North South Power Company Limited

Annual Report, Consolidated and Separate Financial Statements
For the year ended 31 December 2024
Naira

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Corporate information

Registration number: RC. 1018318

Directors:	Mallam Ibrahim Aliyu	(Chairman)	Nigerian
	Engr. Olubunmi Peters	(Executive Vice Chairman)	Nigerian
	Mrs. Irene Chigbue	(Independent Non Executive Director)	Nigerian
	Engr. Ndanusa Sani Muhammed	(Non-Executive Director)	Nigerian
	Dr. George Nwangwu	(Non-Executive Director)	Nigerian
	Engr. Emmanuel Kalepa	(Non-Executive Director)	Zambian
	Mr. Oladapo Peters	(Executive Director)	Nigerian
	Mrs. Sa'adiya Aminu	(Non-Executive Director)	Nigerian
	Mr. Faruk Aliyu	(Executive Director)	Nigerian
	Alhaji Umar Nagogo	(Non-Executive Director)	Nigerian
	Mrs Olayinka Peters	(Non-Executive Director)	Nigerian

Registered and business office:
Clan Place
Plot No 1386, Tigris Crescent
Maitama, Abuja
Nigeria

Operational base:
Shiroro Hydroelectric Power Station
Shiroro
Niger State
Nigeria

Company secretary and solicitor:
Ratio Legal Practitioners
I, Rima Street
Maitama, Abuja
Nigeria

Independent auditor:
Deloitte & Touche
Civic Towers
Plot GA 1, Ozumba Mbadiwe Avenue
Victoria Island, Lagos
Nigeria

Principal bankers:
Zenith Bank Plc
United Bank for Africa Plc
Guaranty Trust Bank Limited
Standard Chartered Bank (Nigeria) Limited
Union Bank of Nigeria Plc
Stanbic IBTC Bank Plc
First Bank of Nigeria Limited

Results at a glance

	Group			Company		
	2024	**2023**	**Change**	**2024**	**2023**	**Change**
In thousands of Naira			**%**			**%**
Revenue	137,595,477	65,071,007	111	137,595,477	65,071,007	111
Loss / profit before taxation	(21,163,048)	8,593,122	(346)	(20,710,017)	8,755,039	(337)
Loss / profit for the year	(17,129,937)	5,310,314	(423)	(16,665,292)	5,483,907	(404)
Retained earnings	(15,818,656)	4,265,032	(471)	(14,699,836)	4,919,944	(399)
Total assets	460,261,572	276,803,428	66	476,606,066	283,808,265	68
Share capital	500,000	500,000	-	500,000	500,000	-
Share premium	8,133,191	8,133,191	-	8,133,191	8,133,191	-
Total equity	34,356,412	42,307,839	(19)	50,470,185	49,100,369	3

Directors' report

The Directors present their report on the affairs of North South Power Company Limited ("the Company") and its subsidiaries (together referred to as "the Group"), together with the financial statements and auditor's report for the year ended 31 December 2024.

Legal form
The Company was incorporated as a limited liability company on 15 March 2012. It owns 99% of Shiroro Solar Generating Company Limited, which was incorporated as a limited liability company on 4 March 2015. It also owns 99% of NSP-SPV Powercorp Plc and North South Gurara Energy Company Limited, incorporated as public and private companies on 8 September 2017 and 25 July 2018 respectively.

Principal activities
The principal activities of the Company are to develop, own and operate power plants and other energy infrastructure systems with a special emphasis on renewable energy systems including solar, electric, thermal, wind and hydro power plants.

Shiroro Solar Generating Company Limited was established to carry on the Company's solar power generation project through the generation license obtained by the Company in 2016. It is yet to commence operations as at the year end. The unexpired life of the licence is 4 years.

NSP-SPV Powercorp Plc was established in 2017 as a special purpose vehicle for the purpose of issuing bonds to fund capital expenditure, working capital, and enhance the liquidity of the Company or any other Company as stipulated in the object clause.

North South Gurara Energy Company Limited (NSGEC) was incorporated in Nigeria on 25 July 2018. NSGEC signed the concession agreement for the concession of 30MW Hydropower Plant under Gurara Phase 1, multi-purpose Dam. However the Company is yet to commence operations but was incorporated to provide power/ energy services, supply, install and maintain renewable energy systems.

North South Power Canada Limited (NSPC) was incorporated in Ontario Canada on 16 July 2021. NSPC is yet to commence operations but was incorporated to provide power/ energy services, supply, install and maintain renewable energy systems

Concession arrangement
The Federal Government of Nigeria, as represented by the Ministry of Finance Incorporated through the Bureau of Public Enterprises (BPE), transferred its rights to the operations, restoration and maintenance of the hydroelectric power production facilities located on the Shiroro Reservoir and the related hydro property of the Shiroro Hydroelectric Power Plant to the Company through a concession agreement. This concession agreement was signed between BPE and the Company on 21 February 2013 for a period of thirty (30) years. However, the Shiroro Hydroelectric Power Plant was officially handed over to the Company on 1 November 2013.

Business review
The Electric Power Sector Reform Act 2005 (Act No 6 of 2005) was established for the privatization and transition of the Nigerian electricity market. As part of the Federal Government of Nigeria's (FGN) initiative to transform the power sector, the Nigerian Electricity Regulatory Commission (NERC) was established under the Electric Power Sector Reform Act 2005. NERC is Nigeria's independent regulatory agency for the Nigerian electricity industry comprising generation, transmission and distribution sectors and regulates the activities of the Company.

The Company, in accordance with the TEM rules, continues to generate electricity which is provided to various electricity distribution companies (EDCs) through NBET.

The Shiroro Hydroelectric Power Plant currently has a generating capacity of 600 mega-watts (MW). Revenue is generated from billings for capacity made available and energy shared to the EDCs and is represented by the monthly final settlement statements received from the Market Operator.

Directors' report (cont'd)

Business review (cont'd)

The total energy generated during the year was 2,337,322.51 MWh (2023: 2,532,844 MWh) earning the Company revenue of ₦137.6 Billion (2023: ₦65.07 Billion).

The Company also earned revenue of ₦129.28 Million (2023: ₦81.66 Million) from black start services provided during the year. In addition the Company earned ₦720.23 Million (2023: ₦555.02 Million) from its Eligible customer during the year.

In 2019, the Company was selected as the preferred bidder for the 30 mega watts Gurara hydroelectric power plant after satisfying all the required conditions. In this regard, the Company obtained a bank guarantee amounting to $0.78 million (₦239 million) in favour of the Federal Ministry of Water Resources.

On February 28, 2019, North South Power Company Limited (the Company) through its wholly owned subsidiary, NSP-SPV Powercorp Plc, issued its debut ₦8.5 billion, 15-year, 15.60% Series 1 Guaranteed Fixed Rate Senior Green Infrastructure Bonds (Series I Green Bonds), due 2034 under a ₦50 billion Debt Issuance Programme. The bonds were credit enhanced/guaranteed by InfraCredit. The bonds were also fully subscribed upon issuance and as specified in the bond agreement, proceeds of the issuance were transferred to the Company for utilisation. North South Power Company Limited was identified as a co-obligor in the bond agreement and is jointly liable with its subsidiary, NSP-SPV Powercorp Plc, (the Issuer) for the timely bi-annual repayment of the principal and interest of the bond obligation.

On April 15, 2021, the Company issued its ₦6.3 billion, 10-year, 12.00% Series II unsecured Green Bonds (Series II Green Bonds) due 2031 under the ₦50 billion Debt Issuance Programme through its wholly owned subsidiary, NSP-SPV Powercorp Plc. Like the Series I Green Bonds issuance, the Series II Green Bonds issuance was also fully subscribed. The proceeds from the bonds were transferred to the Company under terms and conditions as agreed under the bond documents. North South Power Company Limited was identified as a co-obligor in the bond agreement and is jointly liable with its subsidiary, NSP-SPV Powercorp Plc (the Issuer) for the timely bi-annual repayment of the principal and interest of the bond obligation.

On May 18, 2021, the Company also took a 6year loan of ₦1,364,079,389.40 from the Bank of Industry (BoI) with the proceeds being deployed to the rehabilitation of the 30MW Gurara Hydropower plant. The Company is responsible for the timely debt repayment of the facility.

On February 17, 2021, the Company also took a 7year CBN Differentiated Cash Reserve Requirement Facility of NGN 1,830,000,000.00 from Zenith Bank with the proceeds being deployed to finance the increase in the capacity of the proposed development of the Pre-phase 1, 15 MW Solar Project to Pre-Phase 1, 20MW Solar Project.

Operating results and dividends
The following is a summary of the Group and Company's operating results:

	Group		Company	
	2023	**2022**	**2023**	**2022**
In thousands of Naira				
Revenue	137,595,477	65,071,007	137,595,477	65,071,007
Loss / profit before taxation	(21,163,048)	8,593,122	(20,710,017)	8,755,039
Tax charge	4,033,111	(3,282,808)	4,044,725	(3,271,132)
Loss / profit after taxation	**(17,129,937)**	**5,310,314**	**(16,665,292)**	**5,483,907**

The Directors have recommended a final dividend of ₦ Nil (2023: ₦11.66 billion) as at 31 December 2024. During the year, an interim dividend of ₦ Nil billion (2023: ₦2.3 billion) was declared and paid. Consequently, the total dividend for the year amounted to ₦ Nil billion (2023: ₦6.33 billion).

Directors' report (cont'd)

Directors and their interests
The Directors who served during the year were as follows:

Name	Nationality	Shareholder represented
Mallam Ibrahim Aliyu (Chairman)		Urban Shelter Limited
Engr. Olubunmi Peters (EVC & CEO)		BP Investment Limited & Opec Investment Inc.
Mrs. Irene Chigbue (Independent Director)		
Engr. Ndanusa Sani Muhammed		Puma Engineering Limited
Dr. George Nwangwu		Pan - African Global Infrastructure Company Limited
Engr. Emmanuel Katepa	Zambian	Strom Infrastructure Investment and Management Company
Mr. Faruk Aliyu		Linemen Disciples Ltd
Alhaji Umar Nagogo		Niger State Development Company Limited
Mrs. Sa'adiya Aminu		Urban Shelter Limited
Mr. Oladapo Peters		Opec Investments Inc.

The interests of the Directors in the issued share capital of the Company is as follows:

	Number of Ordinary Shares of ₦1 each	
	2023	**2022**
Mallam Ibrahim Aliyu - *through Urban Shelter Limited*	23,625,000	23,625,000
Engr. Olubunmi Peters - *through BP Investment Limited*	30,059,395	30,059,395
- Opec Investment Inc	13,129,054	13,129,054
Engr. Ndanusa Sani Muhammed - *through Puma Engineering Limited*	7,378,378	7,378,378
Dr. George Nwangwu - *through Pan-African Global Infrastructure Company Limited*	7,935,811	7,935,811
- GXT Limited	6,733,108	6,733,108
Mr. Oladapo Peters - *through BP Investment Limited*	22,544,546	22,544,546
- Opec Investment Inc	12,614,189	12,614,189
Mrs. Sa'adiya Aminu - through Linemen Disciples Ltd	66,256,335	66,256,335
Engr. Emmanuel Katepa - *through Strom Infrastructure Investment and Management Company*	18,750,000	18,750,000
Mr. Faruk Aliyu - *through Linemen Disciples Ltd*	66,256,335	66,256,335

Shareholding structure
The Company's shareholding structure as at year end is as follows;

	31 December 2023		31 December 2022	
	No of shares	**%**	**No of shares**	**%**
Urban Shelter Limited	29,531,250	5.91	29,531,250	5.91
BP Investment Limited	150,296,974	30.06	150,296,974	30.06
Niger State Development Company Limited	50,000,000	10.00	50,000,000	10.00
Pan - African Global Infrastructure Company Ltd	26,452,703	5.29	26,452,703	5.29
Opec Investment Inc	25,743,243	5.15	25,743,243	5.15
Puma Engineering Limited	12,297,297	2.46	12,297,297	2.46
Linemen Disciples Limited	132,512,669	26.50	132,512,669	26.50
Heavyweight Express Limited	26,452,703	5.29	26,452,703	5.29
Strom Infrastructure Investment and Management Company	25,000,000	5.00	25,000,000	5.00
GXT Limited	13,466,216	2.69	13,466,216	2.69
JMD Investments Limited	8,246,945	1.65	8,246,945	1.65
	500,000,000	**100**	**500,000,000**	**100**

Directors' report (cont'd)

Property, plant and equipment
Information relating to property, plant and equipment is disclosed in Note 18 to these financial statements.

Events after the reporting date
There were no events after the reporting date which could have had a material effect on the state of affairs of the Group and Company as at 31 December 2024 and on the profit for the year ended which have not been adequately recognised or disclosed in these financial statements.

Committees
The Company had the following Board Committees during the year;

(a) Finance nominations and general purpose committee
The primary responsibility of this committee includes overseeing financial strategy, policy and treasury matters; proposing and periodically reviewing the Company's financial policies, goals and draft proposals as directed by the Board; reviewing and evaluating major capital expenditures; considering the awards of contracts up to a limit as prescribed by the Board of Directors; developing budgets, financial planning and financial reporting systems; monitoring adherence to the annual operating budget of the Company and setting of long range financial goals along with funding.

Members of the Committee are;

Mallam Ibrahim Aliyu - Chairperson
Engr. Olubunmi Peters
Engr. Ndanusa Sani Muhammed
Dr. George Nwangwu
Engr. Emmanuel Katepa

(b) Technical and operations committee
The functions of this committee include proposing annual production targets; reviewing all the technical and operational aspects of the Company's operations and future developments and making appropriate recommendations to the Board of Directors; establishing the plans and criteria for achieving the Company's operational and production success; periodically presenting an independent assessment of the Company's annual operating and production plans for all existing and proposed power plants; and reviewing major commercial agreements for engineering and maintenance activities planned for the Company's plants and making necessary recommendations to the Board of Directors. Members of the Committee are;

Engr. Emmanuel Katepa - Chairperson
Engr. Olubunmi Peters
Engr. Ndanusa Sani Muhammed
Mr. Faruk Aliyu
Mr. Oladapo Peters
Mrs. Sa'adiya Aminu

(c) Remuneration and human resource committee
The functions of this committee include proposing the remuneration arrangements for the executive and non-executive directors of the Company; proposing levels of employee remuneration within a specified limit; developing qualification criteria for recruitment and placement of management and senior staff of the Company; proposing incentive compensation plans, policies and programs; proposing policies for motivation and retention of relevant skilled labour, employee restructuring and terminal benefit packages. Members of the Committee are;

Dr. George Nwangwu - Chairperson
Mrs. Irene Chigbue
Alhaji Umar Nagogo
Mr. Oladapo Peters
Mrs. Sa'adiya Aminu
Mr. Faruk Aliyu

Directors' report (cont'd)

Committees (cont'd)

(d) Audit and risk management Committee

The major functions of the audit committee include overseeing the auditing process of the Company, monitoring the integrity of the financial statements of the Company; maintaining oversight over the auditing, accounting and financial reporting policies and processes; monitoring the performance of the Company's internal controls, risk management and assurance function and the performance of the internal audit function. Members of the Committee are;

Mrs. Irene Chigbue - Chairperson
Dr. George Nwangwu
Mr. Oladapo Peters
Mrs. Sa'adiya Aminu
Engr. Emmanuel Katepa

(e) Health, Safety and Environment (HSE) Committee

The primary functions of this committee include the development of a comprehensive SHE program for the Company; proposing implementation modalities of SHE programs; and ensuring periodic reviews of compliance with the Company's SHE policies. Members of the Committee are;

Engr. Ndanusa Sani Muhammed - Chairperson
Engr. Olubunmi Peters
Mrs. Irene Chigbue
Alhaji Umar Nagogo
Mr. Faruk Aliyu

Employment and employees

(a) Employment of physically challenged persons

The Group has no physically challenged employees. However, applications for employment by physically challenged persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicants. In the event of members of staff becoming physically challenged, every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. The training, career development and promotion of physically challenged persons should, as far as possible, be identical to those of other employees.

(b) Employee health, safety and welfare

The Group places a high premium on the health, safety and welfare of its employees in their place of work. The Group's policy includes having various forms of insurance policies to secure and protect its employees. In addition, it operates on-site medical facilities and services for immediate attention to employees as may be necessary in the course of operations.

(c) Employee consultation and training

The Group places considerable value on the involvement of its employees in major policy matters and maintains a practice of keeping them informed on matters affecting them as employees, and on the various factors affecting the performance of the Group through formal and informal meetings. Employees receive on-the-job training, complimented where necessary with additional facilities from training institutions.

Directors' report (cont'd)

Other technical and financial information

A During the year, the Company and NBET carried out a reconciliation of its receivables for energy and capacity delivered to the system including true-up and interest.

As at year end, the outstanding trade receivable balance in respect of electricity billings amounted to ₦165.15 million. million (2023: ₦105.79 million)..

B In accordance with provisions of the Concession Agreement, the following provisional information have been disclosed:

(i) The Company's ability to meet its financial obligations are dependent on its ability to collect revenues from its sales. Though, in the opinion of the Board of Directors, no regulatory or contractual breach has been noted for the months of operation, the liquidity challenges in the market have had a big impact on the Company's ability to collect all its revenues from its electricity sales.

(ii) As at year end, the Company had 315 (2023: 309) personnel in its employment carrying out the business operation of providing electricity to various distribution companies through its sole customer, NBET and also to egilible customers.

(iii) The Company has continued to sell power to the eleven distribution companies through the Nigerian Bulk Electricity Trading Company (NBET) and this arrangement has continued since the activation of the PPA on 1 April 2016

(iv) Over the years, the Company has carried out various capital programs on its operating plant which resulted in improved plant availability and generation.

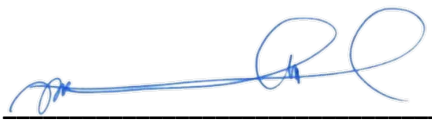
(v) There were no emergencies experienced.

(vi) All standing rules and regulations on environmental issues were observed.

Independent auditor

Messrs. Deloitte & Touche, having satisfied the relevant corporate governance rules on their tenure in office have indicated their willingness to continue in office as auditors to the Company. In accordance with Section 401 (2) of the Companies and Allied Matters Act, 2020, therefore, the auditors will be re-appointed at the next annual general meeting of the Company without any resolution being passed.

BY THE ORDER OF THE BOARD



Ratio Legal Practitioners
FRC/2015/PRO/DIR/003/00000010853
Company Secretary
Abuja, Nigeria
12 May 2025

Statement of Directors' Responsibilities
For the preparation and approval of the financial statements

The Directors of North South Power Company Limited accept responsibility for the preparation of the financial statements that give a true and fair view of the financial position of the Company as at 31 December 2024, and the results of its operations, cash flows and changes in equity for the year then ended, in compliance with IFRS Accounting Standards and in the manner required by the Companies and Allied Matters Act of Nigeria, and the Financial Reporting Council of Nigeria Amendment Act, 2023.

In preparing the financial statements, the Directors are responsible for:

- properly selecting and applying accounting policies;
- presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information
- Providing additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance; and

Going Concern:
The Directors have made an assessment of the Group and Company's ability to continue as a going concern and have no reason to believe the Group will not remain a going concern in the year ahead.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:



Engr. Olubunmi Peters
FRC/2014/PRO/DIR/003/00000007421
Date: 12 May 2025



Engr. Ndanusa Sani Muhammed
FRC/2014/PRO/DIR/003/00000010507
Date: 12 May 2025

Certification of financial statements

In accordance with section 405 of the Companies and Allied Act of Nigeria, the Chief Executive Officer and the Chief Financial Officer certify that the financial statements have been reviewed and based on our knowledge, the

(i) audited consolidated and separate financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading, in the light of the circumstances under which such statement was made, and

(ii) audited consolidated and separate financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the company as of and for, the periods covered by the audited financial statements;

We state that management and directors:

(i) are responsible for establishing and maintaining internal controls and has designed such internal controls to ensure that material information relating to the Group and Company is made known to the officer by other officers of the group, particularly during the period in which the audited financial statement report is being prepared, "

(ii) "has evaluated the effectiveness of the company's internal controls within 90 days prior to the date of its audited financial statements, and

(iii) certifies that company's internal controls are effective as of that date;

We have disclosed:

(i) all significant deficiencies in the design or operation of internal controls which could adversely affect the company's ability to record, process, summarise and report financial data, and has identified for the company's auditors any material weaknesses in internal controls, and

(ii) whether or not, there is any fraud that involves management or other employees who have a significant role in the company's internal control; and

(iii) as indicated in the report, whether or not, there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

The financial statements of the Group and Company for the year ended 31 December 2024 were approved by Directors on 12 May 2025

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:



Engr. Olubunmi Peters
Managing Director
FRC/2014/PRO/DIR/003/00000007421
Date: 12 May 2025



Norman Kapambalala
Chief Financial & Accounting Officer
FRC/2016/PRO/ANAN/001/00000014017
Date: 12 May 2025

Report of the Audit and Risk Committee

To the members of North South Power Company Limited

We, the members of the Audit and Risk Committee of North South Power Company Limited, having carried out our functions in a manner required by the Audit and Risk Committee Charter of the Group and Company, hereby report that:

(a) the accounting and reporting policies of the Company are in accordance with the relevant financial reporting framework and agreed ethical practices;

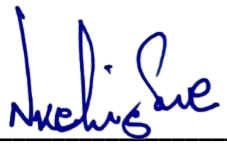
(b) the scope and planning of the audit for the year ended 31 December 2024 are satisfactory;

(c) having reviewed the independent auditor's memorandum of recommendations on accounting procedures and internal controls, we are satisfied with management responses thereon.

Finally, we acknowledge the co-operation of management and staff in the conduct of our duties.

Members of the Audit and Risk Committee are:

1	Mrs. Irene Chigbue	Chairperson
2	Dr. George Nwangwu	Member
3	Engr. Emmanuel Katepa	Member
4	Mrs. Sa'adiya Aminu	Member
5	Mr.Oladapo Peters	Member



Mrs. Irene Chigbue (Chairperson)
FRC/2016/PRO/DIR/003/00000014165
Date: 12 May 2025

Management Report on the Internal Control over Financial Reporting as at 31 December 2024

In compliance with the Financial Reporting Council of Nigeria (FRC) Guidance on the effectiveness of Internal Control over Financial Reporting, we hereby make the following statements regarding the Internal Control over Financial Reporting of North South Power Company Limited for the year ended 31 December 2024:

i. North South Power Company Limited's management is responsible for establishing and maintaining a system of Internal Control over Financial Reporting (''ICFR'') that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.

ii. North South Power Company Limited's management used the Committee of Sponsoring Organization of the Treadway Commission (COSO) Internal Control-Integrated Framework to conduct the required evaluation of the effectiveness of the entity's ICFR;

iii. North South Power Company Limited's management has assessed that the entity's ICFR as of the end of 31 December 2024 is effective.

iv. North South Power Company Limited's external auditors - Deloitte & Touche - that audited the financial statements has issued an attestation report on management's assessment of the entity's internal control over financial reporting.

We have reviewed the financial statements of North South Power Company Limited for the year ended 31 December 2024;

a) We also certify that we:

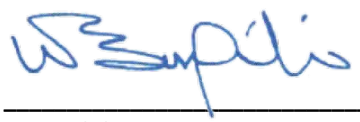
1. are responsible for establishing and maintaining internal controls;
2. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the company, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
3. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
4. have evaluated the effectiveness of the company's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

b) We have disclosed, based on our most recent evaluation of internal control system, to the company's auditors, the audit committee and the company's Board of Directors:

1. All significant deficiencies and weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
2. Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control system.

c) We have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and weaknesses.

d) Meanwhile, based upon management's assessment, the Company determined that there were no material weaknesses in its internal control over financial reporting as at 31 December, 2024.



Engr. Olubunmi Peters
Managing Director
FRC/2014/PRO/DIR/003/00000007421
Date: 12 May 2025



Norman Kapambalala
Chief Financial & Accounting Officer
FRC/2016/PRO/ANAN/001/00000014017
Date: 12 May 2025

Deloitte.

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Assurance Report of Independent Auditor

To the Shareholders of North South Power Company Limited

Assurance Report on management's assessment of controls over financial reporting

We have performed a limited assurance engagement in respect of the systems of internal control over financial reporting of **North South Power Company Limited** and its subsidiaries ("the Group") as of 31 December , 2024, in accordance with the FRC Guidance on assurance engagement report on Internal Control over Financial Reporting and based on criteria established in the Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) ("the ICFR framework"), and the SEC Guidance on Management report on Internal Control over Financial Reporting. **North South Power Company Limited's** management is responsible for maintaining effective internal control over financial reporting and for assessing the effectiveness of internal control over financial reporting including the accompanying Management's Report on Internal Control Over Financial Reporting.

We have also audited, in accordance with the International Standards on Auditing, the financial statements of the Company and Group and our report dated 12 May 2025 expressed unmodified opinion.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence that we have obtained, nothing has come to our attention that causes us to believe that the Company and Group did not establish and maintain an effective system of internal control over financial reporting, as of the specified date, based on the SEC Guidance on Management Report on Internal Control Over Financial Reporting.

Definition of internal control over financial reporting

Internal control over financial reporting is a process designed by, or under the supervision of, the entity's principal executive and principal financial officers, or persons performing similar functions, and effected by the entity's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

I. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company and the group;

II. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company and group; and

III. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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Inherent limitations

Our procedures included the examination of historical evidence of the design and implementation of the Company and Group's system of internal control over financial reporting for the year ended 31 December 2024. Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Directors' and Management's Responsibilities

The Directors are responsible for ensuring the integrity of the entity's financial controls and reporting.

Management is responsible for establishing and maintaining a system of internal control over financial reporting that provides reasonable assurance regarding the reliability of financial reporting, and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards as issued by the International Accounting Standards and the ICFR framework.

Section 7(2f) of the Financial Reporting Act 2011 (As amended) further requires that management perform an assessment of internal controls, including information system controls. Management is responsible for maintaining evidential matters, including documentation, to provide reasonable support for its assessment of internal control over financial reporting.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies the International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Auditor's Responsibility and Approach

Our responsibility is to express a limited assurance opinion on the company's internal control over financial reporting based on our Assurance engagement.

We performed our work in accordance with the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting and the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than the Audits or Reviews of Historical Financial Information (ISAE 3000) revised. That Standard requires that we comply with ethical requirements and plan and perform the limited assurance engagement to obtain limited assurance on whether any matters come to our attention that causes us to believe that the Company and Group did not establish and maintain an effective system of internal control over financial reporting in accordance with the ICFR framework.

That Guidance requires that we plan and perform the Assurance engagement and provide a limited assurance report on the entity's internal control over financial reporting based on our assurance engagement.

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The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion on whether the Company and Group established and maintained an effective system of internal control over financial reporting.

As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances.

We believe the procedures performed provides a basis for our report on the internal control put in place by management over financial reporting.

Ngozika Emeka – Eze, FCA – FRC/2013/PRO/ICAN/004/00000001817
For: Deloitte & Touche (FRC/2022/Coy/091021)
Chartered Accountants
Lagos, Nigeria
12 May 2025



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To the Shareholders of North South Power Company Limited

Report on the Audit of Consolidated and Separate Financial statements

Opinion

We have audited the consolidated and separate financial statements of **North South Power Company Limited** and its subsidiaries (the Group and Company) set out on pages 7 to 72 which comprise the consolidated and separate statements of financial position as at 31 December 2024, the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and the notes to the consolidated and separate financial statements, including a summary of material accounting policy information.

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of **North South Power Company Limited** as at 31 December 2024, and its consolidated and separate financial performance and consolidated and separate statement of cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standard Board , the requirements of the Companies and Allied Matters Act, 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Company and Group in accordance with the requirements of the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) and other independence requirements applicable to performing audits of financial statements in Nigeria.

We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements that are relevant to our audit of consolidated and separate financial statements in Nigeria.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the financial statements of the current year. However, we have not identified such matter in our audit of the financial statements in the current year.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the document titled North South Power Company Limited Annual report, Consolidated and Separate Financial Statements for the year ended 31 December 2024 which includes the Results at a glance, Directors report, Statement of Directors' Responsibilities, Certification of financial statements, Report of the audit and risk committee, Management report on the effectiveness of internal control over financial reporting, and Other National Disclosures as required by the Financial Reporting Council of Nigeria which we obtained prior to the date of this report. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



Based on the work we have performed on the other information obtained prior to the date of this auditor's report, if we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board, the requirements of the Companies and Allied Matters Act, 2020, the Financial Reporting Council of Nigeria (Amendment) Act, 2023 and for such internal control as the Directors determine is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the Group's and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group and/or the Company or to cease operations or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied

From the matters communicated with those charged with governance, we determine the matter that was of most significance in the audit of the consolidated and separate financial statements of the current year and is therefore the key audit matter. We describe this matter in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory requirements
In accordance with the fifth schedule of the Companies and Allied Matters Act 2020, we expressly state that:

(i) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.

(ii) The Group and Company have kept proper books of account, so far as appears from our examination of those books.

(iii) The Group and company's financial position and its statement of profit or loss and other comprehensive income are in agreement with the books of account and returns.

In accordance with the requirements of the Financial Reporting Council of Nigeria (Amendment) Act 2023, we performed a limited assurance engagement and reported on the management's assessment of the Group's internal control over financial reporting as of 31 December 2024. The work performed was done in accordance with FRC Guidance on Assurance Engagement Report on Internal Controls over Financial Reporting (this Guidance), and we have issued a report with no exception in our report dated 12 May 2025. That report is included on pages 1 to 3 of the annual report.

Ngozika Emeka – Eze, FCA – FRC/2013/PRO/ICAN/004/00000001817
For: Deloitte & Touche (FRC/2022/Coy/091021)
Chartered Accountants
Lagos, Nigeria
12 May 2025



Consolidated and separate statements of profit or loss and other comprehensive income

		Group		Company	
In thousands of Naira	***Notes***	**2024**	**2023**	**2024**	**2023**
Revenue	*9*	137,595,477	65,071,007	137,595,477	65,071,007
Direct costs	*10*	(24,059,461)	(11,961,603)	(23,815,455)	(11,961,603)
Gross profit		**113,536,016**	**53,109,404**	**113,780,022**	**53,109,404**
Other income	*13*	939,150	416,356	939,150	416,356
Impairment reversal / (charge) on trade and other receivables	*12*	(4,030,887)	12,937,492	(4,030,887)	12,937,492
General and administrative expenses	*11*	(36,670,216)	(16,938,530)	(36,300,544)	(16,743,699)
Operating profits		**73,774,063**	**49,524,722**	**74,387,741**	**49,719,553**
Finance income	*14*	6,524,769	6,642,326	6,424,919	6,609,078
Finance costs	*14*	(34,856,327)	(15,999,049)	(34,856,327)	(15,999,049)
Net finance costs		**(28,331,558)**	**(9,356,723)**	**(28,431,408)**	**(9,389,971)**
Other gains and losses	*15*	(66,605,553)	(31,574,877)	(66,666,350)	(31,574,543)
Loss / profit before taxation	*16*	**(21,163,048)**	**8,593,122**	**(20,710,017)**	**8,755,039**
Tax charge	*17(a)*	4,033,111	(3,282,808)	4,044,725	(3,271,132)
Loss / profit for the year		**(17,129,937)**	**5,310,314**	**(16,665,292)**	**5,483,907**
Other comprehensive income					
Items that will not be reclassified to profit or loss:					
Remeasurements of defined benefit obligation	*36(a)*	(42,850)	(86,118)	(42,850)	(86,118)
Related tax		-	-	-	-
Foreign currency translation differences	*29*	12,132,998	19,282,322	20,989,596	23,235,861
Other comprehensive income for the year		**12,090,148**	**19,196,204**	**20,946,746**	**23,149,743**
Total comprehensive (loss) / income for the year		**(5,039,789)**	**24,506,518**	**4,281,454**	**28,633,650**
Profit attributable to:					
Equity owners of the parent		(17,129,937)	5,310,314	(16,665,292)	5,483,907
Non-controlling interest	*30*	-	-	-	-
		(17,129,937)	**5,310,314**	**(16,665,292)**	**5,483,907**
Total comprehensive income attributable to:					
Equity owners of the parent		(5,039,789)	24,506,518	4,281,454	28,633,650
Non-controlling interest	*30*	-	-	-	-
		(5,039,789)	**24,506,518**	**4,281,454**	**28,633,650**

The notes on pages 12 to 72 are an integral part of these financial statements.

Consolidated and separate statements of financial position
As at 31st December 2024

		Group		Company	
In thousands of Naira	***Notes***	**31 Dec 2024**	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
Assets					
Property, plant and equipment	*18*	8,606,162	8,960,159	7,515,499	8,912,192
Intangible assets	*19*	190,368,470	116,561,020	183,496,872	111,265,510
Investment property	*20*	15,000,000	10,245,885	15,000,000	10,245,885
Investments	*21*	1,333,823	844,367	27,639,152	14,402,057
Deferred tax assets	*31*	29,827,129	13,937,467	29,827,129	13,937,467
Other assets	*24*	2,340,305	2,298,823	2,340,305	2,298,823
Employee benefit	*36*	-		-	
Non-current assets		**247,475,889**	**152,847,721**	**265,818,957**	**161,061,934**
Inventories	*22*	5,812,194	3,179,284	5,812,194	3,179,284
Other assets	*24*	42,702,474	380,804	42,702,330	380,804
Trade and other receivables	*23*	124,991,016	49,141,282	125,306,812	49,355,138
Prepayments	*25*	1,532,702	735,902	1,517,742	724,787
Cash and cash equivalents	*26*	37,747,297	70,518,435	35,448,031	69,106,318
Current assets		**212,785,683**	**123,955,707**	**210,787,109**	**122,746,331**
Total assets		**460,261,572**	**276,803,428**	**476,606,066**	**283,808,265**
Equity					
Share capital	*27*	500,000	500,000	500,000	500,000
Share premium	*28*	8,133,191	8,133,191	8,133,191	8,133,191
Retained (loss) / earnings		(15,818,656)	4,265,032	(14,699,836)	4,919,944
Translation reserve	*29*	41,541,877	29,409,616	56,536,830	35,547,234
Total equity		**34,356,412**	**42,307,839**	**50,470,185**	**49,100,369**
Liabilities					
Loans and borrowings	*32*	13,205,717	10,416,708	13,205,717	10,416,708
Concession fees payable	*33*	188,567,830	111,921,187	188,567,830	111,921,187
Trade and other payables	*34*	4,984,048	3,075,398	4,984,048	3,075,398
Deferred income	*35*	241,692	119,686	241,692	119,686
Employee benefit	*36*	143,960	118,131	143,960	118,131
Non-current liabilities		**207,143,247**	**125,651,110**	**207,143,247**	**125,651,110**
Income tax payable	*17(c)*	741,085	2,633,251	728,218	2,621,575
Loans and borrowings	*32*	4,278,529	3,009,519	4,278,529	3,009,519
Concession fees payable	*33*	203,202,145	97,824,028	203,202,145	97,824,028
Trade and other payables	*34*	10,436,899	5,334,486	10,680,487	5,558,469
Deferred income	*35*	89,432	35,096	89,432	35,096
Provisions	*37*	13,823	8,099	13,823	8,099
Current liabilities		**218,761,913**	**108,844,479**	**218,992,634**	**109,056,786**
Total liabilities		**425,905,160**	**234,495,589**	**426,135,881**	**234,707,896**
Total equity and liabilities		**460,261,572**	**276,803,428**	**476,606,066**	**283,808,265**

The consolidated and separate financial statements were approved by the Board of Directors on 12 May 2025 and signed on its behalf by:

Engr. Olubunmi Peters
Managing Director
FRC/2014/PRO/DIR/003/00000007421

Engr. Ndanusa Sani Muhammed
Director
FRC/2014/PRO/DIR/003/00000010507

Norman Kapambalala
Chief Financial & Accounting Officer
FRC/2016/PRO/ANAN/001/00000014017

The notes on pages 12 to 72 are an integral part of these financial statements. .

Consolidated and separate statements of changes in equity

Group
For the year ended 31 December 2024

In thousands of Naira	Share capital	Share premium	Retained earnings	Translation reserve	Total	Non-controlling interest	Total
Balance as at 1 January 2024	**500,000**	**8,133,191**	**4,265,032**	**29,409,616**	**42,307,839**	**-**	**42,307,839**
Dividend (See Note 34 (b))	-	-	(2,911,638)	-	(2,911,638)	-	(2,911,638)
Total transactions with owners of the Company	**-**	**-**	**(2,911,638)**	**-**	**(2,911,638)**	**-**	**(2,911,638)**
Comprehensive income for the year							
Loss for the year	-	-	(17,129,937)	-	(17,129,937)	-	(17,129,937)
Other comprehensive income	-	-	(42,850)	12,132,998	12,090,148	-	12,090,148
Transfer from translation reserves to retained earnings	-	-	737	(737)	-	-	-
Total comprehensive income for the year	**-**	**-**	**(17,172,050)**	**12,132,261**	**(5,039,789)**	**-**	**(5,039,789)**
Balance as at 31 December 2024	**500,000**	**8,133,191**	**(15,818,656)**	**41,541,877**	**34,356,412**	**-**	**34,356,412**

For the year ended 31 December 2023

In thousands of Naira	Share capital	Share premium	Retained earnings	Translation reserve	Total	Non-controlling interest	Total
Balance as at 1 January 2023	500,000	8,133,191	5,353,228	12,239,419	26,225,838	-	26,225,838
Comprehensive income for the year							
Profit for the year	-	-	5,310,314	-	5,310,314	-	5,310,314
Other comprehensive income	-	-	(86,118)	17,170,197	17,084,079	-	17,084,079
Transfer from translation reserves to retained earnings			-		-	-	-
Total comprehensive income for the year	**-**	**-**	**5,224,196**	**17,170,197**	**22,394,393**	**-**	**22,394,393**
Transaction with owners of the Company							
Dividend (See Note 34 (b))	-	-	(6,312,392)	-	(6,312,392)	-	(6,312,392)
Total transactions with owners of the Company	**-**	**-**	**(6,312,392)**	**-**	**(6,312,392)**	**-**	**(6,312,392)**
Balance as at 31 December 2023	**500,000**	**8,133,191**	**4,265,032**	**29,409,616**	**42,307,839**	**-**	**42,307,839**

The notes on pages 12 to 72 are an integral part of these financial statements.

Consolidated and separate statements of changes in equity

Company

For the year ended 31 December 2024	**Share capital**	**Share premium**	**Retained earnings**	**Translation reserve**	**Total equity**
In thousands of Naira					
Balance as at 1 January 2024	**500,000**	**8,133,191**	**4,919,944**	**35,547,234**	**49,100,369**
Comprehensive income for the year					
Loss for the year	-	-	(16,665,292)	-	**(16,665,292)**
Other comprehensive income	-	-	(42,850)	20,989,596	**20,946,746**
Transfer from translation reserves to retained earnings			-	-	
Total comprehensive income for the year	**-**	**-**	**(16,708,142)**	**20,989,596**	**4,281,454**
Transactions with owners of the Company					
Dividend (See Note 34 (b))	-	-	(2,911,638)	-	**(2,911,638)**
Balance as at 31 December 2024	**500,000**	**8,133,191**	**(14,699,836)**	**56,536,830**	**50,470,185**

In thousands of Naira	**Share capital**	**Share premium**	**Retained earnings**	**Translation reserve**	**Total equity**
Balance as at 1 January 2023	**500,000**	**8,133,191**	**5,834,547**	**12,311,373**	**26,779,111**
Comprehensive income for the year					
Profit for the year	-	-	5,483,907	-	**5,483,907**
Other comprehensive income	-	-	(86,118)	23,235,861	**23,149,743**
Total comprehensive income for the year	**-**	**-**	**5,397,789**	**23,235,861**	**28,633,650**
Transactions with owners of the Company					
Dividend (See Note 34 (b))	**-**	**-**	**(6,312,392)**	**-**	**(6,312,392)**
Balance as at 31 December 2023	**500,000**	**8,133,191**	**4,919,944**	**35,547,234**	**49,100,369**

The notes on pages 12 to 72 are an integral part of these financial statements.

Consolidated and separate statements of cash flows

		Group		Company	
In thousands of Naira	***Notes***	**2024**	**2023**	**2024**	**2023**
Operating activities					
Loss / profit for the year		(17,129,937)	5,310,314	(16,665,292)	5,483,907
Adjustments for non-cash items:					
- depreciation of property, plant and equipment	*18*	1,767,611	692,833	1,731,384	668,086
- amortization	*19*	9,829,622	4,306,215	9,829,622	4,306,215
- depreciation of investment property	*20*	338,564	120,136	338,564	120,136
- Loss on remeasurement of investment property	*15*	2,134,635	-	2,134,635	-
- Loss on remeasurement of Capital Work -in - Progres		3,793,088	-	3,793,088	-
- employee benefit	*36(a)*	79,872	50,407	79,872	50,407
- net finance costs	*14*	28,331,558	9,356,723	28,431,408	9,389,971
- taxation	*17(a)*	(4,033,111)	3,282,808	(4,044,725)	3,271,132
- impairment loss on inventory	*22(b)*	35,525	-	35,525	-
- impairment loss on trade receivables	*12*	3,224,252	(13,062,574)	3,224,252	(13,062,574)
-Impairment loss on withholding tax receivable	*12*	-	125,082	-	125,082
- loss on disposal of property, plant and equipment		-	51,730	-	51,730
		28,371,679	**10,233,674**	**28,888,333**	**10,404,092**
Changes in working capital:					
- inventories	*22 (a)*	407,057	41,969	407,057	107,183
- trade and other receivables	*23 (f)*	(79,160,801)	(9,651,206)	(79,262,741)	(7,973,998)
- other assets	*24 (a)*	178,996	(642,317)	179,410	(642,317)
- prepayments	*25 (a)*	(796,800)	(302,403)	(792,955)	(291,288)
- trade and other payables	*34 (d)*	15,759,537	1,976,508	15,779,142	2,007,698
- deferred income	*35*	(61,840)	(85,230)	(61,840)	(85,230)
- concession fee	*33*	-	(18,000,000)	-	(18,000,000)
Cash used in operating activities		**(35,302,172)**	**(16,429,005)**	**(34,863,864)**	**(14,473,860)**
Income taxes paid	*17(c)*	(3,802,332)	(6,449,075)	(3,802,332)	(6,449,075)
Employee benefit contribution	*36*	(96,893)	-	(96,893)	
Net cash on operating activities		**(39,201,397)**	**(22,878,080)**	**(38,763,089)**	**(20,922,935)**
Cashflow from Investing activities					
Acquisition of property, plant and equipment	*18*	(4,779,193)	(2,155,661)	(3,735,546)	(2,155,661)
Proceeds from disposal of property, plant and equipment		2,490,000	10,901	2,490,000	10,901
Acquisition of intangible assets	*19*	(339,465)	-	(339,465)	-
Acquisition of investment property	*20*	-	(5,316,195)	-	(5,316,195)
Investment in subsidiary	*21*	-	(844,367)	(3,053,205)	(6,075,622)
Deposit for investment	*24*	(42,542,148)	-	(45,542,148)	-
Interest received	*14 (a)*	6,524,769	6,642,326	6,424,919	6,609,078
Net cash used in investing activities		**(38,646,037)**	**(1,662,996)**	**(40,755,445)**	**(6,927,499)**
Cash flow from Financing activities					
Dividend paid to shareholders	*34 (b)*	(11,660,112)	(6,331,995)	(11,660,112)	(6,331,995)
Loan received	*32*	5,473,785	-	5,473,785	-
Principal repayment	*32*	(1,280,943)	(1,212,553)	(1,280,943)	(1,212,553)
Interest repayments	*32*	(2,173,662)	(1,902,085)	(2,173,662)	(1,902,085)
Net cash used in financing activities		**(9,640,932)**	**(9,446,633)**	**(9,640,932)**	**(9,446,633)**
Net decrease in cash and cash equivalents		(87,488,366)	(33,987,709)	(89,159,466)	(37,297,067)
Cash and cash equivalents at the beginning of the year		70,518,435	70,126,410	69,106,318	68,996,826
Effects of exchange rate changes on cash and cash equivalents		54,717,228	34,379,734	55,501,179	37,406,559
Cash and cash equivalents at the end of the year	*26*	**37,747,297**	**70,518,435**	**35,448,031**	**69,106,318**

The notes on pages 12 to 72 are an integral part of these financial statements.

Notes to the consolidated and separate financial statements

1. Reporting entity

North South Power Company Limited ("the Company") was incorporated on 15 March 2012 as a limited liability company.

The Company operates in the power sector and its principal activity is to develop, own and operate power plants and other energy infrastructure systems with a special emphasis on renewable energy systems including solar, electric, thermal, wind and hydro power plants.

The Company owns 99% of Shiroro Solar Generating Company Limited, which was incorporated as a limited liability company on 4 March 2015. It also owns 99% of NSP-SPV Powercorp Plc and North South Gurara Energy Company Limited, incorporated as public and private companies on 8 September 2017 and 25 July 2018 respectively.

Shiroro Solar Generating Company Limited was established to carry on the Company's solar power generation project through the generation license obtained by the Company in 2016. It is yet to commence operations as at the year end.

NSP-SPV Powercorp Plc was established in 2017 as a special purpose vehicle for the purpose of investing in bonds, notes, shares, stocks, debenture stock, annuities or other securities (for itself or on behalf of any person(s), corporate or incorporate), issued, sold or sponsored by the Company.

On February 28, 2019, North South Power Company Limited (the Company) through its wholly owned subsidiary, NSP-SPV Powercorp Plc, issued its debut ₦8.5 billion, 15-year, 15.60% Series 1 Guaranteed Fixed Rate Senior Green Infrastructure Bonds (Series I Green Bonds), due 2034 under a ₦50 billion Debt Issuance Programme. The bonds were credit enhanced/guaranteed by InfraCredit. The bonds were also fully subscribed upon issuance and as specified in the bond agreement, proceeds of the issuance were transferred to the Company for utilisation. North South Power Company Limited was identified as a co-obligor in the bond agreement and is jointly liable with its subsidiary, NSP-SPV Powercorp Plc, (the Issuer) for the timely bi-annual repayment of the principal and interest of the bond obligation.

North South Gurara Energy Company Limited (NSGEC) was incorporated in Nigeria on the 25 July 2018. NSGEC was incorporated to provide power/ energy services, supply, install and maintain renewable energy systems. The Company is yet to commence operations

North South Power Canada Limited (NSPC) was incorporated in Ontario Canada on 16 July 2021. NSPC is yet to commence operations but was incorporated to provide power/ energy services, supply, install and maintain renewable energy systems

The Company has its operating base at the Shiroro Hydroelectric Plant, Niger State while its registered/ business office is as follows:

Clan Place, Plot No 1386, Tigris Crescent
Maitama, Abuja Nigeria

Notes to the consolidated and separate financial statements

2. Basis of accounting

The financial statements of the Group and/ Company have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and in the manner required by the Companies and Allied Matters Act 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023. The functional currency of the Company is USD and the presentation currency is Naira

The financial statements were authorised for issue by the Group's Board of Directors on 12 May 2025."

3. Basis of measurement

The financial statements have been prepared under the going concern assumption and historical cost basis unless otherwise indicated.

4. Functional and presentation currency

These financial statements have been presented in Nigerian Naira (₦) for local regulatory and filling purposes. The Company's functional currency is US Dollar($). All financial information presented in Nigerian Naira (₦) has been rounded to the nearest thousand (₦'000), unless otherwise indicated.

The financial statements comprise:
- Statements of profit or loss and other comprehensive income
- Consolidated and separate statements of financial position
- Consolidated and separate statements of changes in equity
- Consolidated and separate statements of cashflow
- Notes to the financial statements

Other national disclosure
- Statements of value added
- Financial summary

The financial statements cover the financial year from 1 January 2024 to 31 December 2024 with comparative from financial year 1 January 2023 to 31 December 2023

5. Use of estimates and judgments

In preparing these consolidated financial statements, management has made judgments and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

(a) Judgements

Information about judgements made in applying accounting policies that have material effects on the amounts recognised in the financial statements is included in the following notes:

Note 6(e) - lease term: whether the Group and/Company is reasonably certain to exercise extension options.

Note 23(g) - Disclosure of unrecognized interest income and true-up income on receivables not collected within the credit period;
Note 23(h) - Disclosure of deemed capacity
Note 33(a) - Compliance with payment obligations under the concession agreement.

Notes to the consolidated and separate financial statements

5. Use of estimates and judgments (cont'd)

(b) Assumptions and estimation uncertainties

Information about assumptions and estimations uncertainties at 31 December 2024 that have a significant risk of resulting in a material adjustment to the carrying amounts of the assets and liabilities in the next financial year is included in the following notes:

Note 31 – Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary difference and tax losses carried forward can be utilised;

Note 37 and 39 – Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

Note 41(a) – Measurements of ECL allowance for trade receivables: key assumptions in determining the weighted average loss rate.

i. Measurement of fair values

A number of the Group and/ Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group and/ Company has established control framework with respect to the measurement of fair values. This includes the Chief Finance and Accounting Officer that has overall responsibility for overseeing all significant fair value measurements including Level 3 fair values.

The Chief Finance and Accounting Officer regularly reviews significant unobservable inputs and valuation adjustments. If the third party information, such as broker quotes or pricing services, is used to measure fair values, then the General Manager Finance and Accounts assesses the evidence obtained from third parties to support the conclusion that these valuations meet the requirements of the Standards, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Group and/or Company's audit committee.

When measuring the fair value of an asset or a liability, the Group and/ Company uses observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows;

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: input other than quoted prices included in level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. as derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 41 - Financial instruments.

Notes to the consolidated and separate financial statements

6. Material accounting policy information

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Basis of consolidation

i. Business combination

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately.

The accounting policies of the subsidiaries are consistent with the policies adopted by the Group and all intra-group balances and transactions, and any unrealised gains arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

On disposal of a subsidiary, the Group derecognises the assets (including any goodwill) and liabilities of the subsidiaries at their carrying amounts at the date of disposal and also derecognises the carrying amount of any related non controlling interest and other component of equity at the date of sale but recognises the fair value of the consideration received from the sale, while any resulting difference is recognised as a gain or loss in profit or loss attributable to the Group.

ii. Non-controlling interests

Non-controlling interest is the equity in a subsidiary not attributable, directly or indirectly, to a parent company and is presented separately in the consolidated statement of profit or loss and within equity in the consolidated statement of financial position. Total comprehensive income attributable to non-controlling interests is presented on the line “Non-controlling interests” in the consolidated statement of financial position, even if it can create negative non-controlling interest.

NCI are measured initially at their proportionate share of the identified net assets at the date of acquisition. Changes in the Group's interest in subsidiary that do not result in a loss of control accounted for as equity transactions.

iii. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it has power over the entity, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of the subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Investment in subsidiaries are carried at cost less impairment losses in the separate financial statements. Where, in the opinion of the directors, there has been impairment in the value of an investment, the loss is recognised as an expense in the year in which the impairment is identified.

iv. Transactions eliminated on consolidation

Intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing these consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Notes to the consolidated and separate financial statements

6. Material accounting policy information (cont'd)

(b) Foreign currency transactions

Transactions denominated in foreign currencies are translated and recorded in US Dollar at the actual exchange rates as of the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the rates of exchange prevailing at that date.

The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on translation are recognized in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

(c) Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group and/ Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to the consolidated and separate financial statements

6. Use of estimates and judgments (cont'd)

(c) Financial instruments (cont'd)

ii. Classification and subsequent measurement

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL."

Financial assets – Subsequent measurement and gains and losses

Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities such as loans and borrowings are classified as measured at amortised cost or FVTPL. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss

iii. Derecognition

Financial assets

The Group and/ Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Group and/or Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Notes to the consolidated and separate financial statements

6. Use of estimates and judgments (cont'd)

(c) Financial instruments (cont'd)

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group and/ Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(d) Property, plant and equipment (PPE)

i. Recognition and measurement

The cost of an item of property, plant and equipment shall be recognised as an asset if and only if:

- It is probable that future economic benefits associated with the item will flow to the entity; and
- the cost of the item can be measured reliably. "

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Property, plant and equipment under construction are disclosed as capital work-in-progress. The cost of self-constructed asset includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use including, where applicable, the costs of dismantling and removing the items and restoring the site on which they are located and borrowing costs on qualifying assets.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of the equipment.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains or losses on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and/ Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

iii. Depreciation

Items of property, plant and equipment are depreciated from the date that they are available for use or, in respect of self constructed assets, from the date that the asset is completed and ready for use

Notes to the consolidated and separate financial statements

6. Material accounting policy information (cont'd)

(d) Property, plant and equipment (PPE) (cont'd)

iii. Depreciation (cont'd)

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight line method over their estimated useful lives.

Depreciation is generally recognized in profit or loss, unless the amount is included in the carrying amount of another asset.

Leased assets are depreciated over the shorter of the lease term and their useful life unless it is reasonably certain that the Group and/ Company will obtain ownership by the end of the lease term in which case, the assets are depreciated over the useful life.

The estimated useful lives of significant items of property, plant and equipment for the current and comparative periods are as follows:

The estimated useful lives of property plant and equipment for current and comparative periods are as follows:

Type of asset	**Useful life**
Furniture and fittings	5 years
Office equipment	5 years
Motor vehicles	5 years

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

Capital work in progress is not depreciated. The attributable cost of each asset is transferred to the relevant asset category immediately the asset is available for use and depreciated accordingly.

The Hydro property at the Shiroro Plant have not been recognised as part of the Group's Property Plant and Equipment (PPE) as these do not meet the criteria for recognition as PPE under IAS 16

(e) Leases

At inception of a contract, the Group and /or Company assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

(i) As a lessor

The group as lessor

The group enters into lease agreements as a lessor with respect to some of its investment properties.

Leases for which the group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Notes to the consolidated and separate financial statements

6. Material accounting policy information (cont'd)

(e) Leases (cont'd)

(i) As a lessor (cont'd)

The group as lessor (cont'd)

When the group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term. Amounts due from lessees under finance leases are recognised as receivables at the amount of the group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the group's net investment outstanding in respect of the leases.

Subsequent to initial recognition, the group regularly reviews the estimated unguaranteed residual value and applies the impairment requirements of IFRS 9, recognising an allowance for expected credit losses on the finance lease receivables. Finance lease income is calculated with reference to the gross carrying amount of the lease receivables, except for credit impaired financial assets for which interest income is calculated with reference to their amortised cost (i.e. after a deduction of the loss allowance). When a contract includes both lease and non-lease components, the group applies IFRS 15 to allocate the consideration under the contract to each component"

(f) Impairment

i. Non-derivative financial assets

The Group/ and Company recognise loss allowances for ECLs on:

- financial assets measured at amortised cost;
- contract assets

The Group/ and Company measure loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs

- debt securities that are determined to have low credit risk at the reporting date; and
- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group/ and Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's/ and Company's historical experience and informed credit assessment and including forward-looking information.

Notes to the consolidated and separate financial statements

6. Material accounting policy information (cont'd)

(f) Impairment (cont'd)

i. Non-derivative financial assets (cont'd)

From general impairment measurement approach, the Group/ and Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group/ and Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group/ and Company in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group/ and Company is exposed to credit risk.

Measurement of ECLs
ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets
At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the restructuring of a loan or advance by the Group/ and Company on terms that the Group/ and Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; o
- the disappearance of an active market for a security because of financial difficulties.
- a breach of contracts such as default.

Notes to the consolidated and separate financial statements

6. Material accounting policy information (cont'd)

(f) Impairment (cont'd)

i. Non-derivative financial assets (cont'd)

Presentation of allowance for ECL in the statement of financial position
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI

Write-off
The gross carrying amount of a financial asset is written off when the Group/ and Company have no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group/ and Company have a policy of writing off the gross carrying amount of the financial asset when the outcome of an enforcement activity has proven beyond reasonable doubt that there is no reasonable expectations of recovering the financial asset in its entirety or a portion thereof. The Group/ and Company believes there is reasonable expectations of recovering the carrying amount of its financial assets while the financial asset is still subject to enforcement activity.

ii. Non-financial assets
At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised."

(g) Provisions, contingent liabilities and contingent assets

i Provisions
A provision is recognized if, as a result of a past event, the Group and/ Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

Notes to the consolidated and separate financial statements

6. Material accounting policy information (cont'd)

(g) Provisions, contingent liabilities and contingent assets (cont'd)

i Provisions (cont'd)

A provision for restructuring is recognised when the Group and/ Company has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Group and/ Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group and/ Company recognizes any impairment loss on the assets associated with that contract.

ii Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group and/ Company, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are only disclosed and not recognised as liabilities in the statement of financial position.

If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

iii Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group/Company.

Contingent assets are only disclosed and are not recognized as assets in the statement of financial position. A contingent asset is presented when an inflow of economic benefits is probable. If the flow of economic benefits:

a) is not probable – no asset is recognized and the inflow is not disclosed as a contingent asset;
b) is probable, but uncertain – no asset is recognized, but the possible inflow is disclosed as a contingent asset;
c) is certain – that asset is no longer contingent and its recognition becomes appropriate.

Contingent assets are continuously evaluated in order to ensure the appropriate reflection of changes in financial statements. If the inflow of economic benefits becomes certain and the value of the asset can be measured with reliability, the asset and the corresponding revenue will be recognized in financial statements for the period when the changes occurred.

Notes to the consolidated and separate financial statements

6. Material accounting policy information (cont'd)

(h) Revenue

Revenue recognition under IFRS 15

Service concession arrangement
Revenue related to construction or upgrade services under a service concession arrangement is recognised over time while Operation or service revenue is recognised in the period in which the services are provided by the Group/and Company.

Revenue is measured based on the consideration specified in a contract with a customer. The Group/and Company recognises revenue when it transfers control over the service to the customer.

The Group/and Company currently generates its revenue from capacity generated and energy shared. Capacity generation is the maximum electricity available for consumption at any given time which is measured in megawatts (MW) whilst energy shared is the actual electricity consumed which is measured in kilo-watt-hours (kWh). Revenue is earned overtime in line with the continous generation of power from the Company's generating plant.

Revenue from Deemed capacity represents consideration to the Group/ and Company for capacity which it makes available but is not taken up by NBET.

Other revenue represents fixed and variable component of black-start billings earned by the Company during periods of turbulent storm and back flush of electricity.

(i) Finance income and finance costs
Finance income comprises interest income on deposits. Finance income is recognized as it accrues in profit or loss, using the effective interest method.

Finance costs comprise bank charges, interest expense on borrowings, fair value loss on derivative liability and unwinding of the discount on provisions. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired) or to the amortised cost of the liability. However, for financial assets that have become credit impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income revert to the gross basis.

Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

Notes to the consolidated and separate financial statements

6. Material accounting policy information (cont'd)

(j) Income and deferred tax

Income tax expense comprises current (company income tax, tertiary education tax and Nigeria Police Trust Fund levy) and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income.

The Group and/Company had determined that interest and penalties relating to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore are accounted for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets."

i Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates statutorily enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date and is assessed as follows:

- Company income tax is computed on taxable profits
- Tertiary education tax is computed on assessable profits
- Nigeria Police Trust Fund levy is computed on net profit (i.e. profit after deducting all expenses and taxes from revenue earned by the company during the year)Total amount of tax payable under CITA is determined based on the higher of two components namely Company Income Tax (based on taxable income (or loss) for the year); and minimum tax. Taxes based on profit for the period are treated as income tax in line with IAS 12.

Minimum tax

Minimum tax is based on gross turnover and is calculated as 0.5% of the Company's Gross Turnover less franked investment income

Where the minimum tax charge is higher than the Company Income Tax (CIT), a hybrid tax situation exists. In this situation, the CIT is recognised in the income tax expense line in the profit or loss and the excess amount is presented above the income tax line as minimum tax.

The Company offsets the tax assets arising from withholding tax (WHT) credits and current tax liabilities if, and only if, the entity has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. The tax asset is reviewed at each reporting date and written down to the extent that it is no longer probable that future economic benefit would be realised.

Notes to the consolidated and separate financial statements

6. Material accounting policy information (cont'd)

(j) Income and deferred tax (cont'd)

ii Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group and/Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans of the Group and/ Company as approved by the Directors. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group and/Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if certain criteria are met.

(k) Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is determined using the FIFO method and includes expenditures incurred in acquiring the inventories, and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses. Inventory values are adjusted for obsolete, slow moving and defective items.

Notes to the consolidated and separate financial statements

6. Material accounting policy information (cont'd)

(l) Intangible assets

i Recognition and measurement

Intangible assets that are acquired by the Group and/ Company are measured at cost less accumulated amortisation and accumulated impairment losses.

Service concession arrangement

The Group and/ Company recognises an intangible asset arising from a service concession arrangement when it has a right to charge for use of the concession infrastructure. The intangible asset is measured initially at cost which comprises of the fair value of the fixed payment made/payable to the grantor and other directly attributable expenditure.

An intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement is measured at fair value on initial recognition with reference to the fair value of the services provided.

Subsequent to initial recognition, the intangible asset is measured at cost, less accumulated amortisation and accumulated impairment losses.

Other intangible assets with finite useful lives

Other intangible assets, including IT Software and the solar generating license acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

ii Subsequent expenditure

Subsequent expenditure on the concession infrastructure and solar generating license is capitalised only when it increases the future economic benefits embodied in the specific intangible asset to which it relates. All other expenditure is recognised in profit or loss as the obligation falls due.

iii Amortisation of intangible assets

Amortisation is calculated to write off the cost of intangible assets using the straight line method over their estimated useful life and is generally recognized in profit or loss account.

The estimated useful lives for current and comparative periods are as follows:

- service concession — over the concession period
- solar generating license — 10 years
- IT software — 5 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(m) Dividends

An accrual is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

Notes to the consolidated and separate financial statements

6. Material accounting policy information (cont'd)

(n) Share capital

The Company has only one class of shares, ordinary shares. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

When new shares are issued, they are recorded in share capital at their value. The excess of the issue price is recorded in the share premium reserve.

(o) Operating profit

Operating profit is the result generated from the continuing principal revenue producing activities of the Group and/ Company as well as other income and expenses related to operating activities. Operating profit excludes net finance costs and income taxes.

(p) Employee benefits

i Defined contribution plan

A defined contribution plan is a post-employment benefit plan (pension fund) under which the Company pays fixed contributions into a separate entity as the related service is provided. The Group and/ Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

In line with the provisions of the Pension Reform Act 2014, the Group and Company has instituted a defined contribution pension scheme for its permanent staff. The Group and/or Company and employee contributes 10% and 8% respectively of each employee's basic salary, transport and housing allowances which is charged to profit or loss as employee benefit expense in the periods during which services are rendered by employees. Employee contributions are funded through payroll deductions.

ii Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short term cash bonuses if the Group and/ Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

iii Termination benefits

Termination benefits are payable when employment is terminated by the Group and/ Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group and/ Company recognises termination benefits at the earlier of the following dates: (a) when the Group and/ Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

Notes to the consolidated and separate financial statements

6. Material accounting policy information (cont'd)

(p) Employee benefits (cont'd)

iv Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised assets is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or changed or when a plan is curtailed , the resulting change in benefit that relates to past service or the gain or loss on the curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(q) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to cash which are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

(r) Statement of cash flows

The statement of cash flows is prepared using the indirect method. Changes in statement of financial position items that have not resulted in cash flows are eliminated for the purpose of preparing the statement of cash flows. Dividends paid to ordinary shareholders are included in financing activities. Finance costs paid is also included in financing activities while finance income is included in investing activities.

(s) Keep or deal items (other payables)

The Group and/Company has classified items provided by the grantor as keep or deal items in which the Company may retain or sell at its discretion. These are measured at fair value on initial recognition with a corresponding liability representing the obligation to provide services in the future. This obligation is unwound to the profit or loss on a straight line basis over the period of service.

Notes to the consolidated and separate financial statements

6. Material accounting policy information (cont'd)

(t) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal market or, in its absence, the most advantageous market to which the Group and/ Company has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Group and/Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group and/ Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group and/ Company determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price.

Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

(u) Investment property

i. Recognition and measurement

Investment properties are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the property. Investment properties under construction are disclosed as capital work-in-progress. The cost of construction recognised includes the cost of materials and direct labour, any other costs directly attributable to bringing the property to a condition of commercial lease to third parties. Land held for an undefined future use is recognised as investment property.

Gains and losses on disposal are recognised in profit or loss."

ii. Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of a property, or other amount substituted for cost, less its residual value. Depreciation is recognised on a straight - line basis over the useful life of the investment property.

The estimated useful lives for the current and comparative year are as follows:

Type of investment property	**Useful life**
Land	99 years
Building	50 years

7.1 New and amended IFRS standards that are effective for the current year

In current year, the group has applied a number of amendments to IFRS issued by the international accounting standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1st January 2024. Their adoption has not had any material impact on their disclosures or on the amount reported in the financial statements.

a. Amendments to IAS 1 Presentation of Financial Statements —Classification of liabilities as Current or Non-Current and Non-current Liabilities with Covenants

The group has adopted the amendments to IAS 1 for the first time in the current year. The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date). The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

b. Amendments to IFRS 16 Leases- Lease Liability in a Sale and Leaseback

The group has adopted the amendments to IFRS 16 for the first time in the current year. The amendments introduce a new accounting model for variable payments and will require seller-lessees to reassess and potentially restate sale-and-leaseback transactions. It impact how a seller-lessee accounts for variable lease payments that arise in a sale-and-leaseback transaction. Initially, the IFRS® Interpretations Committee (the Committee) concluded that the right-of-use asset and lease liability are unlikely to be measured at zero. In other words, IFRS 16 requires a seller-lessee to estimate the variable lease payments it expects to make over the lease term.

The amendments confirm the following.

1. On initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction.
2. After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognises no gain or loss relating to the right of use it retains.

c. Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments- Disclosures – Supplier Finance Arrangements

The group has adopted IAS 7 and IFRS 7 and the related amendments for the first time in the current year. The amendments introduce two new disclosure objectives – one in IAS 7 and another in IFRS 7 – for a company to provide information about its supplier finance arrangements that would enable users (investors) to assess the effects of these arrangements on the company's liabilities and cash flows, and the company's exposure to liquidity risk.

Notes to the consolidated and separate financial statements

7.1 New and amended IFRS that are effective for the current year (cont'd)

d. Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments- Disclosures – Supplier Finance Arrangements

Under the amendments, companies also need to disclose the type and effect of non-cash changes in the carrying amounts of the financial liabilities that are part of a supplier finance arrangement. The amendments also add supplier finance arrangements as an example to the existing disclosure requirements in IFRS 7 on factors a company might consider when providing specific quantitative liquidity risk disclosures about its financial liabilities.

The amendments are effective for periods beginning on or after 1 January 2024. However, some relief from providing certain information in the year of initial application is available.

7.2 New and revised IFRS in issue but not effective

Certain new accounting standards and interpretations have been published that are not mandatory for December 2023 reporting periods and have not been early adopted by the Group. The Group does not expect the new accounting standards and interpretations to have a material impact on this financial statement.

Details of these new standards and interpretations are set out below.

Amendment to IAS 21	-	Lack of Exchangeability	-	Effective 1st Jan, 2025
Amendments to IFRS 9 and IFRS 7	-	Amendments to the Classification and Measurement of Financial Instruments	-	Effective 1st Jan, 2026
Amendments to IFRS 18	-	Presentation and Disclosure in Financial Statements	-	Effective 1st Jan, 2027
Amendments to IFRS 19		Subsidiaries without Public Accountability: Disclosures		Effective 1st Jan, 2027

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the group in future periods**.**

Notes to the consolidated and separate financial statements

8 Service concession arrangement

On 21 February 2013, the Company entered into a service concession agreement with the Federal Government of Nigeria ("Federal Government") to generate and provide electricity from the Shiroro Hydro Electric Power Plant. The Company officially took over the plant on 1 November 2013. Under the terms of the agreement, the Company will operate and make the electricity available to the public for a period of thirty years, starting from 1 November 2013. The Company will be responsible for any upgrade and maintenance services required during the concession period. In addition, the Company has an obligation to restore the Shiroro Hydro Electric Power Plant to its full operational capacity at the end of the concession period. To this end, it continues to incur costs on the repair, refurbishment and rehabilitation of the plant as is necessary.

The Company, through the Bureau of Public Enterprise ("BPE") will provide the Federal Government a guaranteed minimum annual payment for each year that the Shiroro Hydro Electric Power Plant is in operation. Additionally, the Company has the right to charge a predetermined price for capacity available and energy generated which the Company will collect and retain. At the end of the concession period, the Shiroro Hydro Electric Power Plant will become the property of the Federal Government and the Company will have no further involvement in its operation or maintenance requirements.

The service concession agreement does not contain a renewal option. The rights of the grantor to terminate the agreement include poor performance by the Company and in the event of a material breach in the terms of the agreement. The rights of the Company to terminate the agreement include a material breach in the terms of the agreement, and any changes in law that would render it impossible for the Company to fulfil its requirements under the agreement.

For the year ended 31 December 2024, the Company earned revenue of ₦137.6 billion (2023: ₦65.07 billion), consisting of ₦136.75 billion (2023: ₦64.43 billion) on capacity and energy generation and ₦849.51 million (2023: ₦636.68 million) on black-start billings and Eligible customer (See Note 9). The Company's loss before tax was ₦20.71 billion (PBT 2023: ₦8.76 billion).

The Company has recognised a service concession payable, measured initially at the fair value of the annual fees of ₦13.25 billion ($85,329,132) representing the present value of the guaranteed annual minimum payments to the BPE, discounted at a rate of 15%. Balance as at year end is ₦391.77 billion (2023: ₦209.75 billion) (See Note 33).

The Company has recognised an intangible asset of ₦288.64 billion (2023: ₦166.89 billion); ₦105.15 billion has been amortised to date (2023: ₦55.63 billion) (See Note 19). This capitalised cost of the intangible assets include all preacquisition costs of the concession and the discounted value of the annual fees payable to the BPE. The intangible asset represents the right to charge users a fee for the generation of electricity.

Keep or deal items (other payables)
Items provided by the grantor are keep or deal items in which the Company may retain or sell at its discretion. These are measured at fair value on initial recognition with a corresponding liability representing the obligation to provide services in the future. This obligation is unwound to the profit or loss on a straight line basis over the period of service.

Notes to the consolidated and separate financial statements

9 Revenue

Revenue from contracts with customers is disaggregated by major service lines as follows:

	Timing of Revenue Recognition	Group		Company	
In thousands of Naira		**2024**	**2023**	**2024**	**2023**
Electricity revenue	At a point in time	136,745,970	64,434,326	136,745,970	64,434,326
Other revenue (Note 9(a))	At a point in time	849,507	636,681	849,507	636,681
		137,595,477	**65,071,007**	**137,595,477**	**65,071,007**

(a) Other revenue represents fixed and variable component of black-start billings earned by the Company. The fixed element represents revenue earned on capacity generated to supply energy during periods of turbulent storm and back flush of electricity. The variable element represents revenue earned on each incident of black start activity to other generating companies through the Market Operator. Also included in the Other revenue is revenue earned from an eligible customer amounting to ₦720 million (2023: ₦578.21 million).

(b) The following table provides information about receivables from contracts with customers

	Group		Company	
	2024	**2023**	**2024**	**2023**
Receivables which are included in trade and other receivables	110,028,349	42,533,535	110,028,349	42,533,535

10 Direct Costs

	Group		Company	
In thousands of Naira	**2024**	**2023**	**2024**	**2023**
Royalties (Note 10(a))	6,873,310	3,248,613	6,873,310	3,248,613
Staff costs	2,603,501	1,778,307	2,584,881	1,778,307
Amortisation of concession cost (Note 19)	9,756,177	4,274,217	9,756,177	4,274,217
Management services (Note 38(e))	3,694,404	1,800,656	3,694,404	1,800,656
Maintenance costs	972,685	781,663	747,299	781,663
Electricity service charge	159,384	78,147	159,384	78,147
	24,059,461	**11,961,603**	**23,815,455**	**11,961,603**

(a) Amount represents accrued monthly royalty payable to the Bureau of Public Enterprises being five per cent (5%) of the Company's pre-tax gross sales revenue over the previous month. Pre-tax gross sales is exclusive of income from black start services.

Notes to the consolidated and separate financial statements

11 General and Administrative expenses

In thousands of Naira	Group		Company	
	2024	2023	2024	2023
Depreciation - Property, plant and equipment (Note 18)	1,767,611	692,833	1,731,384	668,086
Amortisation (Note 19)	73,445	31,998	73,445	31,998
Depreciation - Investment property (Note 20)	338,564	120,136	338,564	120,136
Staff costs	6,927,652	3,696,937	6,802,193	3,652,169
Maintenance costs	834,812	345,713	834,812	196,802
Auditor's fees (Note 16(c))	85,000	62,000	67,000	50,000
Professional fees	4,907,544	2,519,334	4,908,789	2,573,498
Travel expenses	1,127,843	767,797	1,127,661	767,797
Directors' remuneration (Note 16(b) (ii))	9,417,817	3,231,846	9,417,817	3,231,846
Rental and insurance charges	1,489,080	491,840	1,435,538	480,725
Security costs	460,743	217,828	340,274	217,828
Utility costs	26,040	12,611	23,174	12,611
Medical expenses	73,108	259,199	73,108	259,199
Motor running expenses	354,431	127,608	354,431	127,608
Entertainment expenses	99,286	95,378	99,286	95,378
Office expenses	1,826,841	962,932	1,814,821	958,478
Corporate social responsibility	4,513,168	2,351,928	4,513,168	2,351,928
Subscription and registration	1,342,847	284,592	1,342,671	284,592
Bank charges and fees	617,717	404,615	615,741	401,615
Other expenses	386,667	261,405	386,667	261,405
	36,670,216	**16,938,530**	**36,300,544**	**16,743,699**

12 Impairment loss on trade and other receivables

In thousands of Naira	Group		Company	
	2024	2023	2024	2023
Impairment loss (reversed) / recognised on trade receivables (Note 41(a))	3,224,252	(13,062,574)	3,224,252	(13,062,574)
Transmission loss factor written-off	806,635	-	806,635	-
Impairment loss on withholding tax receivable (Note 23(c))	-	125,082	-	125,082
	4,030,887	**(12,937,492)**	**4,030,887**	**(12,937,492)**

(a) Impairment loss on withholding tax receivable relates to provision made on long outstanding withholding tax credit note

13 Other income

In thousands of Naira	Group		Company	
	2024	2023	2024	2023
Miscellaneous income	877,310	331,126	877,310	331,126
Deferred income (Note 35)	61,840	85,230	61,840	85,230
	939,150	**416,356**	**939,150**	**416,356**

(a) Miscellaneous income relates to income earned on carbon credit for the year.
(b) Deferred income relates to the unwind of the discount on the government loan (Bank of Industry loan)

Notes to the consolidated and separate financial statements

14 Finance income and finance costs

In thousands of Naira	Group		Company	
	2024	2023	2024	2023
(a) *Finance income*				
Interest income	6,524,769	6,642,326	6,424,919	6,609,078
(b) *Finance costs*				
Interest expense on loans and borrowings (Note 32)	2,312,048	1,809,696	2,312,048	1,809,696
Concession fee accretion adjustment (Note 33)	(3,704,832)	4,180,282	(3,704,832)	(1,050,355)
Concession fee (Note 33)	36,249,111	10,009,071	36,249,111	15,239,708
Finance costs	**34,856,327**	**15,999,049**	**34,856,327**	**15,999,049**
Net finance costs	**28,331,558**	**9,356,723**	**28,431,408**	**9,389,971**

15 Other gains and losses

In thousands of Naira	Group		Company	
	2024	2023	2024	2023
Foreign exchange loss, net realised	65,348,314	24,461,204	65,236,042	24,461,204
Foreign exchange loss, net unrealised	(4,670,484)	7,113,673	(4,497,415)	7,113,339
Loss on remeasurement of investment property	2,134,635	-	2,134,635	-
Loss on remeasurement of Capital Work -in - Progress	3,793,088	-	3,793,088	-
	66,605,553	**31,574,877**	**66,666,350**	**31,574,543**

16 (Loss) / profit before taxation

(a) Profit before taxation is stated after charging/ (crediting):

In thousands of Naira	Group		Company	
	2024	2023	2024	2023
Depreciation - Property, plant and equipment (Note 18)	1,767,611	692,833	1,731,384	668,086
Amortization (Note 19)	9,829,622	4,306,215	9,829,622	4,306,215
Directors' remuneration (Note 16(b) (ii))	9,417,817	3,231,846	9,417,817	3,231,846
Auditor's fees (Note 16(c))	85,570	66,650	72,025	53,750
Staff costs (Note 16(b) (i))	12,593,423	6,347,859	12,449,344	6,303,091
Royalties (Note 10 (a))	6,873,310	3,248,613	6,873,310	3,248,613
Impairment (reversal) / charge on trade receivables (Note 41(a))	3,224,252	(13,062,574)	3,224,252	(13,062,574)
Foreign exchange loss, net	60,677,830	31,574,877	60,738,627	31,574,543

(b) Staff costs and director's remuneration:

(i) Staff costs during the year amounted to:

	Group		Company	
	2024	2023	2024	2023
Salaries and wages	11,864,395	6,021,219	11,721,313	5,976,451
Pension cost	729,028	326,640	728,031	326,640
	12,593,423	**6,347,859**	**12,449,344**	**6,303,091**

(ii) Directors' remuneration paid during the year were as follows:

	Group		Company	
	2024	2023	2024	2023
Executive director's compensation	3,062,270	872,615	3,062,270	872,615
Directors' fees	4,841,470	2,027,117	4,841,470	2,027,117
Other emoluments	1,514,077	332,114	1,514,077	332,114
	9,417,817	**3,231,846**	**9,417,817**	**3,231,846**

(iii) The average number of full time persons employed by the Group and /or Company during the year was as follows:

	Group		Company	
	2024 Number	2023 Number	2024 Number	2023 Number
Operations	218	212	214	208
Administration	107	107	101	101
	325	**319**	**315**	**309**

Notes to the consolidated and separate financial statements

16 (Loss) / profit before taxation (cont'd)

(b) Staff costs and director's remuneration: (cont'd)

(iv) Employees of the Group and/ Company, other than Directors, whose duties were wholly and mainly discharged in Nigeria, received remuneration in the following ranges:

			Group		Company	
			2024 Number	**2023 Number**	**2024 Number**	**2023 Number**
Below ₦ 3,000,000			4	52	4	42
3,000,001	-	4,000,000	31	14	21	14
4,000,001	-	5,000,000	27	28	27	28
5,000,001	-	6,000,000	40	49	40	49
6,000,001	-	7,000,000	38	38	38	38
7,000,001	-	8,000,000	32	38	32	38
8,000,001	-	9,000,000	26	1	26	1
9,000,001	-	10,000,000	17	2	17	2
10,000,001	-	11,000,000	2	1	2	1
11,000,001	-	12,000,000	12	28	12	28
12,000,001	-	13,000,000	15	-	15	-
13,000,001	-	14,000,000	1	7	1	7
14,000,001	-	15,000,000	9	3	9	3
Above ₦ 15,000,001			71	58	71	58
			325	**319**	**315**	**309**

(v) Director of the Group and/ Company, whose duties were wholly and mainly discharged in Nigeria, received remuneration in the following ranges:

	Group		Company	
	2024 Number	**2023 Number**	**2024 Number**	**2023 Number**
Above ₦ 15,000,001	3	1	3	1
	3	**1**	**3**	**1**

(c) During the year, Deloitte & Touche provided the following services to the Group and/ Company:

	Group		Company	
	2024	**2023**	**2024**	**2023**
Statutory audit fees (Note 11)	85,000	62,000	67,000	50,000
Total audit fees	85,000	62,000	67,000	50,000
Non-audit services				
Regulatory audit	10,000	6,000	10,000	6,000
Tax compliance service	9,000	11,000	9,000	11,000
ICFR review	15,000	-	15,000	-
Total non-audit services	34,000	17,000	34,000	17,000
Total fees	**119,000**	**79,000**	**101,000**	**67,000**

17 Taxation

(a) The tax charge for the year has been computed after adjusting for certain items of expenditure and income, which are not deductible or chargeable for tax purposes, and comprises:

In thousands of Naira	Group		Company	
	2024	**2023**	**2024**	**2023**
Current tax expense				
Companies income tax	10,096	2,324,052	-	2,095,548
Tertiary education tax	1,515	307,355	-	524,159
Nigerian police trust fund	3	400	-	424
Minimum tax	728,218	-	728,218	-
Prior year under provision	1,267,572	-	1,267,572	-
	2,007,404	**2,631,807**	**1,995,790**	**2,620,131**
Deferred tax expense				
Origination and reversal of temporary differences	(6,040,515)	651,001	(6,040,515)	651,001
Tax expense on continuing operations	**(4,033,111)**	**3,282,808**	**(4,044,725)**	**3,271,132**

Notes to the consolidated and separate financial statements

17 Taxation (cont'd)

(b) Reconciliation of effective tax rates

The tax on the Group and/ Company's profit before tax differs from the theoretical amount as follows:

		GROUP				COMPANY		
In thousands of Naira		**2024**		**2023**		**2024**		**2023**
	%		**%**		**%**		**%**	
Profit before income tax		**(21,163,048)**		**8,593,122**		**(20,710,017)**		**8,755,039**
Income tax using the statutory tax rate	30	(6,202,908)	30	2,636,662	30	(6,213,005)	30	2,626,512
Tertiary education tax using the statutory tax rate	3	(617,784)	3	220,145	3	(621,301)	3	262,651
Nigerian police trust fund	-	-	-	438	-	-	-	438
Effect of:								
Non-deductible expenses	13	(2,781,381)	12	1,009,511	13	(2,781,381)	12	1,009,511
Non-deductible income	4	(1,045,240)	(3)	(236,625)	4	(1,045,240)	(3)	(236,625)
Tax incentives	-	918	(5)	(450,548)	-	918	(5)	(450,548)
Adjustment for minimum tax	(3)	728,218	-	-	(3)	728,218	-	-
Currrent year tax losses	(22)	4,619,494	-	-	(22)	4,619,494	-	-
Changes in estimates related to prior years	(6)	1,267,572	1	103,225	(6)	1,267,572	1	59,193
	19	**(4,033,111)**	**38**	**3,282,808**	**19**	**(4,044,725)**	**38**	**3,271,132**

(c) Movement in current tax liabilities

	Group		Company	
In thousands of Naira	**2024**	**2023**	**2024**	**2023**
Balance at 1 January	2,633,251	1,688,786	2,621,575	6,749,539
Provision during the year	2,007,404	2,631,807	1,995,790	2,620,131
WHT utilized during the year	(86,815)	-	(86,815)	-
Payment during the year	(3,802,332)	(1,836,255)	(3,802,332)	(6,449,075)
Translation adjustment	(10,423)	148,913	-	(299,020)
Balance at 31 December	**741,085**	**2,633,251**	**728,218**	**2,621,575**

Notes to the consolidated and separate financial statements

18 Property, plant and equipment

Group

(a) The movement on these accounts during the year was as follows:

In thousands of Naira	Land	Motor vehicles	Office equipment	Furniture and fittings	Capital Work -in - Progress	Total
Cost:						
Balance at 1 January 2023	899	1,846,192	609,742	249,403	2,418,643	5,124,879
Additions	-	1,538,046	85,584		532,031	2,155,661
Transfer (Note 18(c))	-	-	-	-		-
Disposal	-	(412,591)	-	-	-	(412,591)
Translation Adjustment	(99)	1,936,163	557,236	213,991	2,728,865	5,436,156
Balance as at 31 December 2023	**800**	**4,907,810**	**1,252,562**	**463,394**	**5,679,539**	**12,304,105**
Balance at 1 January 2024	800	4,907,810	1,252,562	463,394	5,679,539	12,304,105
Additions	2,490,000	713,358	367,711	261,085	947,039	4,779,193
Transfer (Note 18 (c))	-	-	-	-	(3,351,187)	(3,351,187)
Disposal	-	(34,045)	(19,243)	-	(6,283,088)	(6,336,376)
Translation Adjustment	-	3,470,743	873,784	300,537	4,016,972	8,662,036
Balance as at 31 December 2024	**2,490,800**	**9,057,866**	**2,474,814**	**1,025,016**	**1,009,275**	**16,057,771**
Depreciation:						
Balance at 1 January 2023	-	970,863	315,381	190,634	-	1,476,878
Charge for the year	-	492,594	167,394	32,845	-	692,833
Disposal	-	(349,960)	-	-	-	(349,960)
Translation Adjustment	-	995,219	341,547	187,429	-	1,524,195
Balance as at 31 December 2023	**-**	**2,108,716**	**824,322**	**410,908**	**-**	**3,343,946**
Balance at 1 January 2024	-	2,108,716	824,322	410,908	-	3,343,946
Charge for the year	-	1,385,864	324,624	57,123	-	1,767,611
Disposal	-	(34,045)	(19,243)	-	-	(53,288)
Translation Adjustment	-	1,529,255	584,850	279,235		2,393,340
Balance as at 31 December 2024	**-**	**4,989,790**	**1,714,553**	**747,266**	**-**	**7,451,609**
Carrying amounts:						
At 31 December 2023	**800**	**2,799,094**	**428,240**	**52,486**	**5,679,539**	**8,960,159**
At 31 December 2024	**2,490,800**	**4,068,076**	**760,261**	**277,750**	**1,009,275**	**8,606,162**

Company

(b) The movement on these accounts during the year was as follows:

In thousands of Naira	Land	Motor vehicles	Office equipment	Furniture and fittings	Capital Work -in - Progress	Total
Cost:						
Balance at 1 January 2023	-	1,817,967	526,836	217,957	2,418,643	4,981,403
Additions	-	1,538,046	85,584		532,031	2,155,661
Disposal	-	(412,591)	-	-	-	(412,591)
Translation Adjustment	-	1,940,454	566,951	218,826	2,728,865	5,455,096
Balance as at 31 December 2023	**-**	**4,883,876**	**1,179,371**	**436,783**	**5,679,539**	**12,179,569**
Balance at 1 January 2024	-	4,883,876	1,179,371	436,783	5,679,539	12,179,569
Additions	2,490,000	713,358	229,950	261,085	41,153	3,735,546
Transfer (Note 18 (c))	-	-	-	-	(3,351,187)	(3,351,187)
Disposal	-	(34,045)	(19,243)	-	(6,283,088)	(6,336,376)
Translation Adjustment	-	3,470,743	873,784	300,537	3,981,696	8,626,760
Balance as at 31 December 2024	**2,490,000**	**9,033,932**	**2,263,862**	**998,405**	**68,113**	**14,854,312**
Depreciation:						
Balance at 1 January 2023	-	957,746	285,135	176,922	-	1,419,803
Charge for the year	-	487,807	152,756	27,523	-	668,086
Disposal	-	(349,960)	-	-	-	(349,960)
Translation Adjustment	-	996,509	344,217	188,722		1,529,448
Balance as at 31 December 2023	**-**	**2,092,102**	**782,108**	**393,167**	**-**	**3,267,377**
Balance at 1 January 2024	-	2,092,102	782,108	393,167	-	3,267,377
Charge for the year	-	1,381,078	298,506	51,800	-	1,731,384
Disposal	-	(34,045)	(19,243)	-	-	(53,288)
Translation Adjustment	-	1,529,254	584,850	279,236		2,393,340
Balance as at 31 December 2024	**-**	**4,968,389**	**1,646,221**	**724,203**	**-**	**7,338,813**
Carrying amounts:						
At 31 December 2023	**-**	**2,791,774**	**397,263**	**43,616**	**5,679,539**	**8,912,192**
At 31 December 2024	**2,490,000**	**4,065,543**	**617,641**	**274,202**	**68,113**	**7,515,499**

Notes to the consolidated and separate financial statements

18 Property, plant and equipment (cont'd)

(c) Transfers relates to cost incurred on the plant which were completed during the year and accounted for under intangible assets (Note 19(e))

(d) Capital work in progress represents costs incurred on the Company's building construction, furniture & fittings and equipment acquisition projects in respect of staff and guest house accommodation. Total costs as at the year end amounted to ₦1.01 billion (2023: ₦5.68 billion).

19 Intangible assets

Company

(a) The movement on these accounts during the year was as follows:

In thousands of Naira	Concession cost	IT Software costs	Solar license	Total
Cost:				
Balance at 1 January 2023	82,872,105	371,768	35,924	83,279,797
Additions		-	-	-
Translation Adjustment	83,203,002	373,253	36,067	83,612,322
Balance as at 31 December 2023	**166,075,107**	**745,021**	**71,991**	**166,892,119**
Balance at 1 January 2024	166,075,107	745,021	71,991	166,892,119
Additions	339,465	-	-	339,465
Transfer	3,351,187	-	-	3,351,187
Translation Adjustment	117,483,021	526,482	50,874	118,060,377
Balance as at 31 December 2024	**287,248,780**	**1,271,503**	**122,865**	**288,643,148**
Amortisation:				
Balance at 1 January 2023	24,453,125	302,937	-	24,756,062
Charge for the year	4,274,217	31,998	-	4,306,215
Translation Adjustment	26,247,484	316,848		26,564,332
Balance as at 31 December 2023	**54,974,826**	**651,783**	**-**	**55,626,609**
Balance at 1 January 2024	54,974,826	651,783	-	55,626,609
Charge for the year	9,756,177	73,445	-	9,829,622
Translation Adjustment	39,226,607	463,438	-	39,690,045
Balance as at 31 December 2024	**103,957,610**	**1,188,666**	**-**	**105,146,276**
Carrying amounts:				
At 31 December 2023	**111,100,281**	**93,238**	**71,991**	**111,265,510**
At 31 December 2024	**183,291,170**	**82,837**	**122,865**	**183,496,872**

Notes to the consolidated and separate financial statements

19 Intangible assets (cont'd)

Group

(b) The movement on these accounts during the year was as follows:

In thousands of Naira	Concession cost	IT Software costs	Solar license	Total
Cost:				
Balance at 1 January 2023	86,966,964	371,769	35,924	87,374,657
Additions	-	-	-	-
Translation Adjustment	84,403,653	373,252	36,067	84,812,972
Balance as at 31 December 2023	**171,370,617**	**745,021**	**71,991**	**172,187,629**
Balance at 1 January 2024	171,370,617	745,021	71,991	172,187,629
Additions	339,465	-	-	339,465
Transfer	3,351,187	-	-	3,351,187
Translation Adjustment	119,059,109	526,482	50,874	119,636,465
Balance as at 31 December 2024	**294,120,378**	**1,271,503**	**122,865**	**295,514,746**
Amortisation:				
Balance at 1 January 2023	24,453,125	302,937	-	24,756,062
Charge for the year	4,274,217	31,998	-	4,306,215
Translation Adjustment	26,247,484	316,848		26,564,332
Balance as at 31 December 2023	**54,974,826**	**651,783**	**-**	**55,626,609**
Balance at 1 January 2024	54,974,826	651,783	-	55,626,609
Charge for the year	9,756,177	73,445	-	9,829,622
Translation Adjustment	39,226,607	463,438		39,690,045
Balance as at 31 December 2024	**103,957,610**	**1,188,666**	**-**	**105,146,276**
Carrying amounts:				
At 31 December 2023	**116,395,791**	**93,238**	**71,991**	**116,561,020**
At 31 December 2024	**190,162,768**	**82,837**	**122,865**	**190,368,470**

(c) The amortisation of concession costs is included in "direct costs" in the statement of profit or loss.

(d) The balance of ₦294.12 billion on Concession cost consists of the sum of ₦18.98 billion incurred as cash expenditure, the PV of annual concession fees payable to BPE for year 6 to year 30 and costs incurred by the Company on upgrade of the Shiroro Hydroelectric Power Plant. Additions during the year represent costs incurred by the Company on further upgrade of the plant.

(e) Transfers relates to cost incurred on the plant under capital work-in-progress which were completed during the period (Note 18(c))

Notes to the consolidated and separate financial statements

20 Investment property

(a) The movement on these accounts during the year was as follows:

Group / Company

In thousands of Naira	Leasehold land	Building	Total
Cost:			
At 1 January 2023			
Additions	1,996,693	3,319,502	5,316,195
Translation Adjustment	1,896,673	3,153,219	5,049,892
Balance as at 31 December 2023	**3,893,366**	**6,472,721**	**10,366,087**
Balance at 1 January 2024	3,893,366	6,472,721	10,366,087
Additions	-	-	-
Translation Adjustment	2,751,313	4,574,057	7,325,370
Balance as at 31 December 2024	**6,644,679**	**11,046,778**	**17,691,457**
Amortisation:			
At 1 January 2023			
Charge for the year	25,794	94,342	120,136
Translation Adjustment	14	52	66
Balance as at 31 December 2023	**25,808**	**94,394**	**120,202**
Balance at 1 January 2024	25,808	94,394	120,202
Charge for the year	72,530	266,034	338,564
Loss on remeasurement of investment property - Note 15	525,125	1,609,510	2,134,635
Translation Adjustment	21,216	76,840	98,056
Balance as at 31 December 2024	**644,679**	**2,046,778**	**2,691,457**
Carrying amounts:			
At 31 December 2023	**3,867,558**	**6,378,327**	**10,245,885**
At 31 December 2024	**6,000,000**	**9,000,000**	**15,000,000**

(b) Investment property comprises of the Company office building that are leased to third parties. Investment properties are measured using the cost model.

During the year, the Company acquired the office building at The Clan place where it used to be a tenant with other co-tenants occupying significant portion of the property.

During the year ended 31 December 2023, the Group recognised ₦252.22 million (2023: ₦Nil) as rental income in statement of profit or loss. There was no direct operating cost associated with this income in the current year

Depreciation charge on Investment property of ₦338.56 million (2023: ₦120.14 million) is included in administrative expenses in the statement of profit or loss and other comprehensive income"

Notes to the consolidated and separate financial statements

20 Investment property (cont'd)

(c) The fair value of the investment properties as at 31 December 2024 was ₦15 billion (2023: ₦10.65 billion). The fair valuation was carried out by Osas & Oseji (FRC/2012/0000000000522) and executed by Hyacinth Oseji (FRC/2019/004/000000/20162). These valuations indicate upward movement in the market values of these properties compared to their carrying amounts, hence no indication of impairment for investment property.

21 Investments

In thousands of Naira	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Shiroro Solar Generating Company Limited	-	-	26,990	11,420
NSP-SPV Power Corp Plc	-	-	5,020	2,941
North South Gurara Energy Company Limited	-	-	23,767,598	12,137,963
North South Power Canada Limited	-	-	3,839,544	2,249,733
Zen Energy Inc	1,333,823	844,367	-	-
	1,333,823	**844,367**	**27,639,152**	**14,402,057**

(a) ***Reconciliation of changes in investments to statement of cashflows***

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Balance at 1 January	844,367	-	14,402,057	4,154,923
Additions during the year	-	844,367	3,053,205	6,075,622
Translational adjustment	489,456	-	10,183,890	4,171,512
Balance at 31 December	**1,333,823**	**844,367**	**27,639,152**	**14,402,057**

This represents investments of the Company in Shiroro Solar Generating Company Limited (SSGC), NSP-SPV Power Corp Plc (NSP-SPVP), North South Gurara Energy Company Limited (NSGEC) and North South Power Canada Limited (NSPC).

SSGC was incorporated in Nigeria on 4 March 2015 for the purpose of carrying out the Shiroro solar power project as well as other businesses in the power sector. It is yet to commence operations as at the year end. North South Power Company Limited took up 99.99% stake in the issued share capital of SSGC representing 2.5 million shares of ₦1 each converted at ₦197/$1, amounting to ₦2.5 million, $12,690.36.

NSP-SPVP was incorporated in Nigeria on 8 September 2017 for the purpose of issuing bonds to fund capital expenditure, working capital, and enhance the liquidity of Company. North South Power Company Limited took up 99.99% stake in the issued share capital of NSP-SPVP representing 1.0 million shares of ₦1 each converted at ₦305.95/$1, amounting to ₦1.0 million, $3,268.51.

Notes to the consolidated and separate financial statements

21 Investments (cont'd)

NSGEC was incorporated in Nigeria on 25 July 2018 to provide power/energy services, supply, install and maintain renewable energy systems. It is yet to commence operations as at the year end. North South Power Company Limited took up 99.99% stake in the issued share capital of NSGEC representing 2.5 million shares of ₦1 each converted at ₦305.95/$1, amounting to ₦2.5 million, ($8,171.27).

On 12 May 2020, the NSGEC signed the concession agreement for the concession of 30MW Hydropower Plant under Gurara Phase 1, multi-purpose Dam. The concession payment of $6.73 million represent additional investment by the Company

On 20 December 2023, the board approved the treatment of all expenditure incurred and paid by the Company on the Gurara Hydroelectric Power Plant from the date of incorporation of NSGEC till the date of commencement of its operations as investment cost in the Company's books."

North South Power Canada Limited (NSPC) was incorporated in Ontario Canada on 16 July 2021. NSPC is yet to commence operations but was incorporated to provide power/ energy services, supply, install and maintain renewable energy systems

22 Inventories

In thousands of Naira	**Group**		**Company**	
	31 Dec 2024	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
Inventory	6,007,243	3,293,570	6,044,102	3,293,570
Inventory loss	(195,049)	(114,286)	(231,908)	(114,286)
	5,812,194	**3,179,284**	**5,812,194**	**3,179,284**

Reconciliation of changes in inventories to statement of cashflows

		Group		**Company**	
(a)	**Inventory**	**31 Dec 2024**	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
	Balance at 1 January	3,293,570	1,718,140	3,293,570	1,718,140
	Movement during the year	(407,057)	(41,969)	(407,057)	(107,183)
	Translational adjustment	3,120,730	1,617,399	3,157,589	1,682,613
	Balance at 31 December	**6,007,243**	**3,293,570**	**6,044,102**	**3,293,570**

		Group		**Company**	
(b)	**Inventory Impairment**	**31 Dec 2024**	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
	Balance at 1 January	(114,286)	-	(114,286)	-
	Movement during the year	(35,525)	(53,858)	(35,525)	(53,858)
	Translational adjustment	(45,238)	(60,428)	(82,097)	(60,428)
	Balance at 31 December	**(195,049)**	**(114,286)**	**(231,908)**	**(114,286)**

Notes to the consolidated and separate financial statements

23 Trade and other receivables

Trade and other receivables comprise:

In thousands of Naira	**Group**		**Company**	
	31 Dec 2024	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
Trade receivables (Note 23(a))	109,814,149	42,393,935	109,814,149	42,393,935
Black-start billings	214,200	139,600	214,200	139,600
Due from related parties (Note 23(b))	952,135	520,772	1,282,181	755,061
Withholding tax receivable (Note 23(c))	537,957	174,328	537,957	174,328
Other receivables (Note 23(d))	13,472,575	5,912,647	13,458,325	5,892,214
	124,991,016	**49,141,282**	**125,306,812**	**49,355,138**

(a) Trade receivables comprise:

	Group		**Company**	
	31 Dec 2024	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
Trade receivables	165,150,296	105,794,828	165,150,296	105,794,828
Impairment loss (Note 41(a))	(55,336,147)	(63,400,893)	(55,336,147)	(63,400,893)
	109,814,149	**42,393,935**	**109,814,149**	**42,393,935**

(b) Due from related parties comprise:

	Group		**Company**	
	31 Dec 2024	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
CEC Africa	767,909	456,023	767,909	456,023
Midbelt Energy Company Limited	184,226	64,749	184,226	64,749
Shiroro Solar Generating Company Limited	-	-	235,595	166,973
NSP-SPV Powercorp Plc	-	-	94,451	67,316
	952,135	**520,772**	**1,282,181**	**755,061**

Due from related parties represents expenses incurred by the Company on behalf of its related parties. The amounts are repayable on demand and are interest free.

(c) Withholding tax receivable comprise:

	Group		**Company**	
	31 Dec 2024	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
Balance at 1 January	174,328	74,675	174,328	74,675
Additions	312,324	143,341	312,324	143,341
Utilized during the year (Note 17 (c))	(86,815)	-	(86,815)	-
Impairment loss (Note 12 (a))	-	(125,082)	-	(125,082)
Translational adjustment	138,120	81,394	138,120	81,394
Balance at 31 December	**537,957**	**174,328**	**537,957**	**174,328**

Notes to the consolidated and separate financial statements

23 Trade and other receivables (cont'd)

(d) Included in the other receivables are interest receivables amounting to ₦596.76 million (2023: ₦611.01 million) on fixed deposits made by the Group and/Company with various financial institutions as at year end. An amount of ₦12.73billion (2023:₦4.54 billion) relates to payment made in advance for projects and ongoing constructions

(e) Information about the Group/ Company's exposure to credit and market risks and impairment losses for trade receivables is included in Note 41(a).

(f) ***Reconciliation of changes in trade and other receivables to statement of cash flows***

In thousands of Naira	Group		Company	
	31 Dec 2024	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
Balance at 1 January	49,141,282	26,552,584	49,355,138	28,443,648
Impairment reversal / (charge) recognised during the year (Note 12)	(3,224,252)	13,062,574	(3,224,252)	13,062,574
Impairment loss on withholding tax receivable (Note 23(c))	-	(125,082)	-	(125,082)
WHT utilized during the year	(86,815)		(86,815)	
Exchange difference				
Balance at 31 December	(124,991,016)	(49,141,282)	125,306,812)	(49,355,138)
Changes in trade and other receivables included in statement of cash flows	**(79,160,801)**	**(9,651,206)**	**(79,262,741)**	**(7,973,998)**

(g) Interest clause in the Power Purchase Agreement

The Company is entitled to interest on electricity bills that are not paid within the contractual period as stipulated in the Power Purchase Agreement (PPA) signed with the Company's sole customer (NBET) on 21 February 2013. The Company started selling electricity to NBET in 2015 and did not recognise any interest on the basis that NBET and NSP had not agreed on the interest amount to be charged as required by the PPA.

In 2019, the regulator - NERC ordered an industry wide reconciliation of outstanding amount of electricity supplied including all applicable interest on electricity bills that were not paid by NBET within the contractual period stipulated in the PPA.

The reconciliation was done and the interest component amounted to ₦42.37 billion (2023 ₦31.38 billion). Accordingly, as at year end, the Board of Directors decided not to recognize the interest income but disclose it in the financial statements on ground that no payment has been made on it by NBET."

(h) Deemed capacity receivable

The Company earned a total of ₦76.6 billion (2023: ₦59.8 billion) with respect to Deemed capacity. No payment has been paid by NBET from commencement till date. The Deemed capacity was in previous years recognised as revenue and fully impaired. The Board of Directors in 2020 decided to de-recognise this revenue and disclose it in the financial statements pending when payment will be made.

Notes to the consolidated and separate financial statements

24 Other assets

In thousands of Naira	Group		Company	
Other assets comprise:	**31 Dec 2024**	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
Minimum reserve deposits for repayment of bonds (Note 32 (a)	2,340,305	2,298,823	2,340,305	2,298,823
Deposit for investment*	42,542,148	-	42,542,148	-
Restricted cash balances**	160,326	380,804	160,182	380,804
	45,042,779	**2,679,627**	**45,042,635**	**2,679,627**
Current	42,702,474	380,804	42,702,330	380,804
Non current	2,340,305	2,298,823	2,340,305	2,298,823
	45,042,779	**2,679,627**	**45,042,635**	**2,679,627**

*Deposit for investment relates to deposit of US$27.7 Million representing NSP's partial contribution towards the acquisition of West Power & Gas Limited's 60% equity stake ("the Shares") in Eko Electricity Distribution Company Limited.

The acquisition was done through Transgrid Enerco Limited (a Consortium of Companies) in which NSP owns 79.71% stake. As at year end, the Company had paid a total sum of US$27.7 Million towards the transaction. The Share Sale & Purchase Agreement (SPA) was signed on 21st of January 2025.

**Restricted cash balances are cash deposits used to collateralise bank guarantees issued in favour of Federal Ministry of Water Resources with respect to Gurara acquisition and the Company's suppliers for the importation of plant alteration items. These bank guarantees were issued by Nigerian commercial banks and are renewable annually.

Restricted cash balances are not available for use in the Company's day-to-day operations.

(a) *Reconciliation of changes in other asset to statement of cashflows*

In thousands of Naira	Group		Company	
	31 Dec 2024	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
Balance at 1 January	2,679,627	2,037,310	2,679,627	2,037,310
Deposit for investment	42,542,148	-	42,542,148	-
Balance at 31 December	(45,042,779)	(2,679,627)	(45,042,635)	(2,679,627)
Changes in other asset included in statement of cash flows	**178,996**	**(642,317)**	**179,140**	**(642,317)**

Notes to the consolidated and separate financial statements

25 Prepayments

In thousands of Naira	Group		Company	
Prepayments comprise:	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Insurance	790,687	322,585	775,727	311,469
Subscriptions	166,859	28,307	166,859	28,307
Rentals	575,156	385,010	575,156	385,011
	1,532,702	**735,902**	**1,517,742**	**724,787**
Current	1,532,702	735,902	1,517,742	724,787
Non current	-	-	-	-
	1,532,702	**735,902**	**1,517,742**	**724,787**

(a) ***Reconciliation of changes in prepayment to statement of cashflows***

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Balance at 1 January	735,902	433,499	724,787	433,499
Balance at 31 December	(1,532,702)	(735,902)	(1,517,742)	(724,787)
Changes in prepayment included in statement of cash flows	**(796,800)**	**(302,403)**	**(792,955)**	**(291,288)**

26 Cash and cash equivalents

In thousands of Naira	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Bank balances	37,724,546	70,502,145	35,447,572	69,105,398
Cash in hand	22,751	16,290	459	920
Cash and cash equivalents in the statements of cash flows	**37,747,297**	**70,518,435**	**35,448,031**	**69,106,318**

27 Share capital

Share capital comprise:

In thousands of Naira	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Authorised share capital:				
500,000,000 Ordinary shares of ₦1 each converted @ N197/$1	500,000	500,000	500,000	500,000
Issued, called-up and paid:				
500,000,000 Ordinary shares of ₦1 each converted @ N197/$1	500,000	500,000	500,000	500,000

All ordinary shares rank equally with regard to the Company's residual assets. Holders of ordinary shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

Notes to the consolidated and separate financial statements

28 Share premium

Share premium represents the excess of amount received over the nominal value of the total issued share capital as at the reporting date.

There was no change in the balance of share premium from the previous year. Share premium is allotted to the shareholders in the proportion of their shareholding structure.

29 Translation reserve

Translation reserve comprises all foreign currency differences arising from the translation of the financial statements of the subsidiaries prepared in their functional currency (Naira).

The movement during the year is as follows:

In thousands of Naira	Group		Company	
	2024	2023	2024	2023
Balance at 1 January	29,409,616	10,127,294	35,547,234	12,311,373
Additional foreign currency translation difference	12,132,998	19,282,322	20,989,596	23,235,861
Transfer from retained earnings	(737)	-	-	-
Balance at 31 December	**41,541,877**	**29,409,616**	**56,536,830**	**35,547,234**

30 Non controlling interest

Non controlling interest represents 0.01% of all subsidiaries, Shiroro Solar Generating Company Limited (SSGC), North South Gurara Energy Company, NSP-SPV Powercorp Plc and North South Power Canada Limited. Upon incorporation of these subsidiaries, the Company acquired 99.99% stake representing 9,999,999 shares out of 10,000,000 shares, 9,999,999 shares out of 10,000,000 shares and 999,999 shares out of 1,000,000 shares respectively. The impact of this is immaterial to the financial statements.

Notes to the consolidated and separate financial statements

31 Deferred taxation

(a) Recognized deferred tax assets and liabilities

Deferred tax assets/ (liabilities) are attributable to the following:

Group / Company

	Assets		Liabilities		Net	
In thousands of Naira	**31 Dec 2024**	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
Property, plant and equipment	-	-	(8,849,381)	(4,931,414)	(8,849,381)	(4,931,414)
Intangible assets	1,021,319	-	-	-	1,021,319	-
Investment property	-	39,595	(600,505)	-	(600,505)	39,595
Provision	419,278	91,789	-	-	419,278	91,789
Foreign exchange difference	8,225,839	5,722,345	-	-	8,225,839	5,722,345
Concession fees payable	24,522,415	13,015,152	-	-	24,522,415	13,015,152
Tax losses	5,088,164	-	-	-	5,088,164	-
	39,277,015	**18,868,881**	**(9,449,886)**	**(4,931,414)**	**29,827,129**	**13,937,467**

Movement in temporary differences is as follows:

Group/ Company	**At 1 January 2023**	**Recognized in PorL 2023**	**Translation adjustment 2023**	**At 31 December 2023**	**Recognized in PorL 2024**	**Translation adjustment 2024**	**At 31 December 2024**
Property, plant and equipment	(2,360,656)	(200,676)	(2,370,082)	(4,931,414)	(433,101)	(3,484,866)	(8,849,381)
Intangible assets	-	-	-	-	1,021,319	-	1,021,319
Investment property	-	39,595	-	39,595	(668,081)	27,981	(600,505)
Provision	2,938,134	(5,796,211)	2,949,866	91,789	262,625	64,864	419,278
Foreign exchange difference	1,204,234	3,309,428	1,208,683	5,722,345	(1,540,425)	4,043,919	8,225,839
Concession fees payable	5,498,168	1,996,863	5,520,121	13,015,152	2,310,014	9,197,249	24,522,415
Tax losses	-	-	-	-	5,088,164	-	5,088,164
	7,279,880	**(651,001)**	**7,308,588**	**13,937,467**	**6,040,515**	**9,849,147**	**29,827,129**

"The Group has recognized deferred tax assets of ₦29.83 billion (2023: ₦13.94 billion) as the directors believe it is probable that the future taxable profits will be available against which the Company can use the benefits therefrom.

Notes to the consolidated and separate financial statements

32 Loans and borrowings

Loans and borrowings comprise:

In thousands of Naira	Group		Company	
	31 Dec 2024	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
Secured bond (Note 32(a))	11,650,139	12,601,870	11,650,139	12,601,870
Government owned institution loan (Note 32(b))	2,120,224	824,357	2,120,224	824,357
Other loan (Note 32(c))	3,713,883	-	3,713,883	-
	17,484,246	**13,426,227**	**17,484,246**	**13,426,227**
Non-current portion	(13,205,717)	(10,416,708)	(13,205,717)	(10,416,708)
Current portion	**4,278,529**	**3,009,519**	**4,278,529**	**3,009,519**

(a) *Secured bond*

In thousands of Naira	Group		Company	
	2024	**2023**	**2024**	**2023**
Balance at 1 January	12,601,870	13,505,229	12,601,870	13,505,229
Interest for the year (Note 14)	1,712,728	1,798,372	1,712,728	1,798,372
	14,314,598	**15,303,601**	**14,314,598**	**15,303,601**
Repayments: Principal	(934,892)	(906,111)	(934,892)	(906,111)
Repayments: Interest	(1,729,567)	(1,834,227)	(1,729,567)	(1,834,227)
Translation Adjustment	-	38,607	-	38,607
Balance at 31 December	**11,650,139**	**12,601,870**	**11,650,139**	**12,601,870**

(b) *Government owned institution loan*

In thousands of Naira	Group		Company	
	2024	**2023**	**2024**	**2023**
Balance at 1 January	824,357	1,187,080	824,357	1,187,080
Proceeds from loans and borrowings	1,830,000	-	1,830,000	-
Deferred income (Note 35)	(273,209)	-	(273,209)	
Interest for the year (Note 14)	203,497	11,324	203,497	11,324
	2,584,645	**1,198,404**	**2,584,645**	**1,198,404**
Repayments: Principal	(346,051)	(306,442)	(346,051)	(306,442)
Repayments: Interest	(118,370)	(67,858)	(118,370)	(67,858)
Translation Adjustment	-	253	-	253
Balance at 31 December	**2,120,224**	**824,357**	**2,120,224**	**824,357**

Notes to the consolidated and separate financial statements

32 Loans and borrowings

(c) *Other loan*

In thousands of Naira	Group		Company	
	2024	2023	2024	2023
Balance at 1 January	-	-	-	-
Proceeds from loans and borrowings	3,643,785	-	3,643,785	-
Interest for the year (Note 14)	395,823	-	395,823	-
	4,039,608	**-**	**4,039,608**	**-**
Repayments: Principal	-	-	-	-
Repayments: Interest	(325,725)	-	(325,725)	-
Translation Adjustment	-	-	-	-
Balance at 31 December	**3,713,883**	**-**	**3,713,883**	**-**

(d) Secured bond

On February 28, 2019, North South Power Company Limited (the Company) through its wholly owned subsidiary, NSP-SPV Powercorp Plc, issued its debut ₦8.5 billion, 15-year, 15.60% Series 1 Guaranteed Fixed Rate Senior Green Infrastructure Bonds (Series I Green Bonds), due 2034 under a ₦50 billion Debt Issuance Programme. The bonds were credit enhanced/guaranteed by InfraCredit. The bonds were also fully subscribed upon issuance and as specified in the bond agreement, proceeds of the issuance were transferred to the Company for utilisation. North South Power Company Limited was identified as a co-obligor in the bond agreement and is jointly liable with its subsidiary, NSP-SPV Powercorp Plc, (the Issuer) for the timely bi-annual repayment of the principal and interest of the bond obligation.

On April 15, 2021, the Company issued its ₦6.3 billion, 10-year, 12.00% Series II unsecured Green Bonds (Series II Green Bonds) due 2031 under the ₦50 billion Debt Issuance Programme through its wholly owned subsidiary, NSP-SPV Powercorp Plc. Like the Series I Green Bonds issuance, the Series II Green Bonds issuance was also fully subscribed. The proceeds from the bonds were transferred to the Company under terms and conditions as agreed under the bond documents. North South Power Company Limited was identified as a co-obligor in the bond agreement and is jointly liable with its subsidiary, NSP-SPV Powercorp Plc (the Issuer) for the timely bi-annual repayment of the principal and interest of the bond obligation.

As at year end, the accrued interest on the bond amounted to ₦1.71billion (2023 ₦1.8 billion) and the principal and interest repayment during the year amounted to ₦2.66 billion (2023 ₦2.74 billion).

(e) Government owned institution loan

On May 18, 2021, the Company also took a 6year loan of ₦1,364,079,389.40 from the Bank of Industry (BoI) with the proceeds being deployed to the rehabilitation of the 30MW Gurara Hydropower plant. The Company is responsible for the timely debt repayment of the facility.

On February 17, 2021, the Company also took a 7year CBN Differentiated Cash Reserve Requirement Facility of NGN 1,830,000,000.00 from Zenith Bank with the proceeds being deployed to finance the increase in the capacity of the proposed development of the Pre-phase 1, 15 MW Solar Project to Pre-Phase 1, 20MW Solar Project.

As at year end, the accrued interest on the government loan amounted to ₦203.5 million (2023 ₦11.32million) and the principal and interest repayment during the year amounted to ₦464.42 million (2023 ₦374.3 million).

Notes to the consolidated and separate financial statements

32 Loans and borrowings (cont'd)

(f) Other loan

On 25 May 2024, the Company issued a non-convertible preference shares to existing shareholders amounting to NGN3,643,785,000.00. The loan is to be used to fund the company various projects.

As at year end, the accrued interest on the other loan amounted to ₦395.82 million (2023 Nil) and the principal and interest repayment during the year amounted to ₦325.73 million (2023: Nil).

33 Concession fees payable

Concession fees payable represents the annual fees payable to the Bureau of Public Enterprises (BPE) in accordance with the Concession Agreement for the 30 years concession period for which the Company was granted concession by the Federal Government of Nigeria, for which the Company took over operations of the Shiroro Hydroelectric Power Plant, Niger state throughout the concession period.

The movement on this account was as follows:

In thousands of Naira	Group		Company	
	31 Dec 2024	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
Balance at 1 January	209,745,215	120,085,681	209,745,215	120,085,681
Concession fee (Note 14)	36,249,111	15,239,708	36,249,111	15,239,708
Concession fee accretion adjustment (Note 14)	(3,704,832)	(1,050,535)	(3,704,832)	(1,050,355)
Payment during the year	-	(18,000,000)	-	(18,000,000)
Translation adjustment	149,480,481	93,470,181	149,480,481	93,470,181
Balance at 31 December	**391,769,975**	**209,745,215**	**391,769,975**	**209,745,215**
Non-current portion	(188,567,830)	(111,921,187)	(188,567,830)	(111,921,187)
Current portion	**203,202,145**	**97,824,028**	**203,202,145**	**97,824,028**

Included in the current portion of concession fees payable is ₦203.2 billion (2023: ₦97.8 billion) which is past due in respect of amount owed to the Bureau of Public Enterprise. (Note 33(a)).

The Concession Agreement states that the Company will be liable to remit an annual fee of $23,602,484.47 to the BPE beginning from the fifth (5th) anniversary of the concession until the end of the 30 year concession period. Consequently, on annual basis, BPE invoices NSP for this cost of operating the Power Plant. However, in line with IFRIC 12, the amount recognised as the present value of the expected future cashflows discounted using the pre-tax rate of 15%.

Notes to the consolidated and separate financial statements

33 Concession fees payable (cont'd)

(a) Compliance with payment obligations under the concession agreement

As at 31 December 2024, the Company has a cumulative concession fee liability of N203.2 Billion covering 2018 - 2024, which remained unpaid up to the date of issue of these financial statements. The Company has been engaging NBET to implement the set-off arrangement of the concession fee outstanding against the outstanding receivables with NBET to which BPE has issued a no-objection.

Royalty fee represents 5% of revenue which is payable to the Bureau of Public Enterprises (BPE) in line with the concession arrangement. As at the year end, royalty fee payable in the current period amounted to about N7.57 billion (2023: N3.61 billion) Note 34."

The Concession Agreement provides that North South Power events of default include any breach of any of the payment obligations imposed on NSP that is not remedied within 15 days after notice from the counterparties giving reasonable notice of the breach and demanding remedy thereof, provided that, this has not arisen from a breach of the concession agreement by the BPE or a Federal Government of Nigeria (FGN). It is understood that an event of default by either party can result in any of the counterparties terminating the Concession Agreement.

The Company is owed ₦76.6 billion (2023: ₦59.8 billion) for deemed capacity (Note 23(h)) by the Nigerian Bulk Electricity Trading Company (NBET). The amount has been outstanding for periods ranging from ten months to over three years. This is a breach of NBET's payment obligations under the Power Purchase Agreement with NSP. In the opinion of the Directors and based on legal advice from an independent solicitor, this constitutes an event of default on the part of the FGN. The Directors are also of the opinion that since the FGN's event of default resulted in NSP's inability to pay the matured obligations, there is therefore no event of default on the part of NSP based on the platform of the concession agreement, that may warrant BPE to initiate the termination the concession agreement.

34 Trade and other payables

Trade and other payables comprise:

In thousands of Naira	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Trade payables	24,181	-	3,481	-
Royalty payable (Note 33 (a))	7,567,404	3,606,432	7,567,404	3,606,432
Due to related parties (Note 34(a))	204,585	182,092	499,622	425,898
Accruals	1,468,731	1,052,286	1,466,796	1,034,549
Dividend payable (Note 34 (b))	-	-	-	-
Statutory deductions	664,066	414,546	662,131	412,461
Sundry payables	266,240	79,130	239,361	79,129
Other payables (Note 34 (c))	5,225,740	3,075,398	5,225,740	3,075,398
	15,420,947	**8,409,884**	**15,664,535**	**8,633,867**
Non-current portion	(4,984,048)	(3,075,398)	(4,984,048)	(3,075,398)
Current portion	**10,436,899**	**5,334,486**	**10,680,487**	**5,558,469**

Notes to the consolidated and separate financial statements

34 Trade and other payables (cont'd)

(a) Due to related parties comprise:

In thousands of Naira	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
North South Power Services Limited	204,585	182,092	204,585	182,092
NSP-SPV Powercorp Plc	-	-	295,026	243,806
	-	**-**	**499,611**	**425,898**

Amount due to related party is interest free and does not bear any interest

(b) The Directors have recommended a final dividend of ₦ Nil (2023: ₦9.36 billion) as at 31 December 2024. During the year, an interim dividend of ₦ Nil billion (2023: ₦2.3 billion) was declared and paid. Consequently, the total dividend for the year amounted to ₦ Nil billion (2023: ₦11.66 billion).

In thousands of Naira	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Balance at 1 January	-	19,603	-	19,603
Dividend declared	2,911,638	6,312,392	2,911,638	6,312,392
	2,911,638	**6,331,995**	**2,911,638**	**6,331,995**
Dividend paid*	(11,660,112)	(6,331,995)	(11,660,112)	(6,331,995)
Translation adjustment	8,748,474	-	8,748,474	-
Balance at 31 December	**-**	**-**	**-**	**-**

* included in the dividend paid during the year is preference shares issued to existing shareholders amounting to N3.64 billion (See Note 32c)

(c) Other payables represent the net credit balance of assets and liabilities taken over from Shiroro Hydro Electric Power Plant on 1 November 2013 less accumulated amortisation, which the Group and/ Company has decided to keep or deal with as it wishes under the concession. The breakdown of the original amount taken over is as follows:

In thousands of Naira	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Inventories	1,012,133	1,012,133	1,012,133	1,012,133
Cash and cash equivalents	353,247	353,247	353,247	353,247
	1,365,380	**1,365,380**	**1,365,380**	**1,365,380**
Trade payables	(352,934)	(352,934)	(352,934)	(352,934)
	1,012,446	**1,012,446**	**1,012,446**	**1,012,446**

Notes to the consolidated and separate financial statements

34 Trade and other payables (cont'd)

(c) (cont'd)

The movement on this account is as follows:

In thousands of Naira	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Balance at 1 January	3,075,398	1,555,602	3,075,398	1,555,602
Amortisation	(267,717)	(154,972)	(267,717)	(154,972)
Translation Adjustment	2,418,059	1,674,768	2,418,059	1,674,768
Balance, end of the year	**5,225,740**	**3,075,398**	**5,225,740**	**3,075,398**

(d) *Reconciliation of changes in trade and other payables to statement of cash flows*

In thousands of Naira	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Balance at 1 January	8,409,884	6,452,979	8,633,867	6,645,772
Dividend declared	2,911,638	6,312,392	2,911,638	6,312,392
Dividend paid	(11,660,112)	(6,331,995)	(11,660,112)	(6,331,995)
Balance at 31 December	(15,420,947)	(8,409,884)	(15,664,535)	(8,633,867)
Changes in trade and other payables included in statement of cash flows	(15,759,537)	(1,976,508)	(15,779,142)	(2,007,698)

35 Deferred income

In thousands of Naira	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Deferred income	331,124	154,782	331,124	154,782
	331,124	**154,782**	**331,124**	**154,782**
Non-current portion	(241,692)	(119,686)	(241,692)	(119,686)
Current portion	**89,432**	**35,096**	**89,432**	**35,096**

The movement on this account is as follows:

In thousands of Naira	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Balance at 1 January	154,782	154,473	154,782	154,473
Loans and borrowings (Note 32)	273,209	-	273,209	-
Other income (Note 13)	(61,840)	(85,230)	(61,840)	(85,230)
Translation Adjustment	(35,027)	85,539	(35,027)	85,539
Balance at 31 December	**331,124**	**154,782**	**331,124**	**154,782**

Notes to the consolidated and separate financial statements

36 Employee benefits

In thousands of Naira	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Defined benefit obligation	143,960	118,131	143,960	118,131
	143,960	**118,131**	**143,960**	**118,131**

(a) Movement in defined benefit obligation

Defined benefit obligation comprise of gratuity provision and is based upon independent actuarial valuation performed by Alexander Forbes Financial Services using the projected unit credit basis as prescribed by IAS 19: Employee Benefits. The FRC number of the actuary is FRC/2012/0000000000504.

The movement in the defined benefit obligation during the year is as follows:

	Group		Company	
In thousands of Naira	**31 Dec 2024**	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
	118,131	(18,394)	118,131	(18,394)
Included in profit or loss (as part of administrative expenses)				
Current service cost	60,900	46,647	60,900	46,647
Interest cost	18,972	3,760	18,972	3,760
Translation difference	-	-	-	-
	79,872	**50,407**	**79,872**	**50,407**
Included in other comprehensive income				
Actuarial loss (tax inclusive)	42,850	86,118	42,850	86,118
	42,850	**86,118**	**42,850**	**86,118**
Other				
Company Contributions	(96,893)	-	(96,893)	-
	(96,893)	**-**	**(96,893)**	**-**
Balance at 31 December	**143,960**	**118,131**	**143,960**	**118,131**

(b) Actuarial assumptions

Principal financial actuarial assumptions at the reporting date (expressed as weighted averages):

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Long-term average discount rate (p.a.)	21.00%	12.80%	21.00%	12.80%
Average pay increase (p.a.)	5.00%	5.00%	5.00%	5.00%

These assumptions depict management's estimate of the likely future experience of the Company.

Due to unavailability of published reliable demographic data in Nigeria, the demographic assumptions regarding future mortality are based on the rates published jointly by the Institute and Faculty of Actuaries in the UK. The A49/52 mortality tables were adopted for this purpose.

Notes to the consolidated and separate financial statements

36 Employee benefits (cont'd)

(b) Actuarial assumptions (cont'd)

Mortality in service

Sample age	2024 Number of deaths in year out of 10,000 lives	2023 Number of deaths in year out of 10,000 lives
25	7	7
30	7	7
35	9	9
40	14	14
45	26	26
50	48	48
55	84	84
60	144	144

Assumptions regarding future mortality rates are based on published statistics and mortality tables by Institute and Faculty of Actuaries in the UK.

Withdrawal
It was assumed that withdrawals and early retirements would be in accordance with the following table:

Age Group	Annual rate of Withdrawal	Annual redundancy rates
20 – 24	5.0%	-
25 – 39	5.0%	-
30 – 34	4.0%	-
35 – 39	3.0%	0.5%
40 – 44	2.0%	1.0%
45 – 49	1.0%	1.0%
50 – 54	0.5%	1.0%
55 – 59	-	-
60+	-	-

(c) Sensitivity analysis
Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	Increase		Decrease	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Discount rate (1% movement)	673,132,000	657,591,000	698,236,000	657,591,000
Salary increase rate (1% movement)	700,425,000	694,137,000	670,942,000	694,137,000
Mortality rate (1% movement)	683,717,000	672,295,000	686,712,000	672,295,000

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Notes to the consolidated and separate financial statements

37 Provisions

	Group		Company	
In thousands of Naira	**31 Dec 2024**	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
	8,099	3,721	8,099	3,721
Translation adjustment	5,724	4,378	5,724	4,378
Balance at 31 December	13,823	8,099	13,823	8,099

(a) Provisions represents various claims which arose in the normal course of business. (Note 39 (b))

38 Related party transactions

Parent and ultimate controlling party
The Company is owned by various shareholders and does not have any parent company or ultimate controlling company.

Other related party transactions
The Company entered into the following transactions with the under listed related parties during the year:

(a) CEC Africa Investments Limited ("CEC Africa")
During the year, the Company also engaged CEC Africa Investment Limited for consultancy services on specialized power supply program. The total expenses for this service is ₦1.85 billion (2023: ₦1.15 billion). The Company paid a total of ₦1.85 billion (2023: ₦1.15 billion) during the year. No amount was due to CEC Africa Hydro Investment Limited as at year end (2023: Nil).

(b) Shiroro Solar Generating Company Limited (SSGC)
Shiroro Solar Generating Company Limited was incorporated in Nigeria in 2015 and is owned 99.99% by the Company. SSGC is yet to commence operations but was incorporated to provide power/ energy services, supply, install and maintain renewable energy systems.

In 2017, the Company was issued the license to operate the Shiroro solar plant and as at year end, the Company had incurred ₦243.1 million (2023: ₦166.97 million) on behalf of SSGC."

(c) North South Gurara Energy Company Limited (NSGEC)
North South Gurara Energy Company Limited was incorporated in Nigeria on the 25 July 2018 and is owned 99.99% by the Company. NSGEC is yet to commence operations but was incorporated to provide power/ energy services, supply, install and maintain renewable energy systems.

On 12 May 2020 NSGEC signed the concession agreement for the concession of 30MW Hydropower Plant under Gurara Phase 1, multi-purpose Dam.

As at year end, the Company had invested a total of ₦23.77 billion (2023: ₦12.14 billion) and no amount was due from them (2023: ₦Nil)"

Notes to the consolidated and separate financial statements

38 Related party transactions (cont'd)

(d) NSP-SPV Powercorp Plc (NSP-SPVP)

NSP-SPV Powercorp Plc was incorporated in Nigeria in 2017 and is owned 99.99% by the Company. NSP-SPVP was incorporated to raise capital from the Nigerian capital market or other international market, issue and invest in bonds, notes, shares, stocks, debentures, debenture stocks, annuities or other securities issued, sold or sponsored by North South Power Company Limited or any other company or body, within or outside Nigeria, for itself or on behalf of any person(s). As at year end, the Company had incurred expenses amounting ₦94.45 million (2023: ₦67.32 million) on behalf of NSP-SPVP with respect to the bond issuance project.

On 19 May 2019, the Company signed a Service Line Agreement (SLA) with NSP-SPV. The terms of the SLA provide that NSP-SPV shall issue bonds as stated in the Series 1 Trust Deed and transfer the proceeds of such bonds to the Company. NSP-SPV shall not be responsible for the repayment and administration of the bonds as such remains the responsibility of the Company. The SLA requires the Company to pay management fees to NSP-SPV for the services provided to the Company. Management fee is calculated as 3% of the interest expenses incurred on the bond (including all related costs, commissions, charges, fees, or such other payments or deductions as may be required under the applicable law), paid by the Company to the bondholders on the relevant payment date. The amount charged to profit or loss with respect to the management fees amounted to ₦51.38 million (2023: ₦55.06 million) which remained unpaid as at year end, this has been disclosed in payables to NSP-SPV. See Note 34(a) to these financial statements.

On 28 February 2019, the Company through NSP-SPVP, issued its first N8.5 billion /15 year/ 15.60% Series 1 Guaranteed Fixed Rate Senior Green Infrastructure Bonds ("Series 1 Green Bonds"), due 2034 under a N50 billion Debt Issuance Programme. The Series 1 Green Bonds is the first certified green corporate bond and the longest tenured (15 years) corporate bond issued in the Nigeria debt capital markets. During the year, the Company through NSP-SPV, issued another N6.3 billion /10 year/ 12% Series 2 Unguaranteed Green Bonds due 15 April, 2031 under the same N50 billion Debt Issuance Programme. The bonds were issued by NSP-SPV and were subsequently loaned to the Company with similar terms and conditions agreed with the bond subscribers in the bond agreements. The Company's indebtedness to NSP-SPVP in respect of the transferred bond proceeds as at year end was ₦11.65 billion (2023: ₦12.6 billion). The bond liability is disclosed in Note 32(a) to these financial statements.

(e) North South Power Services Limited (NSPSL)

North South Power Services Limited was incorporated in Mauritius in 2015 and has some common shareholders with the Company. Although the Company has no shares in nor control over NSPSL, it had entered into an agreement with NSPSL for the provision of development, management operations and maintenance services in respect of the Shiroro Hydroelectric Power Plant known as the Management Services Agreement (""MSA""). However, on 16 February 2017, the board of NSPSL Mauritius passed a resolution to incorporate a new company - North South Power Services Limited (NSPSL Nigeria) to which it transferred all its assets and businesses, including the MSA. Subsequently, on 31 August 2017, NSPSL Nigeria was incorporated and on 5 September 2017, all businesses and contracts entered into on its behalf were ratified. With these events, the assets, liabilities, rights and obligations of NSPSL Mauritius under the MSA were effectively transferred to NSPSL Nigeria as at 31 December 2017.

As such, payments for the services provided under the MSA (which is a fee of 2.5% of the total revenue for each year) are now due to NSPSL Nigeria. Total services provided during the year amounted to ₦3.69 billion (2023: ₦1.8 billion) and and balance due as at year end was N204 million (2023: $182 million). See Note 10 and Note 34(a) to these financial statements."

Notes to the consolidated and separate financial statements

38 Related party transactions (cont'd)

(f) Ratio Legal Practitioners
Ratio Legal Practitioners is related to the Company through a Director; George Nwangwu who exercises significant influence over both the Company and Ratio Legal Practitioners. Ratio Legal Practitioners provided legal and secretarial services to the Company during the year. The total expenses incurred during the year with respect to the services provided by Ratio Legal Practitioners was ₦482.13 million (2023: ₦266.8 million). The Company paid ₦482.13 million (2023: ₦266.8 million) during the year. No amount was due to Ratio Legal Practitioners as at year end (2023: Nil).

(g) Puma Engineering Limited
Puma Engineering Limited owns 2.46% (2023: 2.46%) shares of the Company. No amount was due to Puma Engineering Limited as at year end (2023: Nil).

(h) Urban Shelter Limited
Urban Shelter Limited owns 5.91% (2023: 5.91%) shares of the Company. No amount was due to Urban Shelter Limited as at year end (2023: Nil).

(i) BP Investment Limited
BP Investment Limited owns 30.05% (2023: 30.05%) shares of the Company. during the year. No amount was due to BP Investment Limited as at year end (2023: Nil).

(j) Pan-African Global infrastructure Co
Pan-African Global infrastructure Co owns 5.29% (2023: 5.29%) shares of the Company. No amount was due to Pan-African Global infrastructure Co as at year end (2023: Nil).

(k) Opec Investment Inc.
Opec Investment Inc. owns 5.15% (2023: 5.15%) shares of the Company. No amount was due to Opec Investment Inc. as at year end (2023: Nil).

(l) Linemen Disciples Limited
Linemen Disciples Limited owns 26.5% (2023: 26.5%) shares of the Company. No amount was due to Linemen Disciples Limited as at year end (2023: Nil).

(m) Heavyweight Express Limited
During the year, Heavyweight Express Limited invested in the Company and currently owns 5.29% (2023: 5.29%) shares of the Company. No amount was due to Heavyweight Express Limited as at year end (2023: Nil).

(n) Strom Infrastructure Investment and Management Company
During the year, Strom Infrastructure Investment and Management Company invested in the Company and currently owns 5% (2023: 5%) shares of the Company. No amount was due to Strom Infrastructure Investment and Management Company as at year end (2023: Nil).

(o) GXT Limited
During the year, GXT Limited invested in the Company and currently owns 2.69% (2023: 2.69%) shares of the Company. No amount was due to GXT Limited as at year end (2023: Nil).

(p) JMD Investments Limited
During the year, JMD Investments Limited invested in the Company and currently owns 1.65% (2023: 1.65%) shares of the Company. No amount was due to JMD Investments Limited as at year end (2023: Nil)

Notes to the consolidated and separate financial statements

38 Related party transactions (cont'd)

Transactions with key management personnel
Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director of the Company. In addition to the directors, key management personnel includes all senior management personnel of the Company such as the General Managers, Chief Operating and Technical Officers.

Transactions with the key management personnel during the year are as follows;

Key management personnel compensation
Key management personnel compensation comprised the following:

	Group		Company	
In thousands of Naira	**2024**	**2023**	**2024**	**2023**
Short term benefits	6,469,747	2,482,073	6,469,747	2,482,073

Included in the key management personnel compensation is the Board of Director's fees of ₦3.06 Billion (2023: ₦872.62 million).

Loans to key management personnel
The Group and/ Company did not grant any loans to or receive any loans from any key management personnel.

39 Contingencies

(a) Financial commitments
The Directors are of the opinion that all significant liabilities and commitments, which are relevant in assessing the state of affairs of the Group and/ Company, have been taken into consideration in the preparation of these financial statements.

(b) Claims and litigation
The Group and/ Company are subject to various claims as at 31 December 2024 amounting to ₦13.82 million (2023: ₦8.1 million) (Note 37 (a)) which arose in the normal course of business. The directors are of the opinion that the case will be dismissed and no material liability is expected in the future.

40 Events after the end of the reporting date

There were no events after the reporting date which could have had a material effect on the state of affairs of the Group and/ Company as at 31 December 2024 and on the profit for the year ended which has not been adequately recognised or disclosed in these financial statements.

Notes to the consolidated and separate financial statements

41 Financial instruments

Financial risk management overview
The Group and/ Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note represents information about the Group and/ Company's exposure to each of the above risks, the Group and/ Company's objectives, policies and processes for measuring and managing risk, and the Group and/ Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

Risk management framework
The Group and/ Company's Board of Directors has overall responsibility for the establishment and oversight of the Group and/ Company's risk management framework.

The risk management policies have been developed to identify and analyse risks faced by the Group and/ Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group and/ Company's activities. The Group and/ Company, through its training and management standards and procedures, has a disciplined and constructive control environment in which all it's employees understand their roles and obligations.

(a) Credit risk

Credit risk is the risk of financial loss to the Group and/ Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group and/ Company's receivables from customers.

Trade and other receivables
The Group and/Company's exposure to credit risk is influenced mainly by the individual characteristics of each distribution company and the ability of the Nigerian Bulk Electricity Trading Plc (NBET) to regulate and enforce payments by both local and international distribution companies.

Impairment loss on trade receivables in profit or loss as at year end is ₦3.2 billion (2023: reversal ₦13.06 billion)

Expected credit loss assessment for customers
The Group and/ Company uses an allowance matrix to measure the ECLs of trade receivables from its customers. Loss rates are calculated using the default method and are calculated separately for exposures in different segments based on their common credit risk characteristics.

The Company applied relevant weighted average loss rates on trade receivables as at year end based on respective trade receivable categories with different credit risk characteristics.

Loss rates are based on actual credit loss experience over the past three years using lifetime expected credit losses approach.

Notes to the consolidated and separate financial statements

41 Financial instruments (cont'd)

(a) Credit risk (cont'd)

Impairment of receivables
The Company has adopted the use of simplified approach in computing impairment of trade receivables using the provision matrix method since the Company's trade receivables have no significant financing element.

In arriving at the impairment amounts, the trade receivables are segmented based on their credit risk characteristics and the applicable loss rates are applied to the respective trade receivables category.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The group has identified the GDP of Nigeria in which it sells its goods and services to be the most relevant factors, and accordingly have considered the historical loss rates based on expected changes in these factors in arriving at the impairment loss. The methodology for the calculation of the ECL is consistent with the comparative period."

The credit risk characteristic of NSP's receivables are segmented as follows:

- Receivables from revenue invoices covering period prior to the Payment Assurance Guarantee (PAG) regime (February 2015 to December 2016).
- Receivables representing 80% of revenue invoices covering period under PAG (2017 and 2018
- Receivables representing 20% of revenue invoices covering period under PAG (2017 and 2018)
- Receivables representing 100% of revenue invoices covering period under NBET-PAF-XP (2019 and 2020)
- Current receivables which are still within the credit period

Movements in the allowance for impairment in respect of trade receivables.
The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	Group		Company	
In thousands of Naira	**2024**	**2023**	**2024**	**2023**
Balance at 1 January	63,400,893	33,517,833	63,400,893	33,517,833
Impairment loss (reversed) / recognised (Note 12)	3,224,252	(13,062,574)	3,224,252	(13,062,574)
Foreign exchange	(56,213,996)	14,436,983	(56,213,996)	14,436,983
Translation Adjustment	44,924,998	28,508,651	44,924,998	28,508,651
Balance at 31 December	**55,336,147**	**63,400,893**	**55,336,147**	**63,400,893**

Notes to the consolidated and separate financial statements

41 Financial instruments (cont'd)

(a) Credit risk (cont'd)

Cash and cash equivalents

Cash and cash equivalents as at year end for the Group was ₦37.75 billion (2023: ₦70.52 billion) and for the Company was ₦35.45 billion (2023: ₦69.11 billion), which represents its maximum credit exposure on these assets. Impairments on cash and cash equivalent has been measured on a 12 month expected loss basis and effects the short term maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties and their ability to meet the cash and liquidity thresholds set by the Central Bank of Nigeria. The Company did not recognise any impairment on its cash and cash equivalents.

(b) Liquidity risk

Liquidity risk is the risk that the Group and/or Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group and/ Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Group and/ Company has a clear focus on ensuring sufficient access to capital to finance growth. As part of the liquidity management process, the Group and/or Company has various credit arrangements with its bankers which can be utilised to meet its liquidity requirements.

The Group and/or Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities (other than concession fees payable) over the next 60 days. The Group and/or Company also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

Group /Company

In thousands of Naira	Carrying amount	Total	2 months or less	2-12 months	1 year to 2 years	2 year to 5 years	More than 5 years
At 31 December 2024							
Non-derivative financial liabilities							
Loans and borrowings	17,484,246	(27,775,014)	(1,080,355)	(3,198,174)	(7,351,810)	(8,414,589)	(7,730,086)
Trade and other payables*	9,264,901	(9,264,901)	(9,264,901)	-	-	-	-
Deferred income	331,124	(331,124)	(331,124)	-	-	-	-
Concession fees payable	391,769,975	(819,437,033)	(166,953,034)	(36,249,111)	(36,249,111)	(108,747,333)	(471,238,444)
	418,850,246	**(856,808,072)**	**(177,629,414)**	**(39,447,285)**	**(43,600,921)**	**(117,161,922)**	**(478,968,530)**
At 31 December 2023							
Loans and borrowings	12,601,870	(23,402,574)	(740,832)	(2,196,423)	(3,665,055)	(6,785,240)	(10,015,024)
Trade and other payables*	4,840,810	(4,840,810)	(4,840,810)	-	-	-	-
Deferred income	154,782	(154,782)	(154,782)	-	-	-	-
Concession fees payable	209,745,215	(480,138,821)	(76,584,319)	(21,239,711)	(21,239,711)	(63,719,132)	(297,355,948)
	227,342,677	**(508,536,987)**	**(82,320,743)**	**(23,436,134)**	**(24,904,766)**	**(70,504,372)**	**(307,370,972)**

Notes to the consolidated and separate financial statements

41 Financial instruments (cont'd)

(b) Liquidity risk (cont'd)

Company

In thousands of Naira	Carrying amount	Total	2 months or less	2-12 months	1 year to 2 years	2 year to 5 years	More than 5 years
At 31 December 2024							
Non-derivative financial liabilities							
Loans and borrowings	17,484,246	(27,775,014)	(1,080,355)	(3,198,174)	(7,351,810)	(8,414,589)	(7,730,086)
Trade and other payables*	9,537,303	(9,537,303)	(9,537,303)	-	-	-	-
Deferred income	331,124	(331,124)	(331,124)	-	-	-	-
Concession fees payable	391,769,975	(819,437,033)	(166,953,034)	(36,249,111)	(36,249,111)	(108,747,333)	(471,238,444)
	419,122,648	**(857,080,474)**	**(177,901,816)**	**(39,447,285)**	**(43,600,921)**	**(117,161,922)**	**(478,968,530)**
At 31 December 2023							
Non-derivative financial liabilities							
Loans and borrowings	13,426,227	(23,402,574)	(740,832)	(2,196,423)	(3,665,055)	(6,785,240)	(10,015,024)
Trade and other payables*	5,066,879	(4,840,810)	(4,840,810)	-	-	-	-
Deferred income	154,782	(154,782)	(154,782)	-	-	-	-
Concession fees payable	209,745,215	(480,138,821)	(76,584,319)	(21,239,711)	(21,239,711)	(63,719,132)	(297,355,948)
	228,393,103	**(508,536,987)**	**(82,320,743)**	**(23,436,134)**	**(24,904,766)**	**(70,504,372)**	**(307,370,972)**

*excludes keep or deal items recognised in other payables, and statutory deductions per Note 30.

Notes to the consolidated and separate financial statements

41 Financial instruments (cont'd)

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Group and/ Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group and/ Company manages market risks by keeping costs low through various cost optimization programs. Moreover, market developments are monitored and discussed regularly, and mitigating actions are taken where necessary.

Currency risk

The Group and/ Company is exposed to currency risk on purchases that are denominated in a currency other than the functional currency, the US Dollar. The currency in which these transactions primarily are denominated is the Naira (₦). The currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in foreign exchange rates.

In managing currency risk, the Group and/ Company aims to reduce the impact of short-term fluctuations on earnings.

Sensitivity analysis

The analysis assumes that all other variables, in particular interest rates, remain constant.

	Decrease in profit or loss and equity	
In thousands of Naira	**Group**	**Company**
31 December 2024		
Nigerian Naira (20% strengthening)	10,032,397	9,590,576
31 December 2023		
Nigerian Naira (20% strengthening)	6,270,141	5,985,818

A weakening of the Dollar against the Naira at 31 December would have had the equal but opposite effect on equity and on the above Dollar to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk profile

In managing interest rate risk, the Group and/ Company aims to reduce the impact of short-term fluctuations in earnings.

Notes to the consolidated and separate financial statements

41 Financial instruments (cont'd)

(c) Market risk Exposure to interest rate risk

At the reporting date, the interest rate profile of the Group and/ Company's interest-bearing financial instruments was as follows:

In thousands of Naira	Carrying amount			
	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Fixed-rate instruments				
Financial liabilities	11,650,139	12,601,870	11,650,139	12,601,870

The Group and/Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased/ (decreased) equity and loss for the year by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(d) Capital risk management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, using a ratio of "adjusted net debt" to "capital employed". For this purpose, adjusted net debt is defined as total liabilities less cash and cash equivalents. Capital employed is also defined as adjusted net debt less total equity. Management also monitors the level of dividends to all shareholders.

The Group and/ Company's adjusted net debt to capital employed ratio at the end of the year was as follows:

In thousands of Naira	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Total liabilities	425,905,160	234,495,589	426,135,881	234,707,896
Less: Cash and cash equivalents	(37,747,297)	(70,518,435)	(35,448,031)	(69,106,318)
Net debt	**388,157,863**	**163,977,154**	**390,687,850**	**165,601,578**
Total equity	(34,356,412)	(42,307,839)	(50,470,185)	(49,100,369)
Total capital employed	**353,801,451**	**121,669,315**	**340,217,665**	**116,501,209**
	91%	74%	87%	70%

Notes to the consolidated and separate financial statements

41 Financial instruments (cont'd)

As at year end, the ratio of equity to total capital was as follows:

In thousands of Naira	**Company**	
	31 Dec 2024	**31 Dec 2023**
Equity	50,470,185	49,100,369
Loans and borrowings	17,484,246	13,426,227
Total capital	**67,954,431**	**62,526,596**
Ratio of equity to total capital	74%	79%
Condition	Favourable	Favourable

There were no significant changes in the Group and/or Company's approach to capital management during the year.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group/ Company is as follows:

Group	**31 Dec 2024**	**31 Dec 2023**
In thousands of Naira	**₦'000**	**₦'000**
Financial asset		
Cash and cash equivalents	22,608,493	43,548,904
Trade and other receivables	60,291,460	9,506,362
Financial liability		
Loans and borrowings	(17,484,246)	(13,426,227)
Trade and other payables	(14,921,987)	(8,123,552)
Deferred income	(331,737)	(172)
Net statement of financial position exposure	**50,161,983**	**31,505,315**

Company	**31 Dec 2024**	**31 Dec 2023**
	₦'000	**₦'000**
Financial asset		
Cash and cash equivalents	20,309,228	42,137,416
Trade and other receivables	60,625,199	9,720,218
Financial liability		
Loans and borrowings	(17,484,246)	(13,426,227)
Trade and other payables	(15,165,564)	(8,347,534)
Deferred income	(331,737)	-
Net statement of financial position exposure	**47,952,880**	**30,083,872**

The following significant exchange rates were applied during the year:

Average rate		**Year end spot rate**	
31 Dec 2024	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
₦	**₦**	**₦**	**₦**
1480.21	645.68	1535.82	899.89

Notes to the consolidated and separate financial statements

41 Financial instruments (cont'd)

(d) Capital risk management (cont'd)

Sensitivity analysis

A strengthening of the Dollar, as indicated below against the Naira at 31 December would have increased/ (decreased) loss for the year and equity by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group and/ Company considered to be reasonably possible at the end of the reporting period and has no impact on equity.

(e) Fair values

Fair values versus carrying amounts

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Group				
In thousands of Naira	*Note*	**Financial assets at amortised cost**	**Other financial liabilities**	**Total Carrying Amount**
31 December 2024				
Financial assets				
Trade & other receivables	*23*	124,991,016	-	124,991,016
Cash and cash equivalents	*26*	37,747,297	-	37,747,297
		162,738,313	**-**	**162,738,313**
Financial liabilities				
Loans and borrowings	*32*	-	11,650,139	11,650,139
Trade and other payables	*34*	-	9,264,901	9,264,901
Deferred income	*35*	-	331,124	331,124
Concession fees payable	*33*	-	391,769,975	391,769,975
		-	**413,016,139**	**413,016,139**

		Financial assets at amortised cost	**Other financial liabilities**	**Total Carrying Amount**
31 December 2023				
Financial assets				
Trade & other receivables	*23*	49,141,282	-	49,141,282
Cash and cash equivalents	*26*	70,518,435	-	70,518,435
		119,659,717	**-**	**119,659,717**
Financial liabilities				
Loans and borrowings	*32*	-	12,601,870	12,601,870
Trade and other payables	*34*	-	4,919,940	4,919,940
Deferred income	*35*	-	154,782	154,782
Concession fees payable	*33*	-	209,745,215	209,745,215
		-	**227,421,807**	**227,421,807**

Notes to the consolidated and separate financial statements

41 Financial instruments (cont'd)

(e) Fair values (cont'd)

Fair values versus carrying amounts (cont'd)

Company		Financial assets at amortised cost	Other financial liabilities	Total Carrying Amount
In thousands of Naira				
31 December 2024				
Financial assets				
Trade & other receivables	*23*	125,306,812	-	125,306,812
Cash and cash equivalents	*26*	35,448,031	-	35,448,031
		160,754,843	**-**	**160,754,843**
Financial liabilities				
Loans and borrowings	*32*	-	17,484,246	17,484,246
Trade and other payables	*34*	-	9,537,303	9,537,303
Deferred income	*35*	-	331,124	331,124
Concession fees payable	*33*	-	391,769,975	391,769,975
		-	**419,122,648**	**419,122,648**

		Financial assets at amortised cost	Other financial liabilities	Total Carrying Amount
31 December 2023				
Financial assets				
Trade & other receivables	*23*	49,355,138	-	49,355,138
Cash and cash equivalents	*26*	69,106,318	-	69,106,318
		118,461,456	**-**	**118,461,456**
Financial liabilities				
Loans and borrowings	*32*	-	13,426,227	13,426,227
Trade and other payables	*34*	-	5,146,008	5,146,008
Deferred income	*35*	-	75,470,181	75,470,181
Concession fees payable	*33*	-	154,782	154,782
		-	**94,197,198**	**94,197,198**

Notes to the consolidated and separate financial statements

42 Segment reporting on the aggregation of group entities:

2024	**NSP**	**Solar**	**Gurara**	**NSP_SPV**	**Canada**	**Aggregated**	**Elimination Journal**	**Year 2024**
In thousands of Naira								
Non-current Asset	265,818,957	-	7,962,261	8,478,187	1,333,823	283,593,228	(36,117,339)	247,475,889
Current Assets	210,787,109	57,465	105,540	3,481,645	2,150,958	216,582,717	(3,797,034)	212,785,683
Non- current liabilities	(207,143,247)	-	-	(8,478,187)	-	(215,621,434)	8,478,187	(207,143,247)
Current Liabilities	(218,992,634)	(237,571)	(14,545)	(3,281,849)	(32,350)	(222,558,949)	3,797,036	(218,761,913)
Equity	(50,470,185)	180,105	(8,053,256)	(199,796)	(3,452,432)	(61,995,564)	27,639,152	(34,356,412)
Net income	16,665,292	38,316	449,801	(38,871)	15,399	17,129,937	-	17,129,937

2023	**NSP**	**Solar**	**Gurara**	**NSP_SPV**	**Canada**	**Aggregated**	**Elimination Journal**	**Year 2023**
Non-current Asset	161,061,934	-	5,343,476	9,935,918	844,367	177,185,695	(24,337,974)	152,847,721
Current Assets	122,746,331	23,637	11,116	2,913,828	1,404,845	127,099,757	(3,144,050)	123,955,707
Non- current liabilities	(125,651,110)	-	-	(9,935,918)	-	(135,587,028)	9,935,918	(125,651,110)
Current Liabilities	(109,056,786)	(172,926)	(5,912)	(2,752,903)	-	(111,988,527)	3,144,048	(108,844,479)
Equity	(49,100,369)	149,289	(5,348,679)	(160,925)	(2,249,213)	(56,709,897)	14,402,058	(42,307,839)
Net income	(5,483,907)	3,984	208,311	(39,075)	373	(5,310,314)	-	(5,310,314)

Other National Disclosures

Value Added Statement

In thousands of Naira	Group				Company			
	2024	**%**	**2023**	**%**	**2024**	**%**	**2023**	**%**
Revenue	137,595,477		65,071,007		137,595,477		65,071,007	
Bought in materials and services:								
- Local	(127,240,191)		(44,132,676)		(127,093,002)		(44,007,026)	
- Foreign	(4,667,089)		(2,582,319)		(4,441,703)		(2,582,319)	
	(131,907,280)		(46,714,995)		(131,534,705)		(46,589,345)	
Other income	6,524,769		6,642,326		6,424,919		6,609,078	
Value added	**12,212,966**	**100**	**24,998,338**	**100**	**12,485,691**	**100**	**25,090,740**	**100**
Distribution of value added								
To Government :								
- Income tax	2,007,404	16	2,631,807	11	1,995,790	16	2,620,131	10
- Royalties	6,873,310	56	3,248,613	12	6,873,310	55	3,248,613	12
To Employee:								
- Salaries and wages	12,593,423	103	6,347,859	25	12,449,344	100	6,303,091	25
To providers of capital:								
- Interest expenses	2,312,048	19	1,809,696	7	2,312,048	19	1,809,696	7
Retained in the business:								
Deferred tax	(6,040,515)	(49)	651,001	3	(6,040,515)	(48)	651,001	3
Depreciation	1,767,611	14	692,833	3	1,731,384	14	668,086	3
Amortisation	9,829,622	80	4,306,215	17	9,829,622	79	4,306,215	17
To augment/(deplete) reserves	(17,129,937)	(140)	5,310,314	21	(16,665,292)	(133)	5,483,907	22
Value added	**12,212,966**	**99**	**24,998,338**	**99**	**12,485,691**	**102**	**25,090,740**	**99**

Financial Summary

In thousands of Naira

Group

Statement of profit or loss and other comprehensive income

	2024	2023	2022	2021	2020
Revenue	137,595,477	65,071,007	49,060,719	35,783,238	34,680,906
Operating Profits	73,774,063	49,524,722	22,090,306	20,431,787	18,103,097
Profit/(loss) for the year	(17,129,937)	5,310,314	4,613,769	5,384,030	(195,860)
Total comprehensive income for the year	(5,039,789)	24,506,518	6,775,167	7,237,052	3,418,212

Statement of financial position

	2024	2023	2022	2021	2020
Employment of Funds					
Non-current assets	247,475,889	152,847,721	75,566,519	67,130,401	61,046,835
Current assets	212,785,683	123,955,707	98,809,265	78,869,525	52,767,029
Non-current liabilities	(207,143,247)	(125,651,110)	(70,016,976)	(66,801,542)	(57,245,740)
Current liabilities	(218,761,913)	(108,844,479)	(78,132,970)	(56,430,144)	(39,036,533)
	34,356,412	**42,307,839**	**26,225,838**	**22,768,240**	**17,531,591**
Funds Employed					
Share capital	500,000	500,000	500,000	500,000	500,000
Share Premium	8,133,191	8,133,191	8,133,191	8,133,191	8,133,191
Retained (loss) / earnings	(15,818,656)	4,265,032	5,353,228	4,008,120	441,506
Translation reserve	41,541,877	29,409,616	12,239,419	10,126,929	8,456,894
	34,356,412	**42,307,839**	**26,225,838**	**22,768,240**	**17,531,591**
Earnings per share - cents	(3,425.99)	1,062.06	(39.17)	1,458.97	1,458.97
Net assets per share - cents	6,871.28	8,461.57	3,506.32	3,119.08	3,119.08

Company

Statement of profit or loss and other comprehensive income

	2024	2023	2022	2021	2020
Revenue	137,595,477	65,071,007	49,060,719	35,783,238	34,680,906
Operating Profits	74,387,741	49,719,553	22,204,495	20,526,797	18,158,390
Profit/(loss) for the year	(16,665,292)	5,483,907	4,738,981	5,490,159	(132,719)
Total comprehensive income for the year	4,281,454	28,633,650	6,837,662	7,348,586	3,611,240

Statement of financial position

	2024	2023	2022	2021	2020
Employment of Funds					
Non-current assets	265,818,957	161,061,934	75,540,181	67,176,433	61,097,639
Current assets	210,787,109	122,746,331	99,570,745	79,435,144	53,156,489
Non-current liabilities	(207,143,247)	(125,651,110)	(70,016,976)	(66,801,542)	(57,245,740)
Current liabilities	(218,992,634)	(109,056,786)	(78,314,839)	(56,551,017)	(39,097,553)
	50,470,185	**49,100,369**	**26,779,111**	**23,259,018**	**17,910,835**
Funds Employed					
Share capital	500,000	500,000	500,000	500,000	500,000
Share Premium	8,133,191	8,133,191	8,133,191	8,133,191	8,133,191
Retained (loss) / earnings	(14,699,836)	4,919,944	5,834,547	4,363,862	691,484
Translation reserve	56,536,830	35,547,234	12,311,373	10,261,965	8,586,160
	50,470,185	**49,100,369**	**26,779,111**	**23,259,018**	**17,910,835**
Earnings per share - cents	(3,333.06)	1,096.78	947.80	1,098.03	(26.54)
Net assets per share - cents	10,094.04	9,820.07	5,355.82	4,651.80	3,582.17