389 | 510,655 | 164,735 | 325,857 | 848,312 |
| Medical expenses | 12,888 | 22,521 | 7,497 | 14,315 | 32,450 |
| Contributions to pension fund scheme | 16,644 | 32,924 | 10,838 | 21,217 | 52,634 |
| Defined benefit plan- current service cost (Note 19) | 12,930 | 25,328 | 9,156 | 20,237 | 64,326 |
| Performance bonus, training and recruitment expenses | 115,377 | 161,139 | 36,101 | 75,765 | 957,778 |
| Contract manpower | 60,491 | 123,585 | 28,977 | 56,531 | 164,572 |
| Other personnel expenses | 5,500 | 10,819 | 3,531 | 6,964 | 17,996 |
| | 481,219 | 886,971 | 260,835 | 520,886 | 2,138,068 |
| 9.2 Impairment loss on financial assets | | | | | |
| Impairment of trade receivable (note 16) | 1,900,868 | 1,900,868 | 441,983 | 518,450 | 3,558,765 |
| Impairment of receivable from related party | - | - | - | - | 168,708 |
| | 1,900,868 | 1,900,868 | 441,983 | 518,450 | 3,727,473 |
| 10. Net finance income/(cost) | | | | | |
| Finance income | | | | | |
| Interest income on bank deposits | 1,614,306 | 3,169,094 | 57,708 | 88,797 | 2,380,964 |
| Interest income on related party receivables | 254,566 | 1,415,516 | 477,370 | 477,370 | 5,292,770 |
| | 1,868,872 | 4,584,610 | 535,078 | 566,167 | 7,673,734 |
| Finance cost | | | | | |
| Interest expense on borrowings (Note 22) | (1,483,109) | (3,191,876) | (1,349,978) | (1,668,716) | (4,841,405) |
| Interest expense on bond (Notes 23 & 24) | (1,522,266) | (2,955,442) | - | - | (2,484,172) |
| | (3,005,375) | (6,147,318) | (1,349,978) | (1,668,716) | (7,325,577) |
| Net finance (cost)/income | (1,136,502) | (1,562,707) | (814,900) | (1,102,549) | 348,157 |
| 11. Income tax payable | | | | | |
| | 3 Months Ended 30-Jun-23 | 6 Months Ended 30-Jun-23 | 3 Months Ended 30-Jun-22 | 6 Months Ended 30-Jun-22 | Year Ended 31-Dec-22 |
| 11.1 Income tax Payable | N'000 | N'000 | N'000 | N'000 | N'000 |
| Income tax | 2,804,157 | 4,547,200 | 1,599,675 | 4,045,672 | 6,406,954 |
| Education tax | 238,373 | 389,988 | 133,306 | 337,139 | 545,611 |
| Police trust fund levy | 342 | 610 | 266 | 674 | 758 |
| Current tax | 3,042,871 | 4,937,798 | 1,733,248 | 4,383,486 | 6,953,323 |
| Deferred tax (Note 11.4) | (621,415) | (699,170) | - | - | (1,956,306) |
| Total charge to profit or loss | 2,421,456 | 4,238,629 | 1,733,248 | 4,383,486 | 4,997,017 |
| 11.2 Reconciliation of effective tax to statutory tax | | | | 6 Months Ended 30-Jun-23 | Year Ended 31-Dec-22 |
| Profit before tax | | | | 12,292,512 | 15,168,471 |
| Tax calculated using the domestic corporation tax rate of 30% | | | | 3,659,254 | 4,550,541 |
| Effect of non-deductible expenses | | | | 992,107 | 2,721,135 |
| Effect of non-taxable income | | | | - | (724,344) |
| Effect of balancing charge and capital allowance | | | | (132,661) | (140,378) |
| Effect of education tax | | | | 389,988 | 545,611 |
| Effect of police trust fund levy | | | | 610 | 758 |
| Effect of deferred tax (abatement)/charge | | | | (699,170) | (1,956,306) |
| Total tax charge to profit or loss | | | | 4,238,629 | 4,997,017 |

The tax rate used for the period/year given above is at the current statutory rate, which is payable by corporate entities on taxable profits under tax law in its jurisdiction.

GEREGU POWER PLC
NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

| | 3 Months Ended 30-Jun-23 | 6 Months Ended 30-Jun-23 | 3 Months Ended 30-Jun-22 | 6 Months Ended 30-Jun-22 | Year Ended 31-Dec-22 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------------------|
| 11.3 Current income tax liability | N'000 | N'000 | N'000 | N'000 | N'000 |
| Liability at 1 January | - | 7,646,589 | - | 4,837,206 | 4,837,206 |
| Income tax for the period | 2,804,157 | 4,547,200 | 1,599,675 | 4,045,672 | 6,406,954 |
| Education tax | 238,373 | 389,988 | 133,306 | 337,139 | 545,611 |
| Police trust fund levy | 342 | 610 | 266 | 674 | 758 |
| Payment during the period/year | - | (691,394) | (1,381,524) | (1,381,524) | (4,143,940) |
| | <u>3,042,871</u> | <u>11,892,993</u> | <u>351,724</u> | <u>7,839,168</u> | <u>7,646,589</u> |
| 11.4 Deferred tax assets and liabilities | | | | | |
| Deferred tax liabilities at 1 January | - | (8,390,954) | - | (10,347,259) | (10,347,259) |
| Charge during the period | 621,415 | 699,170 | - | - | 1,956,306 |
| | <u>621,415</u> | <u>(7,691,785)</u> | <u>-</u> | <u>(10,347,259)</u> | <u>(8,390,953)</u> |
| 11.5 Analysis of deferred tax assets and liabilities | | | | | |
| Deferred tax assets at 1 January | - | (8,390,954) | - | (10,347,259) | (10,347,259) |
| Property, plant and equipment | 621,415 | 699,170 | - | - | 1,956,306 |
| | <u>621,415</u> | <u>(7,691,785)</u> | <u>-</u> | <u>(10,347,259)</u> | <u>(8,390,953)</u> |

12. Earnings per share

12.1 Basic earnings per share

The company's basic earnings per share of N3.22 (30 June 2022: N3.64 kobo) is based on the profit attributable to ordinary shareholders of N8,053,884 (30 June 2022: N9,102,089), and on the 2,500,000,000 (30 June 2022: 2,500,000,000) ordinary shares of 50 Kobo each, being the weighted average number of ordinary shares in issue during the current and preceding period.

| | 3 Months Ended 30-Jun-23 | 6 Months Ended 30-Jun-23 | 3 Months Ended 30-Jun-22 | 6 Months Ended 30-Jun-22 | Year Ended 31-Dec-22 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------------------|
| Profit attributable to ordinary shareholders | N'000 | N'000 | N'000 | N'000 | N'000 |
| Profit for the period/year | 4,505,657 | 8,053,884 | 3,599,002 | 9,102,089 | 10,171,454 |
| Profit attributable to ordinary shareholders | <u>4,505,657</u> | <u>8,053,884</u> | <u>3,599,002</u> | <u>9,102,089</u> | <u>10,171,454</u> |
| Issued ordinary shares | - | - | - | - | - |
| Issued ordinary shares at 1 January | 2,500,000 | 2,500,000 | 10,000 | 10,000 | 10,000 |
| Creation of additional Issued ordinary shares | - | - | 2,490,000 | 2,490,000 | 2,490,000 |
| Issued ordinary shares at 30 June | <u>2,500,000</u> | <u>2,500,000</u> | <u>2,500,000</u> | <u>2,500,000</u> | <u>2,500,000</u> |
| Basic earnings per share in (Naira) | <u>1.80</u> | <u>3.22</u> | <u>1.44</u> | <u>3.64</u> | <u>4.07</u> |
| Diluted earnings per share in (Naira) | <u>1.80</u> | <u>3.22</u> | <u>1.44</u> | <u>3.64</u> | <u>4.07</u> |

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NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

13. Property, plant and equipment

The movement in the property, plant and equipment during the period ended 30 June 2023 was as follows:

| | Gas Turbine Plant N'000 | Leasehold land N'000 | Buildings N'000 | Trucks and vehicles N'000 | Furniture & Fittings N'000 | Office equipment N'000 | Computer equipment N'000 | Asset under construction N'000 | Total N'000 |
|--------------------------------|-------------------------------|----------------------------|--------------------|---------------------------------|----------------------------------|------------------------------|--------------------------------|---|-------------------|
| Cost | | | | | | | | | |
| Balance at 1 January 2023 | 62,078,819 | 122,787 | 1,301,593 | 896,319 | 20,566 | 272,539 | 221,166 | 133,831 | 65,047,620 |
| Additions | - | - | 24,700 | 441,083 | - | 85,439 | - | 278,296 | 829,518 |
| Balance at 30 June 2023 | 62,078,819 | 122,787 | 1,326,294 | 1,337,402 | 20,566 | 357,978 | 221,166 | 412,126 | 65,877,139 |
| Depreciation | | | | | | | | | |
| Balance at 1 January 2023 | 26,105,312 | 11,882 | 356,442 | 307,260 | 16,859 | 90,381 | 164,756 | - | 27,052,892 |
| Charge during the period | 1,105,128 | 662 | 26,279 | 121,539 | 1,436 | 31,298 | 26,995 | - | 1,313,337 |
| Balance at 30 June 2023 | 27,210,440 | 12,544 | 382,721 | 428,799 | 18,295 | 121,679 | 191,751 | - | 28,366,229 |
| Carrying amounts | | | | | | | | | |
| Balance at 1 January 2023 | 35,973,507 | 110,905 | 945,151 | 589,058 | 3,707 | 182,159 | 56,410 | 133,831 | 37,994,728 |
| Balance at 30 June 2023 | 34,868,379 | 110,243 | 943,573 | 908,603 | 2,271 | 236,299 | 29,415 | 412,126 | 37,510,910 |

13 Depreciation charge relating to other PPE
 Depreciation charge relating to gas turbine

| | 30-Jun-23 N'000 | 30-Jun-22 N'000 |
|--|--------------------|--------------------|
| | 208,209 | 146,673 |
| | 1,105,128 | 1,630,201 |
| | 1,313,337 | 1,776,874 |

13 No impairment charge on property, plant and equipment during the period as there was no indication that the assets' recoverable amount will be lower than the current carrying amounts.

14. Intangible assets

The movement on this account during the period was as follows:

| | 30-Jun-23 N'000 | 31-Dec-22 N'000 |
|---|--------------------|--------------------|
| Cost | | |
| Balance at 1 January | 53,409 | 53,409 |
| Acquisitions | - | - |
| Balance at period/year end | 53,409 | 53,409 |
| Amortisation and impairment losses | | |
| Balance at 1 January | 48,695 | 42,180 |
| Charge during the period/year | 3,177 | 6,515 |
| Balance at period/year end | 51,873 | 48,695 |
| Carrying amounts | | |
| Balance at 1 January | 4,714 | 11,229 |
| Balance at period/year end | 1,536 | 4,714 |

14.1 Intangible assets represent the computer software used by the company

14.2 The amortisation of intangible asset recognised in the administrative expenses in the statement of profit or loss and other comprehensive income is **N3,177,000** (31 December 2022: N6,515,000)

14.3 No impairment charge on the intangible assets during the period as there was no indication that the assets' recoverable amount will be lower than the current carrying amounts

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15 Inventories

| | 30-Jun-23 | 31-Dec-22 |
|----------------------------------|------------------|------------------|
| | N'000 | N'000 |
| Spares, tools and consumables* | 819,380 | 855,335 |
| Inventory impairment (Note 15.1) | (349,160) | (349,160) |
| | 470,220 | 506,175 |

*Inventories include spare parts, tools and consumables in stores.

15.1 Impairment allowance

| | 30-Jun-23 | 31-Dec-22 |
|---------------------------|------------------|------------------|
| | N'000 | N'000 |
| At 1 January | 349,160 | 349,160 |
| At end of the period/year | 349,160 | 349,160 |

Inventory amounting to N819.380 million (31 December 2022 : N855.335 million) were carried at net realizable value which is estimated to be lower than the cost. The amount charged to statement of profit or loss and other comprehensive income during the period was Nil (30 June 2022: Nil)

15.2 No lien on the inventories of the Company at 30 June 2023

16. Trade and other receivables

| | 30-Jun-23 | 31-Dec-22 |
|---|--------------------|--------------------|
| Trade receivables | 62,311,059 | 46,107,329 |
| impairment(Note 16.1) | (9,393,464) | (7,492,596) |
| Net trade receivables | 52,917,596 | 38,614,733 |
| Due from related party (Note 28) | 6,884,327 | 38,498,903 |
| Impairment on related party (Note 16.2) | (168,708) | (168,708) |
| | 59,633,215 | 76,944,928 |

16.1 Movement in impairment of trade receivables

| | 30-Jun-23 | 31-Dec-22 |
|-----------------------|------------------|------------------|
| | N'000 | N'000 |
| At 1 January | 7,492,596 | 3,933,831 |
| Additional impairment | 1,900,868 | 3,558,765 |
| At period / year end | 9,393,464 | 7,492,596 |

16.2 Movement in impairment of related party receivables

| | 30-Jun-23 | 31-Dec-22 |
|-----------------------|------------------|------------------|
| | N'000 | N'000 |
| At 1 January | 168,708 | - |
| Additional impairment | - | 168,708 |
| At period end | 168,708 | 168,708 |

17. Other current assets

| | | |
|---|-------------------|------------------|
| Prepayments | 573,927 | 475,993 |
| Advance Payments* | 8,783,807 | 4,616,187 |
| Interest receivable | 2,341,777 | 645,845 |
| Receivables from directors | 2,000 | 2,000 |
| Withholding receivable on interest income | 301,918 | 176,982 |
| Prepaid staff expenses | 556,310 | 491,151 |
| Prepaid bond issuance costs | 481,982 | - |
| Monetized car Benefit | 508,300 | 539,950 |
| | 13,550,022 | 6,948,108 |

*This relates to advance payments made to Ansaldo Energia for the major overhaul of the gas turbine scheduled for Q3 2023.

18. Cash and cash equivalents

| | 30-Jun-23 | 31-Dec-22 |
|--------------------|-------------------|-------------------|
| Cash at bank | 352,261 | 7,392,139 |
| Short term deposit | 43,958,090 | 44,239,612 |
| | 44,310,351 | 51,631,751 |

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19. Long term employee benefits

| | 30-Jun-23 | 31-Dec-22 |
|--|----------------|-----------|
| | N'000 | N'000 |
| The movement in the present value of the long term employee benefits was as follows: | | |
| Gratuity liability at 1 January | 156,149 | 82,175 |
| Charged to profit and loss | 33,593 | 73,535 |
| Defined benefit plan actuarial loss | - | 6,820 |
| Gratuity payment during the period | - | (6,381) |
| Gratuity liability at 30 June 2023 | 189,742 | 156,149 |
| Planned asset at 1 January | (144,447) | (83,833) |
| Additional funding during the period | (45,972) | (51,405) |
| Actual return on planned assets | (8,265) | (9,209) |
| Balance at 30 June (over)/under funded position | (8,941) | 11,702 |

| | 30-Jun-23 | 31-Dec-22 |
|---|---------------|-----------|
| Expenses recognised in the statement of profit or loss | | |
| Current service costs | 33,593 | 73,535 |
| Return on planned assets | (8,265) | (9,209) |
| | 25,328 | 64,326 |

Current service costs and the actual returns on planned assets are recognised in the administrative expense of the statement of profit or loss while the remeasurement gain or loss are recognised in the statement of other comprehensive income.

The actuarial valuation report was signed in January 2023 and was carried out in line with IAS 19 requirements by Miller Kingsley (FRC/2012/NAS/00000002392 of KMC Actuarial Services, a Fellow of the Society of Actuaries, USA).

The funded planned assets with Axa Mansard Investment Limited at 30 June 2023 was N198,682,434.93 (31 December 2022: N144,446,550.35).

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NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
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30-Jun-23

31-Dec-22

Sensitivities

We have tested the scheme liabilities against the following factors Investment Return, Mortality rates, withdrawal rates and the salary increase rate.

| Revised liability | N'000 | N'000 |
|--|----------------|--------------|
| -300 basis point change in investment return | 223,295 | 223,295 |
| +300 basis point change in investment return | 110,867 | 110,867 |
| 20% higher withdrawals | 195,188 | 195,188 |
| 20% less withdrawals | 156,150 | 156,150 |
| 10% higher mortality | 123,359 | 123,359 |
| 10% lower mortality | 156,150 | 156,150 |
| 10% higher salary increase rate | 157,867 | 157,867 |
| 10% lower salary increase rate | 129,605 | 129,605 |

Percentage change from base results

| | | |
|--|-------------|------|
| -300 basis point change in investment return | 43% | 43% |
| +300 basis point change in investment return | -29% | -29% |
| 20% higher withdrawals | 25% | 25% |
| 20% less withdrawals | -21% | -21% |
| 10% higher mortality | 1% | 1% |
| 10% lower mortality | -1% | -1% |
| 10% higher salary increase rate | 19% | 19% |
| 10% lower salary increase rate | -17% | -17% |

Methodology

The approach for conducting the sensitivity was a recalculation of the accrued benefit obligation on the scheme for each revised assumption. The percentage difference between the new result and the base result provides a measure of the sensitivity to the change

Changes in sensitivity test basis

There are no changes in sensitivity to account for.

Maturity profile of active members

Future service

| | No of Members | Defined Benefit Obligation N'000 | Total Salary N'000 |
|---------------------------------|----------------------|---|---------------------------|
| Less than 5 years | 6 | 26,672 | 180,965 |
| Up to 5 and less than 10 years | 3 | 61,541 | 194,203 |
| Up to 10 and less than 15 years | 4 | 29,733 | 98,733 |
| Up to 15 and less than 20 years | 12 | 38,205 | 241,447 |
| | <u>25</u> | <u>156,151</u> | <u>715,348</u> |

The estimated additional accrual for the period was N33,592,962.23 (30 June 2022: N10,628,454)

There are three categories of employees in Geregu Power Plc, first category are those on direct long term contract with the company, second category are direct hire on short term contract with the company, while third category are associates on secondment to Geregu from Boomtacgold Limited. Only the first category are covered by this long term benefit.

GEREGU POWER PLC
NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
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| 20. Equity and reserves | 30-Jun-23 N'000 | 31-Dec-22 N'000 |
|--|--|--------------------|
| 20.1 Issued and fully paid ordinary shares of 50k each | | |
| Balance at 1 January | 1,250,000 | 5,000 |
| Increase of 2,490,000,000 in issued share capital of 50k each | - | 1,245,000 |
| | <u>1,250,000</u> | <u>1,250,000</u> |
| 20.2 Retained earnings | | |
| | 30-Jun-23 N'000 | 31-Dec-22 N'000 |
| Balance at 1 January | 47,866,530 | 59,940,076 |
| Profit for the period | 8,053,884 | 10,171,455 |
| dividend declared | (20,000,000) | (21,000,000) |
| Increase of 2,490,000,000 in issued share capital of 50k each | - | (1,245,000) |
| | <u>35,920,414</u> | <u>47,866,530</u> |
| 20.3 Actuarial reserves | | |
| | 30-Jun-23 | 31-Dec-22 |
| Balance at 1 January | (13,261) | (6,441) |
| Defined benefit plan actuarial loss | - | (6,820) |
| | <u>(13,261)</u> | <u>(13,261)</u> |
| 21 Trade and other payables | | |
| | 30-Jun-23 N'000 | 31-Dec-22 N'000 |
| Gas accounts payable | 38,155,498 | 32,583,490 |
| Other payable | 610,121 | 729,891 |
| | <u>38,765,618</u> | <u>33,313,381</u> |
| 22. Borrowings | | |
| This note provides information about the contractual terms of the company's interest-bearing loans and borrowings which are measure at amortised cost. | | |
| | 30-Jun-23 N'000 | 31-Dec-22 N'000 |
| Term loans (22.1) | | |
| At 1 January | 32,995,338 | 9,280,820 |
| Addition | 17,000,000 | 36,000,000 |
| Interest | 3,191,876 | 4,841,405 |
| Repayment | (35,823,926) | (17,126,888) |
| | <u>17,363,288</u> | <u>32,995,338</u> |
| Non-current | 15,922,310 | 27,990,799 |
| Current | 1,440,978 | 5,004,539 |
| | <u>17,363,288</u> | <u>32,995,338</u> |
| 22.1 | Term loans represent the N17billion facility types 1 to 2 from First Bank Ltd at 20% interest rate to augment working capital, finance major overhaul. The reported amount is the principal plus the accrued interest less payments during the period. | |

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| | 30-Jun-23 | 31-Dec-22 |
|-------------------------|-------------------|-------------------|
| | N'000 | N'000 |
| 23. Bond Payable | | |
| At 1 January | 42,569,172 | - |
| Addition | - | 40,085,000 |
| Interest | 2,882,276 | 2,484,172 |
| Repayment | (2,837,090) | - |
| | <u>42,614,358</u> | <u>42,569,172</u> |
| Non-current | 40,085,000 | 40,085,000 |
| Current | <u>2,529,358</u> | <u>2,484,172</u> |
| | <u>42,614,358</u> | <u>42,569,172</u> |

- 23.1** In July 2022, the company issued N40.085billion unsecured corporate bond for a 7-year tenor and at a coupon and effective interest rate of 14.5% and 14.70% respectively.

The net proceeds would be used to finance the acquisition of one of the power generation companies which is currently in the final stage of bidding processes by the Bureau of Public Enterprises (BPE).

Borrowings are initially measured at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption values is recognised in the statement of profit or loss over the years of the borrowings using the effective interest method. The carrying values of borrowings approximate their fair value.

The issuer's covenants include the below clauses amongst other:

The Issuer covenants that for so long as any of the Series 1 Bonds remain outstanding in any year, no dividends, distributions or other payments shall be made to the Shareholders of the Issuer in that year, unless the Issuer has fully discharged its payment obligations under this Deed to the Bondholders in respect of that year

The Issuer covenants with the Trustees that until such time when all outstanding Bonds have been fully redeemed and the Issuer's liability has been discharged, it shall not without the prior written consent of the Trustees (such consent not to be unreasonably withheld, delayed or conditioned) borrow or raise funds or procure any person to borrow or raise funds on its behalf, by any means whatsoever except by the issuance of bonds under the Programme Trust Deed or this Series Trust Deed.

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NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
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24. Cash generated from operating activities

| | 30-Jun-23 | 30-Jun-22 |
|---|-------------------|-------------------|
| | N'000 | N'000 |
| Cash flows from operating activities | | |
| Profit for the period | 8,053,884 | 9,102,088 |
| Adjustment for non-cash operating items: | | |
| Foreign exchange gain | (11,341) | (3,264) |
| Depreciation of property, plant and equipment (note 13) | 1,313,337 | 1,776,874 |
| Amortization of intangible assets(note 14) | 3,177 | 3,258 |
| Return on employee benefits planned assets re-invested (note19) | (8,265) | (3,085) |
| Interest Income(note 10) | (4,584,610) | (566,167) |
| Interest Expense(Note 10) | 6,147,318 | 1,668,716 |
| Amortization of effective interest rate on bond | (73,166) | - |
| Impairment loss on financial assets (note 9) | 1,900,868 | 518,450 |
| Current service costs | 33,593 | 23,322 |
| Deferred tax charged(abatement) | (699,170) | - |
| Income taxes | 4,937,798 | 4,383,486 |
| Cash from Operating activities before working capital changes | <u>17,013,427</u> | <u>16,903,678</u> |

25. Financial instruments

| | 30-Jun-23 | 31-Dec-22 |
|---|--------------------|--------------------|
| | N'000 | N'000 |
| 25.1 Credit risk | | |
| <i>Exposure to credit risk</i> | | |
| The carrying amount of financial assets represents the maximum credit exposure. | | |
| The maximum exposure to credit risk at the reporting date was: | | |
| Cash and cash equivalents (Note 18) | 44,310,351 | 51,631,751 |
| Trade and other receivables (Note 16) | 59,538,215 | 76,944,928 |
| | <u>103,848,566</u> | <u>129,580,645</u> |
| The aging of trade and other receivables at the reporting date was: | | |
| 0-2 months | 17,291,138 | 7,097,976 |
| 2-3 months | 7,314,591 | 254,600 |
| 3-6 months | 4,854,724 | 1,484,632 |
| 6-12 months | 2,759,853 | 49,793,368 |
| More than 12 months | 27,317,908 | 18,314,352 |
| | <u>59,538,215</u> | <u>76,944,928</u> |
| 25.2 Market risk | | |
| Foreign exchange exposure | | |
| Bank balances denominated in other currencies | 2,216 | 7,892 |
| | <u>2,216</u> | <u>7,892</u> |

**GEREGU POWER PLC
NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023**

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Liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

| | Carrying amount N'000 | Contractual cash flows N'000 | 6 months or less N'000 | 6-12 months N'000 | 1-2 years N'000 | 2-5 years N'000 | More than 5 years N'000 |
|--------------------------------------|--------------------------|---------------------------------|---------------------------|----------------------|--------------------|--------------------|----------------------------|
| 30-Jun-23 | | | | | | | |
| Non-derivative financial liabilities | | | | | | | |
| Medium term bond | 42,614,358 | 64,869,198 | 4,488,032 | 2,892,936 | 22,325,746 | 31,012,259 | 4,150,225 |
| Secured bank loans | 17,363,288 | 24,606,739 | 1,788,493 | 2,065,055 | 7,152,138 | 13,601,052 | - |
| Trade and other payables | 38,765,618 | 38,765,618 | 11,168,454 | 6,979,432 | 6,786,835 | 13,829,362 | - |
| | 98,743,265 | 128,241,555 | 17,444,979 | 11,937,422 | 36,264,719 | 58,442,673 | 4,150,225 |
| 31-Dec-22 | | | | | | | |
| Non-derivative financial liabilities | | | | | | | |
| Bond | 42,569,172 | 67,706,287 | 7,325,122 | 2,892,936 | 22,325,746 | 31,012,259 | 4,150,225 |
| Secured bank loans | 32,995,338 | 45,816,280 | 2,171,205 | 6,165,680 | 15,827,124 | 21,652,270 | - |
| Trade and other payables | 33,313,381 | 33,313,381 | 13,008,554 | 12,903,692 | 1,071,340 | 2,867,618 | 3,462,177 |
| | 108,877,891 | 146,835,948 | 22,504,881 | 21,962,308 | 39,224,211 | 55,532,146 | 7,612,402 |

It is not expected that the cash flows included in the analysis could occur significantly earlier, or at significantly different amounts.

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NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
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| | 30-Jun-23 N'000 | 30-Jun-22 N'000 |
|---|--------------------|--------------------|
| 27. Transactions with key management personnel | | |
| 27.1 Directors emoluments | 2,900 | 1,300 |
| Chairman | 1,000 | 1,000 |
| Directors | 800 | 800 |
| Executive Directors are not entitled to and do not get paid directors fees. | | |

Directors earned fees in the following ranges:

| N | - | N | Number | Number |
|---------|---|-----------|--------|--------|
| 250,000 | - | 800,000 | 6 | 2 |
| 801,000 | - | 1,000,000 | 1 | 1 |
| | | | 7 | 3 |

27.2 Key management personnel and compensation

The company has 134 employees as at 30 June 2023 (30 June 2022: 130 employees)

| | 30-Jun-23 | 30-Jun-22 |
|---|---------------------|---------------------|
| Chief Executive Officer | Akin Akinfemiwa | Akin Akinfemiwa |
| Deputy Chief Executive | JB Omodayo-Owotuga | JB Omodayo-Owotuga |
| Chief Technical Officer | Ezeh Ferdinand | Ezeh Ferdinand |
| Chief Financial Officer | Ganiyu Lamidi Adisa | Ganiyu Lamidi Adisa |
| General Counsel & Chief Compliance Officer | Akinleye Olagbende | Akinleye Olagbende |
| Head, Business Assurance | Iyimola Akinbola | Iyimola Akinbola |

Key management of the company are the Six management staff stated above.

Key management personnel compensation comprised:

Short - term employee benefits:

Short - term employee benefits:

| | 30-Jun-23 N'000 | 30-Jun-22 N'000 |
|--|--------------------|--------------------|
| | 178,183 | 134,083 |
| | 178,183 | 134,083 |

Post-employment benefits:

Defined contribution to compulsory pension fund scheme

Defined benefit gratuity scheme

| | | |
|--|---------|---------|
| | 9,949 | 6,841 |
| | 14,849 | 11,174 |
| | 202,980 | 152,097 |

Staff numbers and costs:

The average number of persons employed (excluding Directors) in the

Company during the year were as follows:

| | Number | Number |
|------------|--------|--------|
| Management | 17 | 12 |
| Senior | 20 | 47 |
| Junior | 97 | 71 |
| | 134 | 130 |

27.3 The table below shows the number of employees of the Company (other than Directors) who earned over N1,000,000 during the period/year and which fell within the bands stated below:

GEREGU POWER PLC
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| N | | N | | 30-Jun-23 Number | 30-Jun-22 Number |
|-----------|---|-----------|--|---------------------|---------------------|
| 1 | - | 1,000,000 | | 16 | 15 |
| 1,000,001 | - | 2,000,000 | | 58 | 58 |
| 2,000,001 | - | 4,000,000 | | 26 | 26 |
| 4,000,001 | - | 8,000,000 | | 15 | 15 |
| 8,000,001 | - | and above | | 19 | 16 |
| | | | | 134 | 130 |

28. Related party transactions

The aggregate value of transactions and outstanding balances relating to these entities were as follows:

| Name of entity | Nature of transaction | Relationship | Transaction value during the year | | Balance outstanding as at: | |
|---|-----------------------|--------------|-----------------------------------|--------------------|----------------------------|--------------------|
| | | | 30-Jun-23 N'000 | 31-Dec-22 N'000 | 30-Jun-23 N'000 | 31-Dec-22 N'000 |
| Receivables from related parties | | | | | | |
| Amperion Power Distribution | Loan | Parent | (14,278,500) | 30,145,736 | 24,193,267 | 59,471,767 |
| | | | | - | - | - |
| Payables to related parties | | | | | | |
| Amperion Power Distribution | Dividend | Parent | (17,308,940) | (21,000,000) | (17,308,940) | (21,000,000) |
| | | | (31,587,440) | 9,145,736 | 6,884,327 | 38,471,767 |
| Other Related Party | Advances | | | 27,136 | 27,136 | 27,136 |
| | | | (31,587,440) | 9,172,872 | 6,911,463 | 38,498,903 |

29. Contractual commitments

The next major overhaul is estimated to cost N27billion, 50% of the estimated costs will be financed from the cash generated from operations while the balance would be through debt. The sum of N4.921billion is being used as cash collateral for the Letter of Credit established for the next gas turbines major overhaul after 49% LC down payment for spare parts.

30. The Company is not subjected to claim and other liabilities from litigation and legal action arising from ordinary course of business as at 30 June 2023, (30 June 2023: Nil).

31. Events after the financial position date

No other event or transaction has occurred since the reporting date, which could have had a material effect on these financial statements at that date or which needs to be mentioned in these financial statements in the interest of fair presentation of the Company's financial position at the reporting dates or its results for the year then ended.

Other National Disclosures

GEREGU POWER PLC
UNAUDITED INTERIM STATEMENT OF VALUE ADDED
FOR THE PERIOD ENDED 30 JUNE 2023

| | Notes | 30-Jun-23 | | 30-Jun-22 | |
|---|----------|-------------------|------------|-------------------|------------|
| | | N'000 | % | N'000 | % |
| Turnover | 6 | 34,696,417 | | 33,800,973 | |
| Other income | 8 | 11,341 | | 3,264 | |
| Finance income | 10.1 | 4,584,610 | | 566,167 | |
| | | 39,292,368 | | 34,370,404 | |
| Brought in material and services - local | | (24,796,370) | | (18,583,811) | |
| Value added | | 14,495,998 | 100 | 15,786,593 | 100 |
| Applied as follows: | | | | | |
| To pay employees: | | | | | |
| Salaries, welfare and staff retirement benefits | 9.2 | 886,971 | 6 | 520,886 | 3 |
| To pay Government: | | | | | |
| Taxation | 11.1 | 4,238,629 | 29 | 4,383,486 | 28 |
| To provide for replacement of assets: | | | | | |
| - Depreciation of property plant and equipment | 13 | 1,313,337 | 9 | 1,776,213 | 11 |
| - Amortisation of intangible assets | 14 | 3,177 | 0 | 3,919 | 0 |
| - Profit for the period | 12.1 | 8,053,884 | 55 | 9,102,089 | 58 |
| Value added | | 14,495,998 | 100 | 15,786,593 | 100 |

Valued added represents the additional wealth created by the Company during the period. This statement shows the allocation of that wealth among employees, shareholder, capital providers, and that retained for the future creation of more wealth.



GEREGU
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