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GEREGU
POWER PLC

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2024



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GEREGU POWER PLC
INTERIM STATEMENT OF FINANCIAL POSITION
AT 31 MARCH 2024

	Notes	31-Mar-24 N'000	31-Dec-23 N'000
Assets			
Non-current assets			
Property, plant and equipment	13.	35,748,383	36,349,480
Intangible assets	14.	29	29
Long term employee benefits	19.	1,919	4,480
Total non-current assets		35,750,331	36,353,989
Current assets			
Inventories	15	547,328	639,072
Trade and other receivables	16.	81,964,551	48,065,048
Other current assets	17.	25,622,426	26,728,096
Cash and cash equivalents	18.	51,884,104	70,256,343
Total current assets		160,018,409	145,688,559
Total assets		195,768,740	182,042,548
Equity			
Share capital	20.	1,250,000	1,250,000
Retained earnings	20.	38,380,491	43,919,258
Actuarial reserves	20.	(15,350)	(15,350)
Total equity		39,615,141	45,153,908
Liabilities			
Non-current liabilities			
Deferred tax liabilities	11.	6,983,649	8,291,319
Borrowings	22.	15,088,574	17,575,534
Bond Payable	23.	36,076,500	40,085,000
Total non-current liabilities		58,148,724	65,951,853
Current liabilities			
Trade and other payables	21	74,125,495	56,518,961
Current tax payable	11.	17,180,149	8,444,125
Borrowings	22.	1,485,394	3,283,456
Bond Payable	23.	5,213,837	2,690,245
Total current liabilities		98,004,875	70,936,787
Total liabilities		156,153,599	136,888,640
Total equity and liabilities		195,768,740	182,042,548

The interim financial statements were approved by the Board of Directors on 9 April 2024 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


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


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

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

GEREGU POWER PLC
INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2024

	Notes	3 Months Ended 31-Mar-24 N'000	3 Months Ended 31-Mar-23 N'000	Year Ended 31-Dec-23 N'000
Revenue	6.	50,428,042	14,230,481	82,908,807
Cost of sales	7.	(22,018,544)	(7,246,238)	(40,247,854)
Gross profit		28,409,498	6,984,243	42,660,953
Other income	8.	-	1,630	502,268
Impairment loss on financial assets	9.	(3,966,726)	-	955,949
Administrative expenses	9.	(2,676,268)	(1,194,269)	(12,979,530)
Operating profit		21,766,503	5,791,604	31,139,640
Finance income	10	2,428,661	2,715,738	7,797,874
Finance cost	10	(2,295,050)	(3,141,943)	(14,547,596)
Net finance income		133,611	(426,206)	(6,749,721)
Profit before income tax		21,900,114	5,365,399	24,389,918
Income tax expense	11	(7,438,882)	(1,817,172)	(8,337,191)
Profit for the period/year		14,461,232	3,548,227	16,052,727
Other comprehensive income:				
Items that will not be reclassified subsequently to profit or loss:				
Total comprehensive income for the period/ year		14,461,232	3,548,227	16,052,727
Earnings per share				
Basic earnings per share in (N)	12.	5.78	1.42	6.42
Diluted earnings per share in (N)	12.	5.78	1.42	6.42

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

GEREGU POWER PLC
INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2024

	Share capital N'000	Retained earnings N'000	Other reserves N'000	Total equity N'000
Balance at 1 January 2023	1,250,000	47,866,531	(13,261)	49,103,270
Changes in equity for the period 2023:				
Profit for the period	-	3,548,226	-	3,548,226
Amount attributable to equity holders	1,250,000	51,414,757	(13,261)	52,651,496
Transactions with owners, recorded directly in equity				
Dividend to equity holders	-	(20,000,000)	-	(20,000,000)
Balance at 31 March 2023	1,250,000	31,414,757	(13,261)	32,651,496
Balance at 1 January 2024	1,250,000	43,919,258	(15,350)	45,153,908
Changes in equity for the period 2024:				
Profit for the period	-	14,461,232		14,461,232
Amount attributable to equity holders	1,250,000	58,380,491	(15,350)	59,615,141
Dividend to equity holders(note 20)	-	(20,000,000)	-	(20,000,000)
Balance at 31 March 2024	1,250,000	38,380,491	(15,350)	39,615,141

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

GEREGU POWER PLC
INTERIM STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2024

	Notes	3 Months Ended 31-Mar-24 N'000	3 Months Ended 31-Mar-23 N'000	Year Ended 31-Dec-23 N'000
Cash flows from operating activities	24.	26,884,154	6,488,549	33,794,878
Changes in:				
Inventories	15.	56,186	20,229	(101,924)
Trade and other receivables	16.	(37,830,671)	10,653,755	26,088,548
Other current assets	17.	149,153	(2,803,347)	(19,779,988)
Trade and other payables	21	17,606,534	1,702,918	23,205,581
Net changes in working Capital		(20,018,797)	9,573,555	29,412,217
Income taxes paid	11.	(10,528)	(691,394)	(7,639,293)
Gratuity Payment during the year	19.	-	-	(2,667)
Net cash generated from operating activities		6,854,829	15,370,710	55,565,135
Cash flows from investing activities				
Purchase of property, plant and equipment	13.	(13,717)	(458,081)	(933,504)
Purchase of intangible assets	14.	-	(28,986)	-
Return on employee benefits planned assets re-invested	19.	(7,561)	(4,020)	(18,819)
Funding of long term employee benefits	19.	(16,311)	-	(82,964)
Interest received	10.	3,385,178	2,715,738	6,354,035
Net cash generated from investing activities		3,347,588	2,224,652	5,318,748
Cash flows from financing activities				
Dividend paid	20.	(20,000,000)	(20,000,000)	(20,000,000)
Repayment of long term borrowings	22.	(5,115,175)	(620,548)	(17,042,196)
Payment of bond coupon	23.	(2,930,049)	(2,837,090)	(5,719,366)
Net cash used in from financing activities		(28,045,224)	(23,457,638)	(42,761,562)
Net (decrease)/increase in cash and cash equivalents				
Analysis of changes in cash and cash equivalents:				
Cash and cash equivalents at 1 January		70,256,343	51,631,751	51,631,751
Increase/(decrease) in cash and cash equivalents		(17,842,807)	(5,862,275)	18,122,321
Effect of exchange rate movement on cash balances		(529,432)	1,630	502,271
Cash and cash equivalents at the end of the period/year		51,884,105	45,771,106	70,256,343

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

GEREGU POWER PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024

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 Itobe-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 public domain. This is in line with the Rules of the NGX, the Investment and Securities Act (ISA) 2007 and the SEC Rules and Regulations. Having enquired, we can confirm that all Directors complied with the Insider Trading Policy during the period under review.

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 required by national regulations are included where appropriate.

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

The interim financial statements have been prepared in accordance with the going concern principle under the historical cost convention, as modified by actual valuation of staff gratuity 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 current and future periods.

In particular, the Company has identified certain 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 in the accounting policies and also in the relevant notes to the interim financial statements.

4 Standards, interpretations and amendments adopted by the Company

Several amendments and interpretations apply for the first time in 2024, 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 2023. This can be downloaded from our website www.geregupowerplc.com

5.2 Income tax

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

GEREGU POWER PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024

	3 Months Ended 31-Mar-24 N'000	3 Months Ended 31-Mar-23 N'000	Year Ended 31-Dec-23 N'000
6. Revenue			
Energy sold	31,002,945	9,081,954	51,797,552
Capacity charge	19,425,097	5,148,527	31,111,255
	<u>50,428,042</u>	<u>14,230,481</u>	<u>82,908,807</u>
7. Cost of sales			
Gas supply and transportation	21,515,282	6,670,884	38,093,011
Plant depreciation	503,262	575,354	2,154,843
	<u>22,018,544</u>	<u>7,246,238</u>	<u>40,247,854</u>
Gross profit	<u>28,409,498</u>	<u>6,984,243</u>	<u>42,660,953</u>
8. Other income			
	31-Mar-24 N'000	31-Mar-23 N'000	31-Dec-23 N'000
Unrealized foreign exchange gain	-	1,630	502,268
	<u>-</u>	<u>1,630</u>	<u>502,268</u>
9. Administrative expenses			
Repair and maintenance of plant and machinery *	190,684	60,122	6,372,907
Energy import and regulatory charges	990	5,767	12,037
Personnel cost (Note 9.1)	597,225	405,752	2,463,530
Depreciation expenses	111,552	105,173	423,909
Amortization expenses	-	1,629	4,685
Plant and machinery insurance	106,202	113,792	439,989
Postages, printing and stationery	2,820	8,779	18,967
Rent and rates	30,499	24,599	76,723
Other repairs and maintenance expenses	56,240	30,473	168,228
Telephone and internet expenses	22,462	15,320	89,893
Legal and listing expenses	9,572	11,188	104,071
Public relations, promotions, and N-HYPPADEC expenses**	199,906	9,411	498,357
Transport, travel costs and entertainment	183,746	111,609	503,858
Cleaning, safety and security expenses	52,766	52,233	227,489
Audit fees	13,750	8,750	55,000
Board meeting expenses	4,300	2,100	47,364
Annual general meeting expenses	126,242	56,390	51,390
Professional and consultancy fees	161,452	102,125	616,858
Other insurance expenses	27,513	15,787	67,626
Bank charges	25,252	3,592	68,108
Directors' fees and allowances	223,663	49,677	668,541
Foreign exchange loss	529,432	-	-
	<u>2,676,268</u>	<u>1,194,269</u>	<u>12,979,530</u>

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

**N-HYPPADEC expense relates to the new levy introduced by the electricity act 2023 for all Gencos.

GEREGU POWER PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024

	3 Months Ended 31-Mar-24	3 Months Ended 31-Mar-23	Year Ended 31-Dec-23
9.1 Personnel expenses			
Salaries, wages and allowances	322,037	253,266	1,253,879
Medical expenses	8,700	9,632	38,563
Contributions to pension fund scheme	19,988	16,280	70,658
Defined benefit plan- current service cost (Note 19)	18,873	12,398	67,360
Performance bonus, training and recruitment expenses	144,513	45,761	708,197
Contract manpower	74,733	63,095	289,814
Other personnel expenses	8,382	5,319	35,059
	597,225	405,752	2,463,530
9.2 Impairment (reversal)/loss on financial assets			
Impairment loss on trade receivables (note 16)	4,000,571	-	(723,514)
Inventory impairment expense	35,558	-	(92,435)
Impairment reversal on related party balance and insurance claim (note 16)	(69,403)	-	(140,000)
	3,966,726	-	(955,949)
10. Net finance income/(cost)			
Finance income			
Interest income on bank deposits	2,095,649	1,554,788	6,124,522
Interest income on related party receivables	333,012	1,160,950	1,673,352
	2,428,661	2,715,738	7,797,874
Finance cost			
Interest expense on borrowings (Note 22)	(830,152)	(1,708,767)	(4,905,848)
Interest expense on bond (Note 23)	(1,464,898)	(1,433,176)	(5,925,439)
Discount on Trade receivables	-	-	(3,716,308)
	(2,295,050)	(3,141,943)	(14,547,596)
Net finance income/(cost)	133,611	(426,206)	(6,749,721)
11. Company income and deferred tax			
11.1 Current income tax	N'000	N'000	N'000
Income tax	7,945,902	1,743,043	7,636,062
Education tax	797,416	151,616	786,882
Police trust fund levy	1,096	268	1,219
Current tax	8,744,414	1,894,927	8,424,163
Back duty	2,137	-	12,665
Deferred tax (Note 11.3)	(1,307,670)	(77,755)	(99,637)
Total charge to profit or loss	7,438,882	1,817,172	8,337,191
Reconciliation of effective tax to statutory tax			
Profit before income tax	21,900,114	5,365,399	24,389,919
Tax calculated using the domestic corporation tax rate of 30%	6,570,034	1,609,620	7,316,976
Effect of non-deductible expenses	1,419,758	641,933	851,491
Effect of non-taxable income	(12,209)	(432,161)	(287,585)
Effect of balancing charge and capital allowance	(29,543)	(76,348)	(233,361)
Effect of education tax	797,416	151,616	788,088
Effect of police trust fund levy	1,096	268	1,219
Effect of deferred tax (abatement)/charge	(1,307,670)	(77,755)	(99,637)
Total tax charge to profit or loss	7,438,882	1,817,172	8,337,191

The tax rate used for the period reconciliation 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 INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024

	3 Months Ended 31-Mar-24	3 Months Ended 31-Mar-23	Year Ended 31-Dec-23
11.2 Current income tax liability	N'000	N'000	N'000
Liability at 1 January	8,444,124	7,646,589	7,646,589
Income tax for the period	7,945,902	1,743,043	7,647,521
Education tax	797,416	151,616	788,088
Police trust fund levy	1,096	268	1,219
Payment during the period/year	(10,528)	(691,394)	(7,639,293)
Back duty	2,137	-	-
	<u>17,180,149</u>	<u>8,850,122</u>	<u>8,444,125</u>
11.3 Deferred tax assets and liabilities			
Deferred tax liabilities at 1 January	(8,291,319)	(8,390,954)	(8,390,953)
Charge during the period/year	1,307,670	77,755	99,634
	<u>(6,983,649)</u>	<u>(8,313,199)</u>	<u>(8,291,319)</u>
11.4 Analysis of deferred tax assets and liabilities			
Deferred tax assets at 1 January	(8,291,319)	(8,390,954)	(8,390,953)
Property, plant and equipment	1,307,670	77,755	99,634
	<u>(6,983,650)</u>	<u>(8,313,199)</u>	<u>(8,291,319)</u>
12. Earnings per share			
12.1 Basic earnings per share			
The company's basic earnings per share of N5.78 (31 March 2023: N1.42 Kobo) is based on the profit attributable to ordinary shareholders of N14,461,232,000 (31 March 2023: N3,548,227,000), and on the 2,500,000,000 (31 March 2023 :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.			
Profit attributable to ordinary shareholders	31-Mar-24	31-Mar-23	31-Dec-23
	N'000	N'000	N'000
Profit for the period	14,461,232	3,548,227	16,052,728
Profit attributable to ordinary shareholders	<u>14,461,232</u>	<u>3,548,227</u>	<u>16,052,728</u>
Issued ordinary shares			
Issued ordinary shares at 1 January	2,500,000	2,500,000	2,500,000
Issued ordinary shares as at 31 March	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,500,000</u>
Basic earnings per share in (Naira)	<u>5.78</u>	<u>1.42</u>	<u>6.42</u>
Diluted earnings per share in (Naira)	<u>5.78</u>	<u>1.42</u>	<u>6.42</u>

GEREGU POWER PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024

13. Property, plant and equipment

The movement in the property, plant and equipment during the period ended 31 March 2024 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 2024	62,078,819	122,787	1,736,285	1,337,402	22,106	454,521	229,205	-	65,981,125
Additions	-	-	-	-	-	8,997	4,720	-	13,717
Disposal	-	-	-	-	-	-	-	-	-
Balance at 31 March 2024	62,078,819	122,787	1,736,285	1,337,402	22,106	463,518	233,925	-	65,994,842
Depreciation									
Balance at 1 January 2024	28,260,156	13,207	413,446	555,741	19,214	165,175	204,706	-	29,631,645
Depreciation for the period	503,262	330	17,363	63,470	406	23,532	6,452	-	614,815
Disposals	-	-	-	-	-	-	-	-	-
Balance at 31 March 2024	28,763,418	13,537	430,809	619,211	19,620	188,707	211,158	-	30,246,460
Carrying amounts									
Balance at 1 January 2024	33,818,663	109,580	1,322,839	781,661	2,892	289,346	24,499	-	36,349,480
Balance at 31 March 2024	33,315,401	109,250	1,305,476	718,191	2,487	274,811	22,767	-	35,748,383
	31-Mar-24	31-Mar-23							
13.1 Depreciation charge relating to other PPE (note 9)	111,553	105,173							
Depreciation charge relating to gas turbines (note 13)	503,262	575,354							
	614,815	680,527							

13.2 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:

	31-Mar-24 N'000	31-Dec-23 N'000
Cost		
Balance at 1 January	53,409	53,409
Balance at period/year end	53,409	53,409
Amortisation and impairment losses		
Balance at 1 January	53,380	48,695
Amortisation for the period	-	4,685
Balance at period/year end	53,381	53,380
Carrying amounts		
Balance at 1 January	28	4,714
Balance at period/year end	28	29

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 **NIL** (31 December 2023: N4,685,000)

GEREGU POWER PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024

15 Inventories

Spares, tools and consumables*
Inventory impairment (Note 15.1)

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

31-Mar-24	31-Dec-23
N'000	N'000
901,073	957,259
(353,745)	(318,187)
<u>547,328</u>	<u>639,072</u>

15.1 Impairment allowance

At 1 January
Additional impairment
At end of period

31-Mar-24	31-Dec-23
N'000	N'000
318,187	318,187
35,558	-
<u>353,745</u>	<u>318,187</u>

15.2 No lien on the inventories of the Company at 31 March 2024

16. Trade and other receivables

Trade receivables
impairment (Note 16.1)
Net trade receivables
Due from related party (Note 28)
Insurance claim receivable
Impairment on insurance claim receivable (note 16.2)

31-Mar-24	31-Dec-23
N'000	N'000
92,734,204	50,493,465
(10,769,653)	(6,769,082)
<u>81,964,551</u>	<u>43,724,383</u>
-	4,369,375
10,150	50,843
(10,150)	(79,553)
<u>81,964,551</u>	<u>48,065,048</u>

16.1 Movement in impairment of trade receivables

At 1 January
Additional impairment
Writeback during the period
At period / year end

31-Mar-24	31-Dec-23
N'000	N'000
6,769,082	7,492,596
4,000,571	-
-	(723,514)
<u>10,769,653</u>	<u>6,769,082</u>

16.2 Movement in impairment of balances due from related party and insurance claim

At 1 January
Writeback during the period
At period / year end

31-Mar-24	31-Dec-23
N'000	N'000
79,553	311,988
(69,403)	(232,435)
<u>10,150</u>	<u>79,553</u>

17. Other current assets

Prepayments
Advance Payments
Interest receivable
Withholding receivable on interest income
Prepaid staff expenses
Other receivables

31-Mar-24	31-Dec-23
N'000	N'000
4,817,327	782,027
15,797,001	15,060,240
1,133,167	2,089,684
774,832	552,361
1,059,875	1,099,459
2,040,224	7,144,325
<u>25,622,426</u>	<u>26,728,096</u>

18. Cash and cash equivalents

Cash at bank
Short term deposit

31-Mar-24	31-Dec-23
N'000	N'000
4,764,473	12,234,803
47,119,631	58,021,540
<u>51,884,104</u>	<u>70,256,343</u>

GEREGU POWER PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024

19. Long term employee benefits

The movement in the present value of the long term employee benefits was as follows:

	31-Mar-24	31-Dec-23
Gratuity liability at 1 January	241,750	156,149
Charged to profit and loss	26,434	86,179
Defined benefit plan actuarial loss	-	2,089
Gratuity payment during the period/year	-	(2,667)
Gratuity liability at 31 March	268,184	241,750
Planned asset at 1 January	(246,230)	(144,447)
Additional funding during the period	(16,311)	(82,964)
Actual return on planned assets	(7,561)	(18,819)
Balance at period/year end (over)/under funded position	(1,919)	(4,480)

Expenses recognised in the statement of profit or loss

	31-Mar-24	31-Dec-23
Current service costs	26,434	86,179
Return on planned assets	(7,561)	(18,819)
	18,873	67,360

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 Wole Ogunkoya (FRC/2013/NAS/0000000986) of MIP Financial Solutions, a Fellow of the Society of Actuaries, USA.

The funded planned assets with Asset management at 31 March 2024 was N270,102,101.45 (31 December 2023: N246,230,000.00).

Stated below are the key assumptions used:

	31-Mar-24 %	31-Dec-23 %
Discount Rate/Average rate of return on assets	22% p.a.	17% p.a.
Average rate of salary increase	8% p.a.	8% p.a.
Inflation rate	31.7% p.a.	28.9% p.a.
	A49/52 Ultimate tables	A49/52 Ultimate tables

20. Equity and reserves

20.1 Authorised, issued and fully paid ordinary shares of 50k each
Balance

31-Mar-24	31-Dec-23
1,250,000	1,250,000

20.2 Retained earnings

Balance at 1 January
Profit for the period/year
Dividend

31-Mar-24 N'000	31-Dec-23 N'000
43,919,258	47,866,530
14,461,232	16,052,728
(20,000,000)	(20,000,000)
38,380,491	43,919,258

20.3 Actuarial reserves

Balance at 1 January
Defined benefit plan actuarial loss

31-Mar-24	31-Dec-23
(15,350)	(13,261)
-	(2,089)
(15,350)	(15,350)

GEREGU POWER PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024

21 Trade and other payables

Gas accounts payable
 Other payable
 Due to related party (Note 28)

31-Mar-24	31-Dec-23
N'000	N'000
63,308,773	46,729,638
10,784,710	9,789,323
32,011	-
74,125,495	56,518,961

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. For more information about the company's exposure to interest rate and liquidity risks, see note 5.

Term loans (22.1)

At 1 January
 Addition
 Letter of Credit
 Interest
 Repayment

31-Mar-24	31-Dec-23
N'000	N'000
20,858,990	32,995,338
-	17,000,000
5,853,481	3,580,871
830,152	4,905,848
(10,968,656)	(37,623,067)
16,573,967	20,858,990
15,088,574	17,575,534
1,485,394	3,283,458
16,573,968	20,858,990

Non-current
 Current

22.1 The collateral for the loan from First Bank are: all assets debenture of the Group Parent Company; Corporate Guarantee of Calvados Global Services Limited, and domiciliation of all the Company's receivables account to First bank while the facility subsists.

23 Bond Payable

At 1 January
 Addition
 Interest
 Repayment

31-Mar-24	31-Dec-23
N'000	N'000
42,775,245	42,569,172
-	-
1,445,141	5,925,439
(2,930,049)	(5,719,386)
41,290,337	42,775,245
36,076,500	40,085,000
5,213,837	2,690,245
41,290,337	42,775,245

Non-current
 Current

23.1 In July 2022, the company issued N40.085billion unsecured corporate bond for a 7-period 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 periods 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 period, no dividends, distributions or other payments shall be made to the Shareholders of the Issuer in that period, unless the Issuer has fully discharged its payment obligations under this Deed to the Bondholders in respect of that period.

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.

GEREGU POWER PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024

24. Cash generated from operating activities

	31-Mar-24 N'000	31-Mar-23 N'000
Cash flows from operating activities		
Profit for the period	14,461,232	3,548,226
Adjustment for non-cash operating items:		
Foreign exchange loss/(gain) (note 9)	529,432	(1,630)
Depreciation of property, plant and equipment (note 13)	614,815	690,527
Amortization of intangible assets	-	1,629
Amortization of effective interest rate on bond	(19,757)	-
Interest income (note 10)	(2,428,661)	(2,715,738)
Interest expense (note 10)	2,295,050	3,141,943
Impairment on trade receivables (note 16)	4,000,571	-
Impairment on inventory (note 15.1)	35,558	-
Impairment reversal on related party and insurance claim (note 16.2)	(69,403)	-
Current service costs (note 19)	26,434	16,418
Deferred tax charged/(abatement) (note 11)	(1,307,670)	(77,755)
Income taxes (note 11)	8,746,551	1,894,927
Cash from Operating activities before working capital changes	26,884,154	6,488,549

25. Financial instruments

25.1 Credit risk

Exposure to credit risk

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)	51,884,104	51,631,751
Trade and other receivables (Note 16)	81,964,551	76,944,928
	133,848,655	128,576,679

The aging of trade and other receivables at the reporting date was:

0-2 months	32,940,870	7,097,976
2-3 months	16,301,105	13,096,921
3-6 months	15,979,643	6,335,159
6-12 months	13,342,066	11,116,625
More than 12 months	3,400,866	10,418,368
	81,964,551	48,065,049

25.2 Market risk

Foreign exchange exposure

Bank balances denominated in other currencies

	393,271	7,892
	393,271	7,892

GEREGU POWER PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024

26 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
31-Mar-24							
Non-derivative financial liabilities							
Medium term bond	41,290,337	58,963,914	2,890,282	13,533,092	12,378,632	25,865,180	4,296,728
Secured bank loans	16,573,968	16,687,074	365,646	1,119,748	7,838,235	7,363,445	-
Trade and other payables	74,125,495	74,125,495	29,002,360	14,722,697	16,168,340	14,232,099	-
	131,989,800	149,776,483	32,258,287	29,375,536	36,385,207	47,460,725	4,296,728
31-Dec-23							
Non-derivative financial liabilities							
Medium term bond	42,775,245	61,893,962	4,965,757	2,907,511	22,179,000	27,691,469	4,150,225
Secured bank loans	20,858,990	20,858,990	3,858,990	1,798,319	7,838,235.29	7,363,445	-
Trade and other payables	56,518,961	56,518,961	18,491,762	10,350,955	6,979,432	20,696,811	-
	120,153,196	139,271,913	27,316,510	15,056,786	36,996,667	55,751,726	4,150,225

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

GEREGU POWER PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024

27. Transactions with key management personnel

27.1 Directors emoluments

Chairman
Directors
Executive Directors are not entitled to and do not get paid directors fees.

Directors earned fees in the following ranges:

N		N
250,000	-	800,000
801,000	-	1,000,000

27.2 Key management personnel and compensation

The company has 129 employees as at 31 March 2024 (31 March 2023: 130 employees)

	31-Mar-24
Chief Executive Officer	Akin Akinfemiwa
Deputy Chief Executive	JB Omodayo-Owotuga
Chief Technical Officer	Ezeh Ferdinand
Chief Financial Officer	Ganiyu Lamidi Adisa
General Counsel & Chief Compliance Officer	Akinleye Olagbende
Head, Business Assurance	Iyimola Akinbola

31-Mar-24	31-Mar-23
N'000	N'000

223,663 49,677

15,467 6,699

208,195 42,978

223,663 49,677

Number	Number
7	6
1	1

Key management of the company are the Six management staff stated above. Key management personnel remuneration include the following expenses:

Key management personnel compensation comprised:

Short - term employee benefits:

Short - term employee benefits:

Post-employment benefits:

Defined contribution to compulsory pension fund scheme
Defined benefit gratuity scheme

31-Mar-24	31-Mar-23
N'000	N'000

114,367 89,091

114,367 89,091

6,649 4,975

9,531 7,424

130,547 101,490

Staff numbers and costs:

The average number of persons employed (excluding Directors) in the Company during the period were as follows:

Management
Senior
Junior

Number	Number
15	17
16	22
98	91
129	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 and which fell within the bands stated below:

GEREGU POWER PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024

N		N
	1	- 1,000,000
	1,000,001	- 2,000,000
	2,000,001	- 4,000,000
	4,000,001	- 8,000,000
	8,000,001	- and above

31-Mar-24 Number	31-Mar-23 Number
4	-
11	17
29	44
50	31
35	38
129	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 period		Balance outstanding as at:	
			31-Mar-24 N'000	31-Dec-23 N'000	31-Mar-24 N'000	31-Dec-23 N'000
Receivables from related party						
Amperion Power Distribution	Loan	Parent	9,696,764	4,325,625	14,022,389	4,325,625
			9,696,764	4,325,625	14,022,389	4,325,625
Amperion Power Distribution	Dividend	Parent	(14,054,400)	-	(14,054,400)	-
Zenon Petroleum & Gas Ltd			-	43,750	-	43,750
			(4,357,636)	4,369,375	(32,011)	4,369,375

29. Contractual commitments

The next major overhaul is estimated to cost N37.20 billion, 66% of the estimated cost has been contractually settled and 34% balance is to be financed from cash generated from operations.

Contractual commitments include: N1,742,400,000.00- Bank Guarantee in favour of Palero Commodities Limited with validity period of October 11, 2024; N36,693,563.00- Bond for temporary importation of equipment without payment of import duty in favour of Nigerian Customs Service with validity period of December 26, 2024 and \$4,000,000.00 Bid Bond for acquisition of Geregú II in favour of Bureau of Public Enterprises with validity period of May 23, 2024 (31 December 2023: Nil).

- 30.** The Company is not subjected to claim and other liabilities from litigation and legal action arising from ordinary course of business as at 31 March 2024, (31 March 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 period then ended.

GEREGU POWER PLC
STATEMENT OF VALUE ADDED
FOR THE PERIOD ENDED 31 MARCH 2024

	Notes	31-Mar-24 N'000	31-Mar-23 N'000	%
Turnover	6	50,428,042	14,230,481	
Other income	8	-	1,630	
Finance income	10.1	2,428,661	2,715,738	
		<u>52,856,703</u>	<u>16,947,849</u>	
Brought in material and services - local		(29,744,549)	(10,494,544)	
Value added		<u>23,112,153</u>	<u>6,453,306</u>	<u>100</u>

Applied as follows:

To pay employees:

Salaries, welfare and staff retirement benefits	9.2	597,225	405,752	6
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To pay Government:

Taxation	11.1	7,438,882	1,817,172	28
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To provide for replacement of assets:

- Depreciation of property plant and equipment	7	614,814	682,156	11
- Profit for the period	12.1	14,461,232	3,548,227	55

Value added		<u>23,112,153</u>	<u>6,453,306</u>	<u>100</u>
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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 POWER PLC
FINANCIAL SUMMARY

	31-Mar-24 N'000	31-Dec-23 N'000	31-Dec-22 N'000	31-Dec-21 N'000	31-Dec-20 N'000
Funds employed					
Share capital	1,250,000	1,250,000	1,250,000	5,000	5,000
Retained earnings	38,380,491	43,919,258	47,866,532	59,940,077	76,971,760
Other reserves	(15,350)	(15,350)	(13,261)	(6,441)	(3,738)
Shareholder's fund	39,615,141	45,153,908	49,103,271	59,938,636	76,973,022
Current liabilities	98,004,875	70,936,787	48,448,681	36,196,236	39,873,366
Non-current liabilities	58,148,724	65,951,853	76,478,456	18,686,439	6,220,582
	195,768,740	182,042,548	174,030,407	114,821,312	123,066,970
Assets employed					
Non-current assets	35,750,331	36,353,989	37,999,441	39,988,212	44,022,708
Current assets	160,018,409	145,688,559	136,030,966	74,833,100	79,044,262
	195,768,740	182,042,548	174,030,407	114,821,312	123,066,970
	31-Mar-24 N'000	31-Dec-23 N'000	31-Dec-22 N'000	31-Dec-21 N'000	31-Dec-20 N'000
Revenue	50,428,042	82,908,807	47,619,370	70,956,864	53,676,666
Operating profit	21,766,503	31,139,640	14,820,314	29,523,437	19,103,807
Profit before income tax	21,900,114	24,389,919	15,168,471	29,512,424	20,648,737
Profit after tax	14,461,232	16,052,728	10,171,455	20,550,413	14,125,357
Basic & diluted earnings per share in (N)	5.78	6.42	1,017.15	2,055.04	1,412.54



GEREGU
POWER PLC

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