

TRANSCORP POWER PLC

UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024

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Corporate Information

Company Registration No.	RC 1067143	
Tax Identification number	14640316-0001	
Registered Office	38 Glover Road Ikoyi, Lagos Nigeria.	
Plant address	Transcorp Power Plc. KM 20 Warri/Patani Expressway Ughelli Delta State, Nigeria	
Board of Directors	Mr. Emmanuel Nnorom Mr. Peter Ikenga Dr. (Mrs.) Owen Omogiafo, OON Mr. Adim Jibunoh Mr. Peter Hertog (Dutch) Mr. Risqua Muhammed Mr. Vincent Ozoude Mr. Charles Odita Ms. Faith Tuedor-Matthews	Chairman Managing Director/Chief Executive Officer Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director
Auditors	Messrs. Deloitte & Touche Chartered Accountants Civic Towers Plot GA 1 Ozumba Mbadiwe Avenue Victoria Island, Lagos Nigeria	
Principal Banker	United Bank for Africa Plc	
Investors Relations Manager	Evans Okpogoro evans.okpogoro@transcorppower.com	
Company Secretary	Stanley Chikwendu 38 Glover Road Ikoyi, Lagos, Nigeria.	

Statement of profit or loss and other comprehensive income for the period ended June 30, 2024

	Notes	30 June 2024 N'000	30 June 2023 N'000
Continuing operations			
Revenue from contracts with customers	7	135,443,332	55,934,000
Cost of sales	8	<u>(72,466,830)</u>	<u>(29,225,673)</u>
Gross profit		62,976,502	26,708,327
Other operating income	9	21,156	312,409
Impairment loss on financial assets	12	(2,994,727)	(1,304,115)
Administrative expenses	11	<u>(8,807,310)</u>	<u>(2,647,052)</u>
Operating profit		51,195,621	23,069,569
Finance income	10	2,655,555	1,107,995
Finance cost	10	(3,983,262)	(3,207,944)
Foreign exchange gain (loss)	10	<u>1,103,835</u>	<u>(4,729,757)</u>
Profit before income tax	10.1	<u>50,971,749</u>	<u>16,239,863</u>
Income tax expense	13	(14,194,422)	(5,196,756)
Profit for the year		<u>36,777,327</u>	<u>11,043,107</u>
Other comprehensive income/(loss):			
Items that will not be reclassified to profit or loss		-	-
Items that may be reclassified to profit or loss		-	-
Total comprehensive income for the year		<u>36,777,327</u>	<u>11,043,107</u>
Basic and diluted earnings per share (N)	14	<u>4.90</u>	<u>139.52</u>

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

Statement of profit or loss and other comprehensive income for the quarter ended June 30, 2024

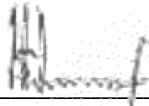
	Q2 2024 N'000	Q2 2023 N'000
Continuing operations		
Revenue from contracts with customers	67,581,082	34,893,835
Cost of sales	<u>(39,383,189)</u>	<u>(15,883,213)</u>
	-	-
Gross profit	28,197,893	19,010,622
Other operating income	21,156	300,294
Impairment loss on financial assets	(1,906,126)	(1,226,492)
Administrative expenses	<u>(4,527,661)</u>	<u>(1,759,178)</u>
Operating profit	21,785,262	16,325,246
Finance income	1,357,051	595,869
Finance cost	(1,807,118)	(1,662,705)
Foreign exchange gain (loss)	864,333	(2,307,354)
	<u> </u>	<u> </u>
Profit before income tax	<u>22,199,529</u>	<u>12,951,055</u>
Income tax expense	(7,679,294)	(4,144,338)
	<u> </u>	<u> </u>
Profit for the year	<u>14,520,235</u>	<u>8,806,718</u>
Other comprehensive (loss)/income:		
Items that will not be reclassified to profit or loss	-	-
Items that may be reclassified to profit or loss	-	-
	<u> </u>	<u> </u>
Total comprehensive income for the year	<u>14,520,235</u>	<u>8,806,718</u>

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

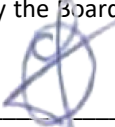
Unaudited Statement of financial position as at 30 June 2024

		30 June 2024 N'000	31 December 2023 N'000
	Notes		
Assets			
Non-current assets			
Property, plant and equipment	15	57,700,542	57,979,878
Intangible asset	16	9,701,191	9,701,191
Investments	22	2,462,968	2,373,892
		<u>69,864,701</u>	<u>70,054,961</u>
Current assets			
Inventories	17	3,114,591	1,760,790
Trade and other receivables	18	225,634,301	145,206,225
Cash and cash equivalents	19	24,371,071	6,368,572
Total current assets		<u>253,119,963</u>	<u>153,335,587</u>
Total assets		<u>322,984,664</u>	<u>223,390,548</u>
Equity and liabilities			
Equity			
Share capital	24	3,750,000	3,750,000
Share premium	25	44,385,019	44,385,019
Retained earnings	26	46,504,654	9,727,327
Total equity		<u>94,639,673</u>	<u>57,862,346</u>
Liabilities			
Non-current liabilities			
Borrowings	21	32,510,626	29,753,262
Deferred tax liabilities	13	9,198,375	9,198,374
		<u>41,709,001</u>	<u>38,951,636</u>
Current liabilities			
Trade and other payables	20	138,497,669	98,835,833
Current tax payable	13.1	33,025,136	20,181,722
Borrowings	21	15,113,185	7,559,011
		<u>186,635,990</u>	<u>126,576,566</u>
Total liabilities		<u>228,344,991</u>	<u>165,528,202</u>
Total equity and liabilities		<u>322,984,664</u>	<u>223,390,548</u>

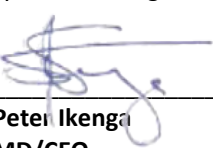
The unaudited financial statements were approved by the Board of Directors on 23 July 2024 and signed on its behalf by:



Emmanuel Nnorom
 Chairman, Board of Directors
 FRC/2014/PRO/DIR/003/00000007402



Evans Okpogoro
 Chief Finance Officer
 FRC/2021/PRO/ICAN/001/00000023056



Peter Ikenga
 MD/CEO
 FRC/2021/PRO/DIR/003/00000023699

TRANSCORP POWER PLC
Unaudited Financial Statements
For the Period ended 30 June 2024

Unaudited Statement of changes in equity for the period ended June 30, 2024

	Share capital (Note 24)	Share premium (Note 25)	Retained earnings (Note 26)	Total
	N'000	N'000	N'000	N'000
Balance at 1 January 2023	40,108	34,967,736	2,956,132	37,963,976
Profit for the year	-	-	30,233,530	30,233,530
Scrip issue (Note 24)	2,625	13,124,550		13,127,175
Bonus issue (Note 24)	3,707,267	(3,707,267)	-	-
Dividends (Note 30)	-	-	(23,462,335)	(23,462,335)
Balance at 31 December 2023	3,750,000	44,385,019	9,727,327	57,862,346
Profit for the year	-	-	36,777,327	36,777,327
Scrip & Bonus issue	-	-	-	-
Dividends	-	-	-	-
Total transactions with owners, recognised directly in equity	-	-	36,777,327	36,777,327
Balance at 30 June 2024	3,750,000	44,385,019	46,504,654	94,639,673

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

Unaudited Statement of cashflow for the period ended June 30, 2024

		30 June	31
		2024	December
	Notes	N'000	2023
			N'000
Cash generated from operations			
Profit before tax		50,971,749	52,763,701
Adjustment to reconcile profit before tax to net cash flows:			
Depreciation of property, plant and equipment	11.0	2,398,793	4,757,058
Finance income	10.0	(2,655,555)	(3,009,908)
Finance cost	10.0	2,879,427	14,871,348
Net Impairment allowance on financial assets	12.0	2,994,727	2,731,924
Effect of Foreign exchange loss	21.2	185,903	(3,714,153)
Working capital adjustments:			
Increase in trade and other receivables		(70,676,303)	(50,647,439)
Increase in inventories		(1,357,417)	(147,817)
Increase in trade and other payables		39,661,837	22,529,453
Net cash flows from operating activities		24,403,161	40,134,170
Tax paid	13.1	(1,351,008)	(1,976,788)
		23,052,153	38,157,182
Investing activities			
Purchase of property, plant and equipment	15.0	(2,115,842)	(4,883,077)
Investment in fixed deposit	19.0	11,358,789	-
Interest income	10.0	2,655,555	3,009,908
Net cash received from investing activities		11,898,502	(1,873,169)
Financing activities			
Dividend paid	5.0	(23,462,335)	(2,322,472)
Scrip issue		-	(13,127,175)
Proceeds from borrowings	21.2	23,113,000	14,949,597
Repayments of borrowings	21.2	(16,598,821)	(32,117,223)
Net cash used in financing activities		(16,948,156)	(32,617,273)
Net movement in cash and cash equivalents		18,002,499	3,666,940
Cash and cash equivalents at the beginning of the period		6,368,572	2,701,632
Cash and cash equivalents at the end of the period	19.0	24,371,071	6,368,572

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

Notes to the financial statements

1 General information

Transcorp Power Plc ("the Company") was incorporated in Nigeria on 24 September 2012 under the Companies and Allied Matters Act as amended as a private limited liability company and is domiciled in Nigeria. The Company is a subsidiary of Transnational Corporation of Plc

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

2 Principal activities

The Company is mainly engaged in the generation and sale of electric power.

3 Basis of preparation

The financial statements have been prepared in compliance with the International Financial Reporting Standards (IFRS), including International Accounting Standards (IAS) and interpretations issued by the International Financial Reporting Committee (IFRIC) and in the manner required by the Companies and Allied Matters Act (CAMA) 2020 and the Financial Reporting Council Act 2023. Further standards may be issued by the International Accounting Standards Board (IASB) and may be subject to interpretations issued by the IFRIC.

The financial statements have been prepared on the historical cost basis, except for the revaluation of financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below.

4 Financial period

These financial statements cover the financial period from 1 January 2024 to 30 June 2024, with comparative figures for the financial period ended June 2023 and financial year ended 31 December 2023.

5 Going Concern

The Directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing financial statements.

6 Composition of financial statements

The financial statements are drawn up in Naira, the functional currency of Transcorp Power Plc., in accordance with the International Financial Reporting Standards (IFRS). These financial statements comprise:

- Statement of profit or loss and other comprehensive income
- Statement of financial position
- Statement of changes in equity
- Statement of cash flows
- Notes to the financial statements.

Notes to the financial statements

7 Revenue from contracts with customers

Disaggregated revenue information

Set out below is the disaggregation of the company's revenue from contracts with customers:

	30 June 2024	30 June 2023
	N'000	N'000
Capacity charge	42,065,992	19,243,033
Energy delivered	93,368,340	36,681,967
Ancillary services	9,000	9,000
Total revenue from contracts with customers	135,443,332	55,934,000
Timing of revenue recognition		
Services transferred over time	135,443,332	55,934,000
Total revenue from contracts with customers	135,443,332	55,934,000
Revenue generated from:		
Local customers	105,619,633	48,465,935
International customers	29,823,699	7,468,065
Total revenue from contracts with customers	135,443,332	55,934,000

There is no other revenue item outside IFRS 15. Ancillary services include earnings from Blackstart operations and frequency control services provided.

8 Cost of sales	30 June 2024	30 June 2023
	N'000	N'000
Natural gas and fuel costs	66,525,445	24,963,550
Salaries and wages	534,479	332,147
Repairs and maintenance.	2,549,271	1,410,901
Depreciation (Note 11.1)	2,369,748	2,093,575
Insurance	191,508	175,305
Other direct expenses	296,379	250,195
Total cost of sales	72,466,830	29,225,673
9 Other operating income		
Other income	21,156	312,409
	21,156	312,409

Notes to the financial statements

	30 June 2024	30 June 2023
10 Finance income and finance costs		
Interest income	2,655,555	1,107,995
	<u>2,655,555</u>	<u>1,107,995</u>
The interest income relates to interest on fixed deposits and interest from intercompany loans.		
Finance costs		
Interest expense on loans (Note 21.2)	(3,983,262)	(3,207,944)
Foreign exchange gain (loss)	1,103,835	(4,729,757)
	<u>(2,879,427)</u>	<u>(7,937,701)</u>
Net finance cost	<u>(223,873)</u>	<u>(6,829,706)</u>
 10.1 Profit before income tax	 50,971,749	 16,239,863
The profit before income taxation was arrived at after charging/(crediting):		
Depreciation	2,398,793	2,094,868
Interest expense	2,879,427	7,937,701
Interest income	(2,655,555)	(1,107,995)
Auditors' remuneration	41,962	32,513
Director's' remuneration	102,292	82,442
	<u>30 June 2024</u>	<u>30 June 2023</u>
	N'000	N'000
11 Administrative expenses		
Auditors' remuneration	41,964	32,513
Bank charges	13,296	28,799
Depreciation. (Note 11.1)	29,045	1,293
Directors' remuneration	102,292	82,442
Corporate Social Responsibility	1,350,800	277,839
Insurance.	15,381	10,249
Management fees	5,217,466	1,108,167
Listing expenses	650,000	-
Community expenses	74,105	24,453
Other operating expenses	415,501	435,137
Professional fees	63,367	88,869
Rates & Utilities	6,000	13,000
Repairs and maintenance	134,983	81,902
Security services	66,224	39,421
Staff costs	338,075	266,163
Pension cost	11,716	10,775
Subscriptions and fees	49,937	30,746
Travel and accommodation	227,158	115,284
	<u>8,807,310</u>	<u>2,647,052</u>

Notes to the financial statements

11 Administrative expenses (cont'd)

11.1 Total depreciation included in the statement of profit or loss

		30 June 2024 N'000	30 June 2023 N'000
Depreciation- Cost of sales	(Note 8)	2,369,748	2,093,575
Depreciation- Administrative expenses	(Note 11)	29,045	1,293
Total depreciation expense		2,398,793	2,094,868

12 Impairment loss on financial assets

Total impairment loss on financial assets	2,994,727	1,304,115
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13 Income tax

The major components of income tax expense for the period ended June 30, 2024 and period ended 30 June 2023 are:

	30 June 2024 N'000	30 June 2023 N'000
Current income tax	14,194,422	5,196,756
	14,194,422	5,196,761
Deferred tax: Relating to origination and reversal of temporary differences	-	
Income tax expense reported in the statement of profit or loss	14,194,422	5,196,761

13.1 The movement in tax payable is as follows:

Balance as at 1 January	20,181,722	5,789,349
Income tax for the period	12,683,597	14,816,160
Tertiary Education tax for the period	1,510,825	1,553,201
Tax paid during the period	(1,351,008)	(1,976,988)
Balance	33,025,136	20,181,722
Effective income tax rate	28%	32%

Notes to the financial statements

14 Basic and diluted earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the period. There were no potentially dilutive ordinary shares during the period; hence the basic and diluted earnings per share have the same value.

	30 June 2024 N'000	30 June 2023 N'000
Profit for the year attributable to shareholders (in ₦)	36,777,327	11,043,107
Weighted average number of shares in issue	7,500,000	79,150
Basic earnings per share (N)	4.90	139.52

The denominator for the purposes of calculating basic earnings per share is based on the weighted average number of ordinary shares of N0.50 each. Note that in December 2023 the company authorize the increase in its ordinary shares to 7,500,000,000,000 which impacted on the earnings per share computation in H1 2024.

There have been no transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

15 Property, plant and equipment

	Land N'000	Building N'000	Furniture and fittings N'000	Plant and machinery N'000	Motor vehicles N'000	Capital Spares N'000	Work in progress N'000	Total N'000
Cost								
1 January 2023	800,960	1,766,473	413,076	75,146,985	136,872	-	3,221,411	81,485,777
Additions	41,500	-	65,951	-	97,287	-	4,678,339	4,883,077
Reclassification	-	-	-	1,377,663	-	-	(1,377,663)	-
Transfer	-	-	-	-	-	3,151,287	-	3,151,287
31 December 2023	842,460	1,766,473	479,027	76,524,648	234,159	3,151,287	6,522,087	89,520,141
1 January 2024	842,460	1,766,473	479,027	76,524,648	234,159	3,151,287	6,522,087	89,520,141
Additions	-	-	5,243	-	143,050	-	1,967,548	2,115,842
Transfer	-	-	-	-	-	3,616	-	3,616
30 June 2024	842,460	1,766,473	484,270	76,524,648	377,209	3,154,903	8,489,634	91,639,598
Accumulated depreciation								
1 January 2023	-	291,895	258,842	26,096,873	135,595	-	-	26,783,205
Depreciation for the year	-	35,545	54,998	4,628,173	38,342	-	-	4,757,058
Disposals	-	-	-	-	-	-	-	-
31 December 2023	-	327,440	313,840	30,725,046	173,937	-	-	31,540,263
1 January 2024	-	327,440	313,840	30,725,046	173,937	-	-	31,540,263
Depreciation for the year	-	17,772	25,851	2,333,520	21,650	-	-	2,398,793
30 June 2024	-	345,212	339,691	33,058,566	195,587	-	-	33,939,056
Carrying amounts								
31 December 2023	842,460	1,439,033	165,187	45,799,602	60,222	3,151,287	6,522,087	57,979,878
30 June 2024	842,460	1,421,261	144,579	43,466,083	181,622	3,154,903	8,489,634	57,700,542

15.1: None of these assets are impaired nor pledged as security or collateral.

Notes to the financial statements

		30 June 2024	31 December
		N'000	2023
			N'000
16	Goodwill		
	Balance at 1 January	9,701,191	9,701,191
	Adjustments	-	-
	Balance at 30 June	<u>9,701,191</u>	<u>9,701,191</u>

Goodwill arose from the excess of the consideration over acquisition-date fair values of identifiable asset i.e. purchase of Ughelli Power Plc on 1 November 2013. The goodwill amount relates to pre-existing goodwill from previous business combinations.

		30 June 2024	31 December
		N'000	2023
			N'000
17	Inventories		
	General stores	2,945,357	1,570,595
	Stationery	38,666	48,218
	Lubricant	130,568	141,977
		<u>3,114,591</u>	<u>1,760,790</u>

General stores, stationery and lubricants are carried as inventories and recognised in profit or loss as consumed. The cost of inventories recognised as an expense and included in 'cost of sales' amounted to N2.4 billion.

		30 June 2024	31 December
		N'000	2023
			N'000
18	Trade and other receivables		
	Trade receivables (Note 18.1)	190,907,508	113,984,453
	Due from related companies	33,887,415	30,740,926
	Prepayments	452,551	119,794
	Advances to suppliers	331,625	331,625
	Other receivables	55,202	29,427
		<u>225,634,301</u>	<u>145,206,225</u>

		30 June 2024	31 December
		N'000	2023
			N'000
18.1	Trade receivables		
	Trade receivables	202,173,140	122,255,460
	Less: provision for impairment loss on trade receivables	(11,265,632)	(6,017,252)
		<u>190,907,508</u>	<u>113,984,453</u>
	Trade receivables	<u>190,907,508</u>	<u>113,984,453</u>

Notes to the financial statements

	30 June 2024	31 December
	N'000	2023
		N'000
19 Cash and cash equivalents		
Cash in hand	1	1
Cash at bank	13,019,281	2,715,146
Fixed deposit	11,351,789	3,653,425
	<u>24,371,071</u>	<u>6,368,572</u>
	<u>24,371,071</u>	<u>6,368,572</u>

Cash and cash equivalents comprise cash and bank balances. The carrying amount of these assets approximate their fair value.

	30 June	31 December
	2024	2023
	N'000	N'000
20 Trade and other payables		
Trade payables	101,478,787	67,993,801
Other payables	22,596,230	12,395,517
Accruals	12,872,220	3,928,563
Withholding tax	1,453,173	1,854,241
PAYE tax deductions	10,395	2,896
Dividend payable	<u>86,864</u>	<u>12,660,814</u>
	<u>138,497,669</u>	<u>98,835,832</u>

The trade payables relate to gas supplier's payables and the other payables are vendors that supplied various materials and provided services to the company.

21 Financial assets and financial liabilities		
	30 June	31 December
	2024	2023
	N'000	N'000
21.1 Financial assets		
Debt instruments at amortised cost		
Trade receivables (Note 18)	190,807,508	113,984,453
Due from related companies (Note 18.2)	<u>33,887,415</u>	<u>30,740,926</u>
	<u>224,794,923</u>	<u>144,725,379</u>

Debt instruments at amortised cost include trade receivables and receivables from related parties.

Notes to the financial statements

21.2 Financial liabilities: Interest-bearing loans and borrowings

	Maturity	30 June 2024	31 December 2023
		N'000	N'000
Term loan	2023 - 2030	32,510,626	36,289,570
\$215 million acquisition loan	2023	-	1,022,703
Other loans	2024	15,113,187	-
Total		47,623,811	37,312,273
Non-current		32,510,626	29,753,262
Current		15,113,185	7,559,011
		47,623,811	37,312,273

Movement in interest-bearing loans and borrowings

	30 June 2024	31 December 2023
	N'000	N'000
The movement in borrowings is as follows:		
Balance as at 1 January	37,312,273	43,071,665
Additions	23,113,000	14,949,597
Interest accrued (Note 10)	3,983,262	7,694,081
Repayments	(16,598,821)	(32,117,223)
Foreign exchange difference	(185,903)	3,714,153
Balance	47,623,811	37,312,273

21.2 Financial liabilities: Interest-bearing loans and borrowings (cont'd)

Term loans

Term loans are facilities obtained by the Company from its bankers. These facilities are repayable by instalments at various dates between 2023 and 2030 with interest rate ranging from 15.5% to 19% and further increase to 22.5% per annum.

\$215 million acquisition loan

\$215 million acquisition loan obtained by the Company from its bankers for the purpose of acquiring 100% interest in Ughelli Power Plc. Has been fully settled in January 2024.

Security on loans

The securities to the lenders over the company's borrowings include the irrevocable domiciliation of the company's operational proceeds with the lender, the assignment of rights over all material contracts and Legal Charge over the shares of the Sponsor.

22	Investments in financial assets	30 June 2024	31 December 2023
		N'000	N'000
	Investment in shares	609,650	602,650
	Investment in bond securities	1,853,318	1,771,242
		2,462,968	2,373,892

Notes to the financial statements

The investment in shares includes 5% shareholding in Afam Power Plc and 15% shareholding of Joelan. Joelan owns 60% of Abuja Electricity Distribution Company (AEDC). The investment in bond securities has a maturity date of November 26, 2026 at 11%.

23 Related party transactions and balances

23.1 Balances with related parties during the year

The Company is a subsidiary of Transnational Corporation Plc which is domiciled in Nigeria. The parent company, Transnational Corporation Plc provided management services during the period to the Company and other intercompany related expenses/transaction.

Receivables from related parties	Nature of relationship	30 June 2024 N'000	31 December 2023 N'000
Transnational Corporation Plc	Parent company	16,630,867	14,085,802
Transcorp Hotel Plc	Subsidiary of the group	8,474,874	8,705,181
Transcorp OPL 281 Limited	Subsidiary of the group	14,017	14,017
Transcorp Hotel Calabar Limited	Subsidiary of the group	-	102
Trans-Afam Power Limited	Subsidiary of the group	9,728,206	8,896,373
Transcorp Energy Limited	Subsidiary of the group	200,000	200,000
Teragro Commodities Limited	Subsidiary of the group	2,000	2,000
		35,049,964	31,903,475

24	Share Capital	30 June 2024 N'000	31 December 2023 N'000
	Allotted, called up, issued, and fully paid:		
	At 1 January	3,750,0000	40,108
	Scrip issues - 5,250,870 (FY 2023) ; 1,280,236 (FY 2022) number of shares (Note 26.1)	-	2,625
	New Shares as a bonus issue	-	3,707,267
		3,750,0000	3,750,0000

25	Share premium	30 June 2024 N'000	31 December 2023 N'000
	Balance as at 1 January	44,385,019	34,967,736
	Scrip issued	-	13,124,550
	New Shares as a bonus issue	-	(3,707,267)
	Balance	44,385,019	44,385,019

Notes to the financial statements

26 Retained earnings

The movement in retained earnings during the year is as follows

	30 June 2024	31 December 2023
Balance as 1 January	9,727,327	2,956,132
Profit for the period	36,777,327	30,233,530
Dividend	-	(23,462,335)
Balance	46,504,654	9,727,327

27 Particulars of employees

The table below shows the number of employees (excluding directors), who earned emoluments in the year and were within the bands stated.

Employees	30 June 2024 Number	31 December 2023 Number
Less than N1,000,000	-	-
N1,000,001 - N2,000,000	25	24
N2,000,001 - N5,000,000	53	50
Above N5,000,000	112	110
	190	184

28 Capital management

For the purpose of the Company's capital management, capital includes issued capital, share premium and retained earnings attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and adjusts in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 50% and 70%. The Company includes within net debt, interest bearing loans and borrowings, less cash and bank balances.

	30 June 2024 N'000	31 December 2023 N'000
Interest-bearing loans and borrowings	32,510,626	37,312,273
Less: cash and cash equivalent (Note 18)	(24,371,071)	(6,368,572)
Net debt	8,139,555	30,943,701
Total capital: Equity	94,639,654	57,862,346
Capital and net debt	102,779,209	88,806,047
Gearing ratio	7%	35%

