



2024 ANNUAL REPORT



Bringing energy to life *responsibly*



EGBIN POWER PLC

Annual Report and Financial Statements
for the year ended 31 December 2024

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of EGBIN POWER PLC (the "Company" will hold in the Boardroom, Egbin Power Plant, Ikorodu, Lagos State on Friday, 8th May 2026 at 10.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the year ended 31st December 2024, and the Reports of the Directors, Auditors and Audit Committee thereon;
2. To re-elect Directors;
3. To authorise the Directors to fix the remuneration of the Auditors;
4. To elect members of the Audit Committee.

SPECIAL BUSINESS:

5. To consider and, if thought fit, pass the following as an ordinary resolution:

That the payment of Directors Remuneration for the financial year ending 31st December 2025 and subsequent years, at such rates as approved by the Board of Directors, be and is hereby approved."

Dated this 16th day of April 2026.

BY ORDER OF THE BOARD



LANRE DUROJAIYE

Company Secretary

FRC/2022/PRO/ICSAN/002/127427

Egbin Power Plant

Ikorodu, Lagos State

NOTES:

1. **Proxy**
A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in its stead and such a proxy need not be a member. For the appointment to be valid, executed proxy forms must be deposited at the principal place of business of the Company at Egbin Power Plant, Ikorodu, Lagos State, not less than forty-eight (48) hours before the meeting.
2. **Re-election of Directors**
In accordance with the Companies and Allied Matters, 2020 (CAMA), the directors to retire by rotation at the Annual General Meeting are Mr. Tope Shonubi and Prof. Attahir Yusuf. The retiring directors being eligible offer themselves for re-election.
3. **Audit Committee**
As stipulated by Section 404 (6) of CAMA, any shareholder may nominate another shareholder for election to the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least fourteen (14) days before the Annual General Meeting.

CHAIRMAN STATEMENT

INTRODUCTION

Dear Invaluable Shareholders, esteemed members of the Board, distinguished guests, ladies and gentlemen. I welcome you all, on behalf of the Board of Directors of Egbin Power Plc, to the 2024 Annual General Meeting of our Company, wherein we will present the Annual Report for the year ended 31st December 2024 for your consideration.

The year 2024 presented a complex landscape for businesses in Nigeria and worldwide, marked by persistent global and domestic challenges alongside emerging opportunities. Ongoing geopolitical tensions, including the lingering effects of the Russia-Ukraine conflict and escalating global trade uncertainties, continued to drive volatile energy and commodity prices, exacerbating inflationary pressures and supply chain disruptions. The full implementation of the Electricity Act 2023 and the Central Bank' foreign exchange reforms introduced both opportunities for decentralisation and challenges from naira depreciation, with the exchange rate reaching ₦1,535 per USD by year-end. These dynamics, combined with persistent insecurity and infrastructure deficits, required businesses to adapt swiftly to maintain operational resilience.

Our commitment to excellence was underscored by the successful completion of the Integrated Management System (IMS) Certification for ISO 9001:2015 (Quality Management), ISO 14001:2015 (Environmental Management), and ISO 45001:2018 (Occupational Health and Safety), reinforcing our dedication to global standards in safety, environmental stewardship, and operational quality. Through the WHYDFEST Safety campaigns focused on the 5S methodology, we further strengthened our safety culture, prioritising employee well-being and workplace efficiency.

Operational advancements included the successful vibration intervention, Distributed Control System (DCS) upgrade, and 6.6kV switchgear installation on Unit 3, enhancing plant reliability and capacity. In our commitment to community development, we commissioned the Bright Gyimah Centre for Innovation at the Powerfields Group of Schools, fostering education, entrepreneurship and technological advancement for future generations. Additionally, we provided four solar-powered boreholes to our host community and handed over a state-of-the-art 5-bed Intensive Care Unit (ICU) at the General Hospital, Ijede, improving access to clean water and critical healthcare services.

These initiatives reflect Egbin Power Plc' unwavering dedication to safety, employee well-being, operational excellence, and sustainable community development, ensuring we remain a trusted partner in Nigeria' journey toward economic prosperity.

OPERATING ENVIRONMENT

The year 2024 was a pivotal one for the global power sector and the broader economic landscape. While the nation continued its recovery path following global and domestic shocks in prior years, structural reforms and macroeconomic headwinds shaped the business landscape. The demand for power has been further driven by the data center and Artificial Intelligence (AI) growth.

Nigeria' Gross Domestic Product (GDP) recorded a growth rate of 3.84% in the fourth quarter, as reported by the National Bureau of Statistics (NBS), reflecting a modest improvement from the 3.46% growth in Q4 2023. This growth was primarily driven by the non-oil sector, which grew by 3.96% in real terms, bolstered by services and agriculture, despite ongoing global economic uncertainties and domestic challenges. However, the oil sector's



growth remained subdued at 1.48% in Q4 2024, a decline from 12.11% in the corresponding period of 2023, impacted by fluctuating global oil prices and domestic production constraints. Inflation remained a pressing challenge in 2024, with the headline inflation rate rising to 34.6% in November, driven by escalating food and energy prices amid the naira depreciation and supply chain disruptions. Food inflation reached 39.93% in November, exacerbating the cost-of-living pressures and impacting consumer affordability.

The operating environment in 2024 continued to be shaped by persistent macroeconomic challenges, including exchange rate volatility and high borrowing costs, which strained business operations and consumer purchasing power. Insecurity remained a critical issue, with banditry, kidnappings, and insurgency disrupting business activities and supply chains, particularly in the northern and southeastern regions. These challenges compounded the difficulties faced by the Nigerian Electricity Supply Industry (NESI), where over 128 transmission towers were vandalised and grid instability persisted, evidenced by three total and two partial grid collapses in Q4 2024, as reported by the Nigerian Electricity Regulatory Commission (NERC). The national grid's transmission and distribution infrastructure struggled to evacuate the available generation capacity of 5,296.89 MW, a 3.84% increase from Q3 2024, due to ongoing issues such as inadequate metering, non-cost reflective tariffs, and gas supply constraints.

The Electricity Act 2023 continued to drive transformative reforms in the NESI, fostering decentralisation and encouraging private sector participation through state-level regulation and the promotion of renewable energy integration. The establishment of the Nigeria Independent System Operator (NISO) has enhanced operational efficiency by separating system operations from transmission, allowing the Transmission Company of Nigeria (TCN) to focus on infrastructure management. Additionally, initiatives like the adoption of the African Forum for Utility Regulators (AFUR) Mini-Grid Tariff Tool in December 2024 aim to ensure fair pricing for mini-grid projects, supporting the expansion of off-grid solutions. These reforms have spurred investments, such as the \$500 million loan from the African Development Bank for the Economic Governance and Energy Transition Support Program (EGET-SP), which aims to upgrade electricity infrastructure and promote cleaner energy sources.

Despite these advancements, liquidity constraints and unpaid invoices to Generation Companies (GenCos) continue to challenge GenCos, with the Nigerian Bulk Electricity Trading (NBET) Plc owing astronomical sums to market participants. To navigate this landscape, we have intensified efforts to optimise operational efficiency, investing in asset maintenance to ensure plant reliability and exploring opportunities in renewable energy to align with the Electricity Act's vision. By leveraging strategic partnerships and innovative technologies, we aim to strengthen our position as a reliable energy provider in an increasingly competitive and decentralised market, while mitigating risks posed by regulatory uncertainties and infrastructure deficiencies.

OPERATING RESULTS

The year 2024 was a particularly challenging one for Nigeria's power sector, defined by systemic disruptions including recurring national grid collapses, vandalism of power infrastructure, and persistent gas supply shortages. The national grid experienced 12 collapses during the year, leading to widespread power outages across the country. These incidents, alongside operational challenges, directly impacted our plant operations and generation capacity.

Egbin Power Plc was not insulated from these broader sectoral disruptions. Our average generation declined by 15%, from 589 MW in 2023 to 501 MW in 2024. This reduction reflects the operational impact of limited gas supply, grid instability, and infrastructure sabotage, all of which constrained our ability to sustain optimal plant output.

Nevertheless, our financial performance remained resilient. Revenue grew significantly by 102%, rising from N230 billion in 2023 to N466 billion in 2024. This growth was largely driven by an upward review of tariffs, primarily influenced by the sustained depreciation of the naira and its effect on the forex-linked tariff structure as well as the deregulation of the Naira.

Although, gross profit improved by 21%, reflecting the effectiveness of our ongoing cost optimisation strategies, improved operational discipline, and our ability to maintain revenue integrity even under suboptimal generation conditions, the real value for value profit relative to inflation and US dollar denominated global indices was worse off.

However, the business recorded a loss of N32 billion for the year, primarily driven by significant foreign exchange losses arising from severe volatility in the exchange rate during the year. This underscores the macroeconomic pressures facing dollar-denominated obligations within the power sector and highlights the urgent need for industry-wide structural reforms.

Despite these headwinds, we remain unwavering in our commitment to improving operational efficiency, enhancing plant reliability, and implementing transformative initiatives aimed at stabilising generation and boosting Egbin' market share. Our focus remains on building a more resilient and adaptive business model that can weather volatility while positioning us for long-term profitability and sustainability.

As we move forward, Egbin Power Plc is poised to deepen its investments in asset upgrades, digital transformation, and strategic partnerships, all geared toward strengthening our financial performance and contribution to Nigeria' power sector recovery.

FUTURE OUTLOOK

The Nigerian economy in 2025 is expected to navigate a complex landscape shaped by both domestic and global dynamics. Persistent global inflationary pressures, coupled with geopolitical uncertainties, may continue to influence energy prices and supply chains, impacting the cost of operations for businesses. Domestically, challenges such as high inflation, projected to stabilise around 25–8% based on recent trends, and ongoing exchange rate fluctuations following the naira' significant depreciation in 2024, will likely persist. Insecurity in key regions and infrastructure deficits, particularly in power transmission and distribution, remain critical risks that could constrain economic activity and deter investment.

Despite these challenges, Nigeria' economy is expected to sustain steady growth, with the International Monetary Fund (IMF) projecting a 3.4% GDP expansion and the World Bank forecasting 3.5% in 2025. This growth will be driven by robust non-oil sector performance, particularly in financial services, telecommunications, and information technology, alongside a modest recovery in oil production supported by new domestic refining capacity. The Nigerian government' continued implementation of the Electricity Act 2023, coupled with initiatives like the AFUR Mini-Grid Tariff Tool adopted in 2024, is anticipated to enhance energy access and attract private investment, creating opportunities for power companies to meet rising demand.

We remain committed to operational excellence, investing in asset maintenance/overhauls and innovative technologies to enhance plant reliability and efficiency. By exploring renewable energy integration and leveraging decentralised energy solutions, we aim to support Nigeria' growing energy needs and contribute to the nation' energy transition goals. Through proactive stakeholder engagement and partnerships with regulatory bodies, we will continue to navigate the evolving regulatory landscape to ensure commercial sustainability and deliver value to our stakeholders, reinforcing our role as a cornerstone of Nigeria' economic progress.

CONCLUSION

Distinguished Shareholders, as always, I am very grateful for the dedication and loyalty of our staff, Management, and Directors. Over the years, our people have continued to be our most treasured assets because they are the essential internal customers through which we continually deliver quality service to our external customers and the Nation at large.

We are totally committed to environmental stewardship and sustainability principles. As I have always been, I am confident that the strategies being adopted by the Board and Management will put our Company on a sound footing to keep enjoying growth despite the current economic challenges.

On behalf of the Management of the Company, I would like to say a heartfelt thank you to our dedicated staff, our host communities, our shareholders, regulators, partners, and Directors for their continued support and trust they place in us.

Thank you and God Bless.

A handwritten signature in black ink, appearing to read "Tope Shonubi".

Tope Shonubi
CHAIRMAN

CORPORATE INFORMATION

Directors	Temitope Shonubi	(Nigerian)	Chairman
	Kola Adesina	(Nigerian)	Director
	Ade Odunsi	(Nigerian)	Director
	Attahir Yusuf	(Nigerian)	Director
	Ayodeji Gbeleyi	(Nigerian)	Director
	Sang-Woo Park	(Korean)	Director
Registered Office	Egbin Power Station Egbin Town, Ikorodu, Lagos State, Nigeria		
Bankers	Zenith Bank Plc. Plot 84, Ajose Adeogun Street, Victoria Island, Lagos		
	Fidelity Bank Plc. Awolowo road Ikoyi, Lagos		
	United Bank For Africa Plc. 57, Marina Lagos.		
	FCMB Plc. 42, Ademola Adetokunbo Street, Victoria Island, Lagos		
	Sterling Bank Plc. 20, Marina Lagos, 15th Floor Sterling Tower		
	Access Bank Plc. Oyin Jolayemi, Victoria Island, Lagos		
	Eco Bank Plc. Plot 21, Ahmadu Bello Way, Lagos		
	Union Bank of Nigeria Plc. 36, Marina, Lagos		
	Wema Bank Plc. 54, Marina Lagos Island, Lagos		
	Polaris Bank Limited 28, Church gate street, Victoria Island, Lagos		
	FSDH Merchant Bank Ltd. 1/5 Odunlami St, Lagos Island, Lagos		
Solicitors	Templars 5th Floor, The Octagon, 13A AJ Marinho drive Victoria Island, Lagos		
	Consolex Legal 62, Awolowo Road, Ikoyi, Lagos.		
Auditor	PricewaterhouseCoopers Chartered Accountants FF Millennium Towers Ligali Ayorinde Street Victoria Island. Lagos		
Company Secretary	Lanre Durojaiye		

DIRECTOR'S REPORT

The Directors present their annual report and the audited financial statements for the year ended 31 December 2024.

Principal Activity

EGBIN Power Plc ("the Company") is a company incorporated and domiciled in Nigeria with its registered office and principal place of business at Egbin Power Station Complex, Egbin, Ikorodu, Lagos. Following the conclusion of the Government's privatization exercise in November 2013, The Federal Government of Nigeria handed over the Company to the core investor, a Joint Venture between Sahara Power Group (SPG) and Korea Electric Power Corporation ("EPCO" known as KEPCO Energy Resource Limited ("ERL").

The principal activity of the Company remains the generation and sale of energy ("power"). The Company is the largest power generating station in Nigeria with an installed capacity of 1320MW. It is a gas fired plant with six 220MW independent boiler turbine units. Power generated is sent to the National grid by three main transmission lines mainly: Ikeja West (330KV); Ajah (330KV); and Ikorodu (132KV) lines.

Operating results and dividend

The following is a summary of the Company's operating results:

	2024 N'000	2023 N'000
Revenue	465,700,870	230,094,000
Loss before tax	(45,905,400)	(22,316,917)
Taxation	13,862,562	20,750,246
Loss for the year	(32,042,838)	(1,566,671)
Other comprehensive income, net of tax	478,291,623	69,274
Total comprehensive income/(loss) for the year	446,248,785	(1,497,397)

Dividend

No dividend was paid or proposed during the year (2023: Nil).

Property, Plant and Equipment

Information relating to changes in property, plant and equipment of the Company is disclosed in Note 12 to the financial statements.

Board matters

Further to the resignation of Mr. Alex Okoh from the Bureau of Public Enterprises ("BPE") in January 2024, the BPE nominated Mr. Ignatius Ayewoh, the acting Director General ("DG") to replace Mr. Okoh on the Board. Upon the appointment of a substantive DG in the person of Mr. Ayodeji Gbeleyi, Mr. Ayewoh resigned from the Board with effect from June 2024 whilst Mr. Gbeleyi was appointed to replace him on the Board with effect from June 2024

Shareholding Structure

	2024 No of shares	%	2023 No of shares	%
Names				
KEPCO Energy Resource Limited	17,500,000	70	17,500,000	70
Bureau of Public Enterprises	6,000,000	24	6,000,000	24
Ministry of Finance Incorporated	1,500,000	6	1,500,000	6
Total	25,000,000	100	25,000,000	100

	2024 N'000	2023 N'000
Authorised		
100,000,000 ordinary shares of ₦1 each (2023: 100,000,000 ordinary shares of ₦1 each)	100,000	100,000

Issued

25,000,000 ordinary shares of ₦1 each (2023: 25,000,000 ordinary shares of ₦1 each)	25,000	25,000
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EGBIN POWER PLC

Annual report and financial statements

For the year ended 31 December 2024

Directors' Report

Directors and their interests

The directors of the Company during the year and up to the date of this report were:

Temitope Shonubi	(Nigerian)	Chairman
Kola Adesina	(Nigerian)	Director
Ade Odunsi	(Nigerian)	Director
Attahir Yusuf	(Nigerian)	Director
Alex Okoh	(Nigerian)	Director (Resigned in January 2024)
Sang-Woo Park	(Korean)	Director
Ignatius Ayewoh	(Nigerian)	Director (Appointed in 2024 and Resigned in 2024)
Ayodeji Gbeleyi	(Nigerian)	Director (Appointed in 2024)

In accordance with Section 303 of the Companies and Allied Matters Act of Nigeria, none of the Directors has notified the Company of their direct or indirect interest in contracts or proposed contracts with the Company during the year.

Charitable donations

The Company made donations/CSR amounting to ₦164 million to charitable institutions and organizations during the year (2023: ₦120 million).

Events after the reporting date

There are no significant events after the reporting period which could have had a material effect on the state of affairs of the Company as at 31 December 2024.

Employee Health, Safety and Welfare

The Company places a high premium on health, safety and welfare of its employees in their places of work. To this end, the company has various forms of insurance policies, including Combined all risk, Group personal accident, and Group life assurance, to adequately secure and protect its employees.

The Company 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 various factors affecting the performance of the Company. This is achieved through meetings with the employees.

There is great emphasis on staff development and training through carefully planned training courses and seminars to update the special skills and job requirements of the staff.

The Company does not have any policies that will hinder the employment or retention of physically challenged persons.

Auditors

In accordance with Section 401 (2) of Companies and Allied Matters Act of Nigeria, Messrs PricewaterhouseCoopers (Chartered Accountants), have indicated their interest to continue in office as auditors of the Company.

On behalf of the Board



Company Secretary

Lanre Durojaiye

FRC/2022/PRO/ICSAN/002/127427

The Board

The Board established this Corporate Governance Framework to define the corporate governance practices of the Company for the enhancement of stakeholder value and the achievement of the Company's vision, strategic objectives and business goals.

The Company's Corporate Governance Framework

The Framework is made in line with the Nigerian Code of Corporate Governance, Corporate Governance Guidelines and global best practice on Corporate Governance.

Our Corporate Governance Framework defines the relationship between the board of directors, management, and other stakeholders of the Company. It seeks to ensure accountability of the board of directors and management of the Company to other stakeholders who do not have oversight obligations or management powers and take these sets of individuals as their due representatives.

This Corporate Governance Framework is based on the following six (6) key principles of governance:

i. Discipline

Corporate discipline is a commitment by executive management to adhere to universally recognized and accepted norms.

ii. Independence

Independence is the extent to which mechanisms have been put in place to minimize or avoid potential conflicts of interest that may exist. These mechanisms range from the composition of the Board, appointments on committees of the Board, and the auditors. The decisions made, and internal processes established, must be objective and not allow for undue influences.

iii. Accountability

Individuals within the Company who make decisions and take actions on specific issues must be accountable for their decisions and actions.

iv. Transparency

Transparency is the ease with which external shareholders can make meaningful analysis of the Company's business actions, its economic fundamentals and the non-financial aspects essential to the business.

v. Responsibility

Responsibility refers to processes that allow for responsive action and avenues to penalise mismanagement. The Board is accountable to the shareholders and will act responsively to stakeholders.

vi. Social Responsibility

The Company must be aware of, and respond to, social issues proactively, placing a high priority on ethical standards. As a good corporate citizen, the Company will be seen increasingly as one that is non-discriminatory, non-exploitative, and responsible regarding environmental and human rights matters.

Overview of the Company's Corporate Governance Framework

This Corporate Governance Framework is the primary source of reference and guidance on all aspects of corporate governance within the Company. It incorporates the board and committee Charters which provides guidelines on how the business will be conducted by the board and executive management.

The Charters set out the roles, responsibilities, powers, composition, and duties of the Board and Board Committees. Other important details, including explanatory notes and guidelines and supporting templates and forms that will assist in embedding sound corporate governance, are contained in the appendices.

The members of the board and the executive management are expected to clearly understand the key principles of the framework and implement them.

Responsibility for updating this Corporate Governance Framework

The continual update of the corporate governance framework is the primary responsibility of the board. The

evolving nature of governance practices and the dynamic character of the industry necessitate regular review of this Corporate Governance Framework to remain relevant, efficient and effective for the desired purpose. Therefore, the Board and Executive Management will monitor the legal and regulatory environment and any developments in the industry that could have an impact on corporate governance.

The Board carried out its functions in line with legal requirements and in accordance with best practice. The Board recognises the importance of high standard corporate governance and is committed to same. The Board has implemented, and operates in accordance with, a set of corporate governance requirements which are fundamental to the Company's continued growth and success. As at the date of this report, the Company has in place, the following Board Committees which assisted the Board:

Audit, Risk & Governance Committee, chaired by Mr. Kola Adesina, Finance, Investment & General-Purpose Committee, chaired by Mr. Ade Odunsi, and the Technical and Operations Committee, chaired by Mr. Sang-Woo Park. Since the inaugural board meeting of the Company under the new dispensation, the board has held several meetings. In the year under review, the Company held Three (3) board meetings held on 6th June, 26th September and 13th December 2024.

Directors' attendance at Board meetings

The Board held Three (3) Board meetings during the year and below is the record of attendance of the directors at the meeting:

NAME	NUMBER OF MEETINGS ATTENDED	
Temitope Shonubi	3/3	
Kola Adesina	3/3	
Ade Odunsi	3/3	
Sang-Woo Park	3/3	
Attahir Yusuf	3/3	
Ignatius Ayewoh	1/3	<i>Represented by Amaechi Alope</i>
Ayodeji Gbeleyi	2/3	<i>Represented by Amaechi Alope</i>

Board committees

The Board Committees and their members also held meetings during the year as follows:

Audit, risk & governance committee

The Audit, Risk & Governance Committee met three times during the year under review. The meetings were held on 10th May, 2nd August and 11th November 2024.

NAME	NUMBER OF MEETINGS ATTENDED	
Ignatius Ayewoh	1/3	<i>Represented by Amaechi</i>
Alope Ayodeji Gbeleyi	2/3	<i>Represented by Amaechi</i>
Kola Adesina	3/3	
Ade Odunsi	3/3	
Attahir Yusuf	3/3	

Technical & Operations Committee

The Technical & Operations Committee met two times during the year under review. The meetings were held on 9th May and 1st August, 2024.

NAME	NUMBER OF MEETINGS ATTENDED
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Attahir Yusuf	2/2	
Ignatius Ayewoh	1/2	<i>Represented by Amaechi Alope</i>
Ayodeji Gbeleyi	1/2	<i>Represented by Abba Rabi</i>
Sang-Woo Park	2/2	
Kola Adesina	2/2	

Finance, Investment & General-Purpose committee

The Finance, Investment & General-Purpose Committee met three times during the year under review. The meetings were held on 10th May, 1st of August and 11th December 2024.

NAME	NUMBER OF MEETINGS ATTENDED
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Ade Odunsi	3/3	
Kola Adesina	2/3	
Ignatius Ayewoh	1/3	<i>Represented by Amaechi Alope</i>
Ayodeji Gbeleyi	2/3	<i>Represented by Abba Rabi and Amaechi Alope.</i>

EGBIN POWER PLC

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Audit, Risk & Governance Committee Report

To the Members of Egbin Power Plc

In compliance with Section 404(1) of the Companies and Allied Matters Act (CAMA 2020), we the members of the Audit, Risk and Governance Committee of Egbin power Plc, have reviewed the Audited Report for the year ended 31 December 2024 and hereby declare as follows:

1. The scope and planning of the audit for the year ended 31 December 2024 were adequate in our opinion;
2. The accounting and financial reporting policies of the Company conformed to legal requirements and agreed ethical practices;
3. The Internal Control and Internal Audit were operated effectively through robust internal control framework;
4. The External Auditor's findings as stated in the management letter received satisfactory response from Executive Management;
5. The External Auditors confirmed receiving full co-operation from the Company's management and that their scope of work was not restricted in any way.

Dated: 31 March 2026
Kola Adesina

Chairman, Audit, Risk & Governance Committee

FRC/2016/PRO/DIR/003/00000014687

MEMBERS OF THE COMMITTEE

Kola Adesina

Alex Okoh

Ignatius Ayewoh

Ayodeji Gbeleyi

Ade Odunsi

Prof. Attahir Yusuf

Chairman

Member (Resigned in 2024)

Member (Appointed in 2024 and Resigned in 2024)

Member (Appointed in 2024)

Member

Member

EGBIN POWER PLC

Annual report and financial statements

For the year ended 31 December 2024

Statement of directors' responsibilities

The Directors of Egbin Power Plc ("The Company") are responsible for the preparation of 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 International Financial Reporting Standards ("IFRS") 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 and Company's financial position and financial performance; and
- making an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for:

- designing, implementing and maintaining an effective and sound system of internal controls throughout the Company;
- maintaining adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company, and which enable them to ensure that the financial statements of the Company comply with IFRS;
- maintaining statutory accounting records in compliance with the legislation of Nigeria and IFRS;
- taking such steps as are reasonably available to them to safeguard the assets of the Company; and
- preventing and detecting fraud and other irregularities.

Going concern:

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

The financial statements of the Company for the year ended 31 December 2024 were approved by Directors on

31 March

..... 2026

Temitope Shonubi
Chairman

FRC/2018/PRO/DIR/003/00000018969

Ade Odunsi
Director

FRC/2013/PRO/DIR/003/00000005046

EGBIN POWER PLC

Annual report and financial statements

For the year ended 31 December 2024

Statement of Corporate Responsibility for the Financial Reports

The Chief Executive Officer and Chief Financial Officer of Egbin Power Plc have reviewed the audited financial statements and accept responsibility for the financial and other information within the annual report.

The following certifications and disclosures regarding the true and fair view of the financial statements as well as the effectiveness of the Internal Controls established within the Company are hereby provided below:

Financial Information

- i The audited 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 The audited 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 period covered by the audited financial statement;

Effective Internal Controls

- i Management is responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to the Company is made known to us by other officers of the Companies, particularly during the period in which the audited financial statement report is being prepared.
- ii Evaluated the effectiveness of the company's internal controls within 90 days prior to the date of its audited financial statements, and
- iii The Company's internal controls are effective as at 31 December 2024. The company has been granted a waiver by the Financial Reporting Council of Nigeria (FRCN) with respect to the implementation of Internal Control over Financial Reporting (ICFR) in year 2024

Disclosures

- i There were no significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data. Furthermore, there were no identified material weaknesses in the Company's internal control systems.
- ii There were no fraud events involving management or other employees who have significant role in the Company's internal control, and;
- iii There were no significant changes in internal controls or in other factors that could significantly affect internal controls.

**Emmanuel Udu**Chief Corporate Services Officer
FRC/2022/PRO/ICAN/002/805543

31 March2026

**Yetunde Sorinola**Chief Financial Officer
FRC/2023/PRO/ICAN/001/931145

31 March2026

August 2025

REPORT OF THE EXTERNAL CONSULTANTS ON THE PERFORMANCE OF THE BOARD OF DIRECTORS OF EGBIN POWER PLC FOR THE FINANCIAL YEAR-ENDED DECEMBER 31, 2024

DCSL Corporate Services Limited (DCSL) was engaged by Egbin Power Plc ("the Company") to conduct an evaluation of the performance of the Board of Directors for the financial year-ended December 31, 2024. This assessment was carried out pursuant to **Principle 14.1 of the Nigerian Code of Corporate Governance, 2018 ("NCCG Code") and Guideline 9 of the Securities and Exchange Commission (SEC) Corporate Governance Guidelines 2020 ("SCGG"), the Companies and Allied Matters Act 2020 (CAMA)**, as well as global best practices.

The evaluation involved a review of the Company's corporate and statutory documents, Minutes of Board and Committee meetings, policies and other relevant documents provided to us. Additionally, we administered questionnaires to Directors to assess compliance with relevant corporate governance principles and evaluate the Board's performance. The Company's corporate governance structures, policies and processes were benchmarked against the above-mentioned Codes and regulations as well as global Best Practices, focusing on the following key seven (7) corporate governance themes:

1. Board Structure and Composition;
2. Strategy and Planning;
3. Board Operations and Effectiveness;
4. Measuring and Monitoring of Performance;
5. Risk Management and Compliance;
6. Corporate Citizenship; and
7. Transparency and Disclosure.

Our review of the Company's corporate governance practices and procedures confirms that the Board remains committed to adherence to the principles outlined in the NCCG, the SCCG, as well as applicable laws and regulations. We are confident that the Board remains dedicated to maintaining the highest standards of corporate governance and we would continue to provide effective leadership for the Company.

We have highlighted the few areas for improvement and provided recommendations for implementation. Details of our key findings and recommendations are contained in our detailed Reports.

Yours faithfully,

For: DCSL Corporate Services Ltd



Bisi Adeyemi

Managing Director

FRC/2013/NBA/00000002716

Directors: ~ Abel O. Ajayi (Chairman) ~ Bisi Adeyemi (Managing Director) ~ Adeniyi Obe ~ Dr Anino Ewurwa ~ Obi A. Ogbachi ~ Mr. Lekan Belo

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Independent auditor's report

To the Members of Egbin Power Plc

Report on the audit of the financial statements

Our opinion

In our opinion, Egbin Power Plc's ("the company's") financial statements give a true and fair view of the financial position of the company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with international financial reporting standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies and Allied Matters Act and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

What we have audited

Egbin Power Plc's financial statements comprise:

- the statement of profit or loss and other comprehensive income for the year ended 31 December 2024;
 - the statement of financial position as at 31 December 2024;
 - the statement of changes in equity for the year then ended;
 - the statement of cash flows for the year then ended; and
 - the notes to the financial statements, which include a summary of material accounting policies.
-

Basis for 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 financial statements section of our report.

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

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), i.e. the IESBA Code issued by the International Ethics Standards Board for Accountants. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

PricewaterhouseCoopers
FF Millenium Towers, 13/14 Ligali Ayorinde Street, Victoria Island,
Lagos, Nigeria

Key audit matter

How our audit addressed the key audit matter

Impairment of Trade and Other receivables (N72.8 billion)

The accounting policies, critical accounting judgement and disclosures are set out in notes 3e, 4a and 15 to the financial statements.

Trade receivables from customers include amounts due from Nigerian Bulk Electricity Trading Plc ("NBET"), Eko Electricity Distribution Company ("Eko Disco") and Transmission Company of Nigeria.

Trade receivable from related parties includes amount due from Ikeja Electric. Other receivables include amounts due from Nigerian Gas Company Limited (NGC) and National Control Centre (NCC).

The company has adopted IFRS 9: Impairment, and recognised credit losses based on the "simplified approach" for trade receivables from customers, receivables from related parties, and other receivables.

The estimation performed by management requires significant judgement in the determination of key assumption for the simplified approach, such as:

- the historical settlement pattern to estimate the loss rate; and
- the forward-looking information, such as Credit rating and GDP rate.

The gross value of trade and other receivables is N503.3 billion, with the resulting impairment loss of N72.8 billion. We focused on the impairment loss because it requires significant judgement for both for timing of recognition of impairment and estimation of amounts of such impairments

Audit procedures performed to test impairment of trade and other receivables include:

- Evaluated the reasonableness of the method applied by management to calculate the impairment provision for trade and other receivables.
- Tested the reasonableness of management's assumptions, which include historical loss rates, settlement patterns, credit rating and GDP rate.
- Tested subsequent receipts from the customers confirming the collectability of the amounts outstanding as at the end of the year.
- Compared the impairment amount calculated to the amount recognised by management.
- Checked the appropriateness of IFRS 9 disclosures in the financial statements.

Other information

The directors are responsible for the other information. The other information comprises the corporate information, Directors' Report, Corporate Governance Report, Audit, Risk & Governance Committee report, Statement of Directors' Responsibilities, Statement of Corporate responsibility for the financial reports, Value Added Statement, 5-Year Financial Summary, Statement of profit or loss and other comprehensive income (USD), Statement of financial position (USD), Statement of changes in equity (USD), and Statement of cash flows (USD), but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, 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 and those charged with governance for the financial statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the requirements of the Companies and Allied Matters Act, 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 company'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 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 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 company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters 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

The Companies and Allied Matters Act requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) the company has kept proper books of account, so far as appears from our examination of those books;
- iii) the company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account and returns.

For: **PricewaterhouseCoopers**
Chartered Accountants
Lagos, Nigeria



31 March 2026

Engagement Partner: Cyril Azobu
FRC/2013/PRO/ICAN/004/00000000648

EGBIN POWER PLC

Annual report and financial statements

For the year ended 31 December 2024

Statement of profit or loss and other comprehensive income

		31 December 2024	31 December 2023
	Note	₦'000	₦'000
Revenue	5	465,700,870	230,094,000
Cost of sales	6	(436,479,051)	(205,964,510)
Gross profit		29,221,819	24,129,490
Impairment loss	7.4	(25,285,216)	(9,645,748)
Administrative expenses	8	(8,324,883)	(6,525,792)
Operating (loss)/profit		(4,388,280)	7,957,950
Finance income	7.1	2,812,991	2,496,799
Finance cost	7.2	(1,764,357)	(1,432,066)
Other losses	7.3	(42,565,754)	(31,339,600)
Loss before taxation		(45,905,400)	(22,316,917)
Tax credit	11	13,862,562	20,750,246
Loss for the year		(32,042,838)	(1,566,671)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Change in Decommissioning estimate	21	(1,725,287)	69,274
Revaluation surplus	12, 13	565,447,309	-
Deferred Tax on revaluation surplus	11	(85,430,399)	
Total comprehensive income/(loss) for the year		446,248,785	(1,497,397)
<i>Loss per share - Basic & Diluted (Naira)</i>	24	(1,282)	(63)

The explanatory notes on pages 25 to 53 form an integral part of these financial statements.

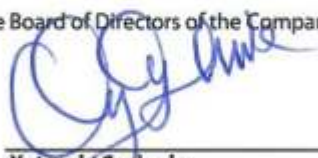
EGBIN POWER PLC
Annual report and financial statements
For the year ended 31 December 2024
Statement of financial position

	Note	31 December 2024 N'000	31 December 2023 N'000
ASSETS			
Non-current assets			
Property, plant and equipment	12,12a	793,367,491	238,967,032
Intangible assets	13	149,600	149,004
Total non-current assets		793,517,091	239,116,036
Current assets			
Inventories	14	4,230,465	2,156,663
Trade and other receivables	15	430,576,549	160,492,438
Other assets	16	4,173,154	4,253,516
Restricted cash	17	2,211,169	2,673,454
Cash and cash equivalents	18	21,777,136	19,016,158
Total current assets		462,968,473	188,592,229
TOTAL ASSETS		1,256,485,564	427,708,265
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	23	25,000	25,000
Accumulated losses		(32,407,509)	(364,671)
Revaluation reserve	12	800,992,065	320,975,155
Other reserves	25	(126,452,753)	(124,727,466)
Total equity		642,156,803	195,908,018
Non-current liabilities			
Deferred tax liabilities	11.3	115,149,240	46,062,045
Provision for decommissioning obligation	21	15,054,477	11,599,321
Total non-current liabilities		130,203,717	57,661,366
Current liabilities			
Trade and other payables	19	481,612,732	172,777,237
Current tax liabilities	11.1	2,512,312	1,361,644
Total current liabilities		484,125,044	174,138,881
TOTAL LIABILITIES		614,328,761	231,800,247
TOTAL EQUITY AND LIABILITIES		1,256,485,564	427,708,265

The financial statements and notes from pages 21 to 53 were approved by the Board of Directors of the Company on 31 March, 2026. They were signed on its behalf by:


Emmanuel Udu
 Chief Corporate Services Officer
 FRC/2022/PRO/ICAN/002/805543


Temitope Shonubi
 Chairman
 FRC/2018/PRO/DIR/003/00000018969


Yetunde Sorinola
 Chief Financial Officer
 FRC/2024/PRO/ICAN/001/931145


Ade Odunsi
 Director
 FRC/2013/PRO/DIR/003/00000005046

EGBIN POWER PLC
Annual report and financial statements
For the year ended 31 December 2024
Statement of changes in equity

		Share Capital	Retained Earnings/ Accumulated losses	Revaluation reserve	Other Reserves	Total Equity
	Note	₦'000	₦'000	₦'000	₦'000	₦'000
Balance at 1 January 2023		25,000	1,202,000	320,975,155	(124,796,740)	197,405,415
Loss for the year		-	(1,566,671)	-	-	(1,566,671)
Changes in Decommissioning estimate		-	-	-	69,274	69,274
Total comprehensive (loss)/income for the year		-	(1,566,671)	-	69,274	(1,497,397)
Balance at 31 December 2023		25,000	(364,671)	320,975,155	(124,727,466)	195,908,018
Loss for the year		-	(32,042,838)	-	-	(32,042,838)
Revaluation surplus	12	-	-	565,447,309	-	565,447,309
Deferred tax on revaluation surplus		-	-	(85,430,399)	-	(85,430,399)
Changes in Decommissioning estimate		-	-	-	(1,725,287)	(1,725,287)
Total comprehensive income/(loss) for the year		-	(32,042,838)	480,016,910	(1,725,287)	446,248,785
Balance at 31 December 2024	23 & 25	25,000	(32,407,509)	800,992,065	(126,452,753)	642,156,803

The explanatory notes on pages 25 to 53 form an integral part of these financial statements.

EGBIN POWER PLC
Annual report and financial statements
For the year ended 31 December 2024
Statement of cash flows

	Notes	31 December 2024 ₦'000	31 December 2023 ₦'000
Cash flows from operating activities			
Loss before tax		(45,905,400)	(22,316,917)
Adjustments for:			
Depreciation on generation assets	6	11,895,586	11,873,616
Depreciation on non generation assets	8	1,278,891	1,246,144
Amortization on intangible assets	8	65,793	60,754
Impairment loss -Receivables	7.4	25,285,216	9,645,748
Accretion expense	7.2	1,729,869	1,386,082
Gain on assets disposal	7.3	(1,375)	(1,979)
Net foreign exchange differences		-	876,851
Interest on fixed deposit	7.1	(2,812,991)	(2,496,799)
		37,440,989	22,590,417
Movements in working capital			
Increase in trade and other receivables	15	(295,369,328)	(57,439,411)
Decrease/(Increase) in other assets	16	80,362	(1,941,883)
Increase in inventories	14	(2,073,802)	(1,085,015)
Increase in trade and other payables	19	308,835,497	63,622,040
Total adjustments and movements		48,913,718	25,746,148
Income taxes paid	11.1	(1,329,974)	(794,944)
Net cash generated from/(used in) operating activities		1,678,344	2,634,287
Cash flows from investing activities			
Purchase of property plant & equipment	12	(2,194,017)	(620,776)
Purchase of intangible assets	13	-	(33,251)
Disposal of fixed assets	12	1,375	6,180
Interest received on fixed deposits	7.1	2,812,991	2,496,799
Increase in restricted cash	17	462,285	1,163,552
Net cash generated from/(used in) investing activities		1,082,634	3,012,503
Cash flows from financing activities			
		-	-
Net increase in cash and cash equivalents		2,760,978	5,646,790
Gross cash and cash equivalents at beginning of the year		19,016,158	14,246,219
Effects of exchange rate changes on cash and cash equivalents		-	(876,851)
Gross cash and cash equivalents at end of the year		21,777,136	19,016,158

The explanatory notes on pages 25 to 53 form an integral part of these financial statements.

EGBIN POWER PLC

Annual report and financial statements

For the year ended 31 December 2024

NOTES TO THE FINANCIAL STATEMENTS

1.0 The Company

Egbin Power Plc ("the Company") was one of the unbundled companies from the defunct Power Holdings Company of Nigeria (PHCN). The Company was in the generating sector of the PHCN which was a state-owned Electric Power Company. During the Federal Government's privatisation program, the Company was sold to KEPCO Energy Resource Limited (KERL) in 2007 as part of the privatization of the electric power sector. The sale was authorized by the Bureau of Public Enterprises (BPE). Effective from 1 November 2013 (referred to as the handover date), the Federal Government of Nigeria (FGN) handed over the Company and other unbundled assets to their new owners. The Company entered into an operation and maintenance agreement with KEPCO in November 2013 to provide operation and maintenance services on its plant.

1.1 Shareholding structure

The shareholding structure of the Company is as follows:

	₦'000	%
<i>KERL</i>		
17,500,000 ordinary shares of ₦1 each	17,500	70
<i>BPE</i>		
6,000,000 ordinary shares of ₦1 each	6,000	24
<i>Ministry of Finance Incorporated</i>		
1,500,000 ordinary shares of ₦1 each	1,500	6
Total issued ordinary shares	25,000	100

1.2 Principal activities

The Company's principal activity is to generate power and to sell to the Nigerian Bulk Electricity Trading Plc (NBET). The Company has installed capacity of 1,320 megawatts and utilizes thermal plant to generate

1.3 Financial period

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

1.4 Composition of financial statements

The financial statements are presented in Nigerian Naira (NGN), the functional currency of Egbin Power Plc, in accordance with IFRS accounting presentation. The financial statements comprise:

- (i) Statement of profit or loss and other comprehensive income
- (ii) Statement of financial position
- (iii) Statement of changes in equity
- (iv) Statement of cash flows
- (v) Notes to the financial statements

EGBIN POWER PLC*Annual report and financial statements**For the year ended 31 December 2024***NOTES TO THE FINANCIAL STATEMENTS**

1.5.1 Going concern

The management of Egbin Power Plc ("EGBIN") has continually assessed the going concern of the Company and as at the end of the financial year 2024, the management have no plans or intentions to dispose of the business or cease operations that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

The management of the company further considered that the going concern of the Company is not threatened in any form having reviewed the going concern assumption under the following contexts; financial, operational, other possible indicators and strategic growth plans.

2. Application of new and revised International Financial Reporting Standards (IFRSs)

The following new standards and amendments to the existing standards issued by the International Accounting Standards Board and interpretations issued by the International Financial Reporting Interpretations Committee are effective for the current year.

2.1 Amendments to IFRSs that are mandatorily effective for annual periods beginning on or after 1 January 2024**Supplier Finance Arrangements - Effective date of amendments to IAS 7 and IFRS 7**

On 25 May 2023, the IASB issued 'Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)' to add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements. The amendments are effective for reporting periods beginning on or after 1 January 2024.

Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 (Effective date is 1 January 2024)

On 22 September 2022, the IASB issued 'Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)' with amendments that clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments are effective for annual periods beginning on or after 1 January 2024.

Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants – Amendments to IAS1. (Effective date is 1 January 2024)

On 31 October 2022, the IASB issued 'Non-current Liabilities with Covenants (Amendments to IAS 1)' to clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments are effective for reporting periods beginning on or after 1 January 2024

The above amendments do not have a material impact on the entity's financial statements in the current and prior period.

2.2 New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Company. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates. Effective date is 1 January 2025. The Lack of Exchangeability amendments clarify how to assess if a currency is exchangeable and determine the rate if not exchangeable.

Amendments to SASB Standards which aim to strengthen their international applicability. (Effective date is 1 January 2025.): The main change removes country-specific definitions and references, making the standards usable globally without significant alterations to industries, topics, or metrics, notes IAS Plus and Grant Thornton.

Climate Alignment: Earlier amendments (June 2023) addressed climate-related topics to align with IFRS S2.

Reporting Impact: While effective Jan 1, 2025, companies applying these changes will first see them in their 2026 reports (for the 2025 financial year).

IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027).

IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027)

Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026)

3. BASIS OF PREPARATION OF THE ACCOUNTS

These "financial statements" have been prepared in accordance with International Accounting Standards ("IAS"), International Financial Reporting Standards ("IFRSs") and International Financial Reporting Interpretations Committee ("IFRIC") Interpretations (collectively referred to as IFRS), the Companies and Allied Matters Act (CAMA), and the Financial Reporting Council of Nigeria (FRC) Act as at 31 December 2024.

The financial statements have been prepared on a historical cost basis except for the property, plant & equipment balance which has been measured on a revaluation model basis. The historical cost is generally based on the fair value of the consideration given in exchange for the assets while the revaluation model refers to the replacement costs of the fixed assets.

Material accounting policies

The financial statements have been prepared in accordance with the Company's accounting policies approved by the Board of Directors of the Company.

A. Revenue recognition

Revenue from sale of electricity to Nigeria Bulk Electricity Trading Plc (NBET), it is measured at the fair value of the consideration received or receivable, net of value added tax (VAT). Revenue is recognised when title to, and control of the electricity is passed to the customer (NBET) i.e. when electricity is delivered to the delivery point in accordance with the Power Purchase Agreement (PPA). Revenue is earned over time in line with the continuous generation of power from the Company's generating plant. Revenue (capacity and energy) is the total pre-agreed tariff set out in the PPA with Nigeria Bulk Electricity Trading Plc (NBET) at the time the utility service is rendered.

The revenue also includes bilateral sales to Ikeja Electric in respect of energy generated from Unit 6. The units are based on energy volumes received by Ikeja Electric. The Company also generates additional revenue based on a compensating fee received from the System Operator (National Control Centre) in respect of spinning reserves. This arises when the Company has been requested to step down its supply of power in order to prevent damage to the national grid.

Pursuant to the Power Purchase Agreement with Nigerian Bulk Electricity Trading Plc (NBET), Egbin Power Plc's is entitled to various payment, which comprises of Energy and Capacity, Interest on Energy and Capacity receivables, Deemed Capacity and interest, and True-Ups. As of December 31, 2024, the company had outstanding receivables from NBET; relating to these items amounting to NGN 2.231tn, with NGN 1.752tn of this amount being disputed.

EGBIN POWER PLC

Annual report and financial statements

For the year ended 31 December 2024

NOTES TO THE FINANCIAL STATEMENTS

Performance Obligation

Revenue is recognised when the electricity generated is sent to the National Grid and acknowledged by the Nigeria Bulk Electricity Trading Plc (NBET). This consideration is unconditional because only the passage of time is required before the payment is due.

B. Property, plant and equipment

1. Generation assets

The Company's generation assets are stated at replacement cost using the revaluation model less accumulated depreciation and impairment losses and are generally depreciated using the unit of production method based on the machine usage hours over the estimated operating capacity of the assets. Generation assets include the operating assets which the Company uses in carrying out its normal course of business; generating power to NBET. These assets include the generating plants, turbines, plant spares, and the plant's buildings. All asset are estimated to be revalued every 5 years or sooner if market conditions change significantly.

Spare parts and replacement materials of significant importance to the generation assets and whose useful lives are greater than one year (either utilised or not) are classified as part of generation assets in line with IAS 16 – Property, Plant and Equipment and depreciated accordingly with similar assets.

The main depreciation rate and basis used by the Company for its assets are as set out below:

Generation assets		
Asset Class	Rate/Useful life (yrs.)	Basis
Plant and machineries	Unit of production method based on machine usage hours	Capacity Utilisation
Generation plant buildings (Including Auxiliary plant)	50	Estimated Useful life

2. Non-generation assets

The Company's non-generation assets are stated at fair value using the revaluation model less accumulated depreciation and accumulated impairment losses. Depreciation is on a straight line method over the estimated useful lives of the assets. Non-generation assets include land, administrative office building, furniture and fittings, motor vehicles, etc. Land is not depreciated. The company's policy is to capitalize assets where it is probable that future economic benefits will flow to the entity from the use of the assets, and the cost can be measured reliably. The capitalization threshold are items valued above one hundred thousand naira. All assets are estimated to be revalued every 5 years or sooner if market conditions change significantly.

The main depreciation rate and basis used by the Company for its assets are as set out below:

Non-generation assets		
Asset Class	Rate/Useful life (yrs.)	Basis
Land	Nil	N/A
Buildings	50	Estimated Useful life
Building Improvement	20	Estimated Useful life
Equipment	Computer (4), Communication (4), Miscellaneous (10)	Estimated Useful life
Furniture and fittings	5	Estimated Useful life
Motor Vehicles	4	Estimated Useful life
Work-in-Progress	Nil	N/A
Intangible Assets	Computer software (4)	Estimated Useful life

C. Impairment of property, plant and equipment

The carrying amounts of the Company's long-term assets are reviewed at each reporting date to determine whether there is any indication of impairment. If an indication of impairment exists, then the asset's recoverable amount is estimated. Generation assets are assessed for impairment when they are reclassified from construction in progress to property, plant and equipment (PP&E), and if facts and circumstances suggest that the carrying amount exceeds the recoverable amount, the asset is considered impaired and is written down to its recoverable amount through the statement of profit or loss.

For the purpose of impairment testing, assets are grouped into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell ("FVLCTS").

Value in use is determined by estimating the present value of the pre-tax future net cash flows expected to be derived from the continued use of the asset. FVLCTS is based on available market information, where applicable. The Company generally estimates fair value less costs to sell using a discounted cash flow model which has a significant number of assumptions. The model uses expected cash flows from capacity of electricity generation forecast, energy unit sales price in force and other operational cost parameters. The discount rate applied to the cash flows is also subject to management's judgement and will affect the recoverable amount calculated. The Company monitors internal and external indicators of impairment relating to its generation and non-generation assets.

D. Derecognition of property, plant & equipment

Property, plant & equipment are derecognised at disposal or when no future economic benefits are expected from its use. Upon disposal, the difference between the net disposal proceeds and the carrying value of the asset is computed in order to ascertain whether there is a gain or loss. The gain/loss is then recognised in the statement of profit or loss for the year.

E. Financial instruments

Financial assets

Initial recognition and measurement:

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Company determines the classification of its financial assets at initial recognition. All financial assets are recognised initially at fair value plus (in the case of investments not at fair value through profit or loss) directly attributable transaction costs. The Company's financial assets include cash and cash equivalents, restricted cash, and trade and other receivables.

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Classification and subsequent measurement:

The Company classifies and measures its financial assets at amortised cost.

Financial assets measured at amortized cost - Subsequent measurement and gains & losses

Financial assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and at hand and short term deposits with an original maturity of three months or less, but exclude any restricted cash which is not available for use by the Company and therefore is not considered highly liquid. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Derecognition

A financial asset (or, where an applicable part of a financial asset or part of a group of similar financial assets) is de-recognised when:

- The right to receive cash flows from the asset has expired.
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and either
 - (a) the Company has transferred substantially all the risks and rewards of the asset, or
 - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The company applies the IFRS 9 simplified approach to measure the expected credit losses (ECL) which uses a lifetime expected loss allowance for all financial assets except cash & cash equivalents which is based on general approach. The impairment on cash and cash equivalent have however been assessed to be immaterial.

To measure the expected credit losses, trade receivables have been grouped on shared credit risk characteristics and days past due. The expected loss rate are based on the payment profiles of sales over a period of 48 months before 31st December 2023 and corresponding historical credit losses experienced within this period. The historical loss rate are adjusted to reflect current and forward looking information on macroeconomic factors such as; GDP and credit rating affecting the ability of the customers to settle the receivables.

The simplified approach requires expected lifetime losses to be recognized from initial recognition of the receivables. This involves determining the expected loss rates using a provision matrix that is based on the Company's historical default rates observed over the expected life of the receivable and adjusted forward-looking estimates. This is then applied to the gross carrying amount of the receivable to arrive at the loss allowance for the period. Evidence of impairment may include indications that the debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial re-organisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

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

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 15 business days past due.

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 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 Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset. Financial assets not classified at fair value through profit or loss are assessed at each reporting date.

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 and recognised in profit or loss under the administrative expenses.

Financial liabilities**Initial recognition and measurement**

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value plus attributable transaction costs. The Company's financial liabilities include trade and other payables.

Subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or fair value through profit or loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, 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.

Derecognition

The 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.

If there is a change in the timing or amount of estimated cash flows, then the amortised cost of the financial liability (or group of financial instruments) is adjusted in the period of change to reflect the revised actual and estimated cash flows, with a corresponding income or expense being recognised in profit or loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include: using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; a discounted cash flow analysis or other valuation models.

Trade and Other Payables

Creditors and accruals are the financial obligations due to third parties and are falling due within one year. The outstanding balances are not interest bearing and are stated at their nominal value.

Finance income and expense

Finance expense comprises accretion on decommissioning liabilities and impairment losses recognized on financial assets. Finance income comprises interest earned on cash and cash equivalents and short-term investments through profit or loss.

F. Employee benefit costs

The Company maintains a defined contribution pension scheme in accordance with the new Pension Reform Act, 2014. The contribution by the employer and employee is 10% and 8% respectively of the employees' monthly basic salary, transport and housing allowances. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered services entitling them to the contributions.

Short-term employee benefits

Short-term employee benefits are rewards such as wages, salaries, paid annual leave, and bonuses (if payable within twelve months of the end of the period) and non-monetary benefits (such as medical care, housing, cars, etc.)

Medical Insurance Scheme

The Company subscribes to a medical insurance plan on behalf of its employees, paying a gross premium to a health management organization based on the level of the employee. This premium is treated as a prepayment and charged to staff costs on a monthly basis.

G. Inventories

Inventories are stated at the lower of cost and net realizable value. Inventories represent small parts, other consumables and gas fuel, the majority of which is consumed by our projects in provision of their services within one financial year. Cost comprises; direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventory to their present location and condition.

Cost is determined by the weighted average cost method.

Net realizable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Estimates are based on the most reliable evidence available and take into consideration fluctuations in price or cost directly relating to events occurring after the reporting period to the extent that such events confirm conditions existing at the end of the reporting period.

H. Provisions**General**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost in the statement of comprehensive income.

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Decommissioning liability

The Company recognizes a decommissioning liability when it has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. The obligation generally arises when the asset is installed or the ground/environment is disturbed at the field location. When the liability is initially recognised, the present value of the estimated costs is capitalised by increasing the revalued amount of the related base/power stations and generating plants to the extent that it was incurred by the development/construction of the station. Any decommissioning obligations that arise through the production of electricity are expensed as incurred. Any reduction in the decommissioning liability and, therefore, any deduction from the asset to which it relates, may not exceed the revalued amount of that asset. If it does, any excess over the revalued value is taken immediately to statement of comprehensive income. If the change in estimate results in an increase in the decommissioning liability and, therefore, an addition to the revalued value of the asset, the Company considers whether this is an indication of impairment of the asset as a whole, and if so, tests for impairment in accordance with IAS 36. If the revised power and utilities' assets net of decommissioning provisions exceed the revalued value, that portion of the increase is charged directly to expense. Over time, the discounted liability is increased for the change in present value based on the discount rate that reflects current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognised in statement of profit or loss as a finance cost. The Company recognises neither the deferred tax asset regarding the temporary difference on the decommissioning liability nor the corresponding deferred tax liability regarding the temporary difference on a decommissioning asset.

Decommissioning provision represents the present value of estimated future decommissioning costs relating to the generation assets, which are expected to be incurred up to year 2035, based on its operating life. This provision has been created based on management's best estimates as at the reporting date. Assumptions based on the current economic environment have been made which management believes are a reasonable basis upon which to estimate the future liability. The fair values of these asset retirement obligations are recorded on a discounted basis, at the time the obligation is incurred, and accreted overtime for the change in present value. The estimate for the decommissioning liability was calculated based on the plant capacity for the year, expected scrap value of the steel components factoring the Federal Government of Nigeria (FGN) 12-year tenor bond at the rate of 18.2% (2023: 12.5%) per annum. The assumptions and judgements made in regard to this estimate are subject to annual assessment by management and adjustments if any are to be recognised. Management recognises that actual decommissioning costs will ultimately depend upon future market prices for the necessary decommissioning works required which will reflect market conditions at the relevant time. Furthermore, the timing of decommissioning is likely to depend on when the generation assets cease to produce on economically viable basis.

I. Foreign currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies on the statement of financial position date are reported at the foreign exchange rate prevailing at that date. Foreign currency differences are generally recognised in profit or loss and presented within finance cost or income except where they are regarded as an adjustment to borrowing costs and as such capitalised as part of property, plant and equipment.

J. Taxation**1. Company income tax**

Income tax expense is the aggregate of the charge to the statement of comprehensive income in respect of current income tax, education tax and deferred tax.

Current income tax is the amount of income tax payable on the taxable profit of the year determined in accordance with the Company Income Tax ACT, CAP C21 LFN 2004 (as amended). Education tax is assessed at 3% of the assessable profit in line with the Finance Act 2021. Minimum tax according to the Finance Act 2020 is 0.5% of gross annual turnover less franked investment income.

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2. Deferred tax

In general, deferred tax is recognized in respect of temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined on a non-discounted basis using tax rates and laws enacted or substantively enacted by the reporting date and expected to apply when the deferred tax asset or liability is settled. This is determined through the liability method.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are presented as non-current assets or liabilities respectively.

Deferred tax assets and deferred tax liabilities are offset to the extent of the company's legal right and intention to settle current tax liabilities on a net basis.

K. Intangible assets**Computer software**

Acquired computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Amortisation is calculated using the straight-line method over a period of rights obtained to allocate the cost of computer software. If software is integral to the functionality of related property, plant and equipment (PPE), then it is capitalised as part of the PPE. Costs that are directly associated with the development of identifiable and unique software products controlled by the company, and that will probably generate economic benefits exceeding costs beyond one year are recognised as intangible assets and amortised as above. Costs include employee costs incurred as a result of developing software, borrowing costs if relevant and an appropriate portion of relevant overheads. Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

The company uses the revaluation model for its intangible assets, and are classified as finite.

Management has assessed the frequency of the revaluation to be every 5 years or sooner if market conditions change significantly.

L. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available for a short term out of money borrowed specifically to finance a project, the income generated from the temporary investment of amounts is also capitalised and deducted from the total capitalised borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the period.

All other borrowing costs are recognised in the statement of profit or loss in the period in which they are incurred.

M. Share capital

The Company has only one class of shares, ordinary shares. Ordinary shares are classified as equity. When new shares are issued, they are recorded in share capital at their par value. The excess of the issue price is recorded in the share premium reserve.

FINANCIAL RISK MANAGEMENT POLICY

The company's financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the company's working capital needs. The company have trade and other receivables, and cash and short-term deposits that arise directly from its operations. During the year ended 31 December 2024, the company has been exposed to energy market risk, credit risk, foreign currency exchange risk, and treasury risk.

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(a) Energy market risk

The company is exposed to market risk associated with fluctuations in the market price of electricity within the framework of the Multi Year Tariff Order (MYTO) and confirmation by the market operator and generation gas compounded by volumetric loss risk of power generated caused by unplanned changes in the load, output of its portfolio of generation assets, capacity of transmitting companies and demand by customer. The risk management policies are implemented at the business level with the oversight of the Company's board, technical partner, and management teams. The company uses a number of risk measurement procedures and techniques to ensure that risk is kept within pre-approved limits. This risk is mitigated by compensation payment for capacity and load shedding by the Market Operator if reduction in generation is at their instance.

(b) Credit risk

The company is exposed to both settlement risk defined as the risk of a counterparty failing to pay for energy and/or services which have been delivered. Credit risk is mitigated by active engagement and reconciliation of energy supplied to the market operator and promotion of compliance with the MYTO agreement. Credit risk is an activity managed by the Directors with all relevant stakeholders to ensure reduced impact on provisioning policy. The expected credit loss is analysed at each reporting date and this is estimated by management taking into account forward looking information within which the company operates. The maximum exposure to credit risk in respect of trade receivables is the carrying value of the trade receivables at the reporting date. The carrying value of trade receivables is stated gross of the allowance for recoverability provision.

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 31 December 2024

Total trade receivables

Age of trade receivables	Current Invoices	0 - 30 days	31 - 90 days	91 - 180 days	
Gross carrying amount (₦'000)	86,800,977.05	24,644,362	50,285,312	96,246,200	
Loss rate	0.00%	5.17%	6.78%	11.05%	
Lifetime ECL (₦'000)	-	1,272,970	3,410,605	10,632,079	
Age of trade receivables	181 - 270 days	271 - 365 days	Above 365 Days	Management overlay	Total
Gross carrying amount (₦'000)	70,524,395	51,348,296	23,139,066	99,391,739	502,380,348
Loss rate	15.73%	45.25%	100.00%	0.00%	
Lifetime ECL (₦'000)	11,093,007	23,233,318	23,139,066	-	72,781,044
Gross carrying amount comprises trade receivables (Note 15) and related party receivables - Ikeja Electric (Note 20.1)					

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 31 December 2023

Total trade receivables

Age of trade receivables	Current Invoices	0 - 30 days	31 - 90 days	91 - 180 days	
Gross carrying amount (₦'000)	44,538,015	12,330,839	16,976,251	31,697,368	
Loss rate	0.00%	14.20%	17.37%	27.98%	
Lifetime ECL (₦'000)	-	1,750,955	2,948,263	8,867,592	
Age of trade receivables	181 - 270 days	271 - 365 days	Above 365 Days	Management overlay	Total
Gross carrying amount (₦'000)	10,666,974	8,750,799	25,626,360	56,770,273	207,356,880
Loss rate	34.79%	52.47%	100.00%	0.00%	
Lifetime ECL (₦'000)	3,711,310	4,591,349	25,626,360	-	47,495,828
Gross carrying amount comprises trade receivables (Note 15) and related party receivables - Ikeja Electric (Note 20.1)					

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Management overlay

Management overlay relates to NBET balances that have been outstanding above 365 days and are not deemed lost based on industry trends. Due to recent commitment and cash inflows from NBET, management is optimistic that these balances are recoverable and will be fully settled.

Sensitivity of Expected credit loss

The table below demonstrates the sensitivity to a 10% increase or decrease in the loss rates on trade receivables, for each customer group, with all other variables held constant:

Effect on profit before tax (PBT)

	31-Dec-24	31-Dec-23
Increase/decrease in estimated loss rates		
+10%	(7,278,104)	(4,749,583)
-10%	7,278,104	4,749,583

Cash and cash equivalents

The Company held cash and cash equivalents of ₦21.77 billion (excluding cash in hand) as at year end (2024: ₦14.25 billion) which represents its maximum credit exposure on these assets.

The cash and cash equivalents (with the exception of ₦0.207 million held as cash) of the Company are held by banks and financial institutions. The Company mitigates the credit risk exposure of its bank balances by selecting reputable banks with good credit ratings and a history of strong financial performance.

The following table provides information about the exposure to ECLs for cash and cash equivalents as at 31 December 2024.

	2024	2023
ECL stage 1		
Carrying amount (₦'000)	21,777,136	19,016,158
Loss rate	0%	0%
ECL	-	-

The Company considers the expected credit losses on its cash and cash equivalents to be qualitatively immaterial.

Counterparties with external credit ratings

Cash and equivalents

B

B-

CCC

Non-rated

Total cash and cash equivalents

	2024	2023
	₦'000	₦'000
B	3,572,287	-
B-	17,586,307	19,011,654
CCC	591,866	-
Non-rated	26,676	4,504
Total cash and cash equivalents	21,777,136	19,016,158

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company has a clear focus on ensuring sufficient access to capital to finance growth.

The following are the remaining contractual maturities of financial liabilities, excluding the impact of netting agreements:

	Contractual cash flows	
	2024	2023
	₦'000	₦'000
Trade and other payable		
Carrying amount	481,612,732	172,777,237
2 months or less	202,093	430,272
2-12 months	481,410,638	172,346,965
Total	481,612,732	172,777,237

(d) Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from prior year. The capital structure of the Company consists of cash and cash equivalents as disclosed in Note 18, and the reserves in the statement of changes in equity. The company does not have borrowings, as such there is no gearing ratio.

(e) Market risk
Currency risk:

Foreign exchange 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. The Company is exposed to risks resulting from fluctuations in foreign currency exchange rates. Some of the Company's business activities and transactions (such as hire and other services) are done in a foreign currency, mainly the US Dollar. A change in the value of any such foreign currency could have an effect on the Company's cash flow and future profits. The Company is exposed to exchange rate risk as a result of cash balances denominated in a currency other than the Naira.

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

The huge foreign exchange loss of N42.9bn is as a result of the naira devaluation and the federal government's introduction of willing buyer -willing seller floating exchange rate regime.

Foreign currency denominated balances

	2024 N'000	2023 N'000
Financial assets:		
Cash and cash equivalents	3,173,679	903,074
Financial liabilities:		
Trade and other payables	227,217,996	52,267,831
Net foreign currency denominated balances	(224,044,316)	(51,364,757)

Sensitivity analysis for foreign exchange risk

A strengthening of the USD, as indicated below against the Naira at 31 December would have affected profit or loss and equity by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period and has no impact on equity. The analysis assumes that all other variables, in particular interest rates, remain constant.

The analysis is performed on the same basis for 2023 albeit that the reasonably possible foreign exchange rate variances were different, as indicated below:

Impact on profit or loss

20% change in exchange rates	(44,808,863)	(10,272,951)
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Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will be affected by changes in market interest rates. The company does not have any borrowings, hence not exposed to this risk.

Price risk

This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices other than those arising from interest rate risk or currency risk. The company has no financial instrument exposed to price risk.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In determining and applying accounting policies, judgement is often required in respect of items where the choice of specific policy to be followed could materially affect the reported amounts of revenues, expenses, assets and liabilities of the company should it later be determined that a different choice would be more appropriate. In addition, in preparing the accounts in conformity with IFRS, the company is required to make estimates and assumptions that impact on the reported amounts of revenues, expenses, assets, and liabilities of the company. Actual results may differ from these estimates. These are discussed in more details below.

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(a) Impairment of trade receivables

Trade receivables are stated net of expected credit loss. The company estimates its provision for impairment taking into account future cash flows, based on prior experience, ageing analysis and an assessment of the current economic environment and other forward looking information within which the company operates, liquidity matters amongst the market participants and related government policies and plans. These estimates and assumptions involves forward looking information and a significant degree of judgement.

(b) Impairment of property, plant and equipment

Impairment of property, plant and equipment, and intangible Assets with indefinite life is conducted at every reporting period in line with the provisions of IAS 36. However, in certain circumstances if there are impairment indicators, property, plant and equipment are required to be reviewed for impairment. When a review for impairment is conducted, the recoverable amount is assessed by reference to the net present value of the expected future cash flows of the relevant Cash Generating Unit ("CGU"), or disposal value if higher. The discount rate applied is based on the company's weighted average cost of capital with appropriate adjustments for the risks associated with the CGU. Estimates of cash flows involve a significant degree of judgement as matters relating to gas supply, grid capacity, and load capacity factor which relate to the existing operating turbines and projected plans are used in developing these estimates. The tariff on Capacity and Energy are also susceptible to changes in variable elements of the MYTO 2.0 model. The Directors estimates and assumptions are based on reasonable and operational plan of the Company and existing or planned government policies.

(c) Revaluation of property, plant and equipment

The company has revalued its property, plant, and equipment assets as at December 31 2024. The revaluation was carried out by an independent valuer and the surplus on revaluation has been credited to the revaluation reserve. See Note 31 for details of the independent valuer.

(d) Deferred Tax Assets

Deferred tax assets are recognized for temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The deferred tax assets are measured at the prevailing tax rates as at the end of the period.

(e) Net realisable value of inventory

Net realizable value of inventory is arrived at using the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Estimates are based on the most reliable evidence available and take into consideration fluctuations in price or cost directly relating to events occurring after the reporting period to the extent that such events confirm conditions existing at the end of the reporting period.

(f) Depreciation and amortization

Depreciation for core assets is estimated using the unit of production method based on the machine usage hours over the estimated operating capacity of the assets multiplied by the net book value at the end of the period. While depreciation for non-generating assets are estimated using the straight line method over the Amortization of intangible assets are estimated using the straight line method over the estimated useful lives of the assets.

(g) Contingencies

Appropriate disclosure of contingent liabilities is made regarding litigation, tax matters, and environmental issues, among others. Accounting for contingencies requires significant judgement by management regarding the estimated probabilities and ranges of exposure to potential loss. The evaluation of these contingencies is performed by specialists either externally contracted or internal personnel. The Company's assessment of its exposure to contingencies could change as new developments occur or more information becomes available. The outcome of the contingencies could vary significantly and could materially impact the Company's results and financial position. The Company has used its best judgement in applying IAS 37 'Provisions, Contingent liabilities and Contingent assets' to these matters during the year.

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(h) Decommissioning and environmental liability

The company periodically revises the estimates made concerning the costs to be incurred in the decommissioning of the company's power generating plants and its constructive obligation to restore the station sites over the course of their operational lives.

Sensitivity analysis for decommissioning liability

Assumptions	2024	2023
Inflation rate	2.9%	3.4%
Discount rate	18.2%	14.9%
Exchange rate as at 31 Dec	1538.25	907.11
Salvage value of scrap metal (N000)	5,000,000	4,483,550

The changes in Decommissioning estimate recognised in the period is impacted by a variety of factors, as described above.

The table below shows information on the sensitivity of the changes in Decommissioning estimate of the Company's decommissioning liabilities to the methods, assumptions and estimates used in calculating changes in Decommissioning estimate at the end of the reporting period. These methods, assumptions and estimates have a significant risk of causing material adjustments to the decommissioning liabilities.

Changes in assumptions	Impact on other comprehensive income	
	2024	2023
	₦'000	₦'000
Inflation rate -Increase by 10%	(1,897,816)	76,201
Discount rate - Increase by 10%	(2,087,597)	83,821
Exchange rate as at 31 Dec 2023 - Increase by 10%	(2,087,597)	83,821
Salvage value of scrap metal (NGN) - Increase by 10%	(2,087,597)	83,821
Inflation rate -Decrease by 10%	(1,552,758)	62,346
Discount rate - Decrease by 10%	(1,397,482)	56,112
Exchange rate as at 31 Dec 2023 - Decrease by 10%	(1,397,482)	56,112
Salvage value of scrap metal (NGN) - Decrease by 10%	(1,397,482)	56,112

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5 Revenue	2024	2023
	₦'000	₦'000
This represents revenue generated from electricity sales over time.		
Sale of electricity (Note 5.1)	465,689,050	230,082,339
Other electricity bills (Note 5.2)	11,820	11,661
	465,700,870	230,094,000

5.1 Sale of electricity

This represents the total value of the energy received and capacity certified by the Market Operator/Nigeria Bulk Electricity Trader for energy generated by Egbin Power Plc. as recorded on the monthly settlement statements for the year between both parties.

5.2 Other electricity bills

This represents billings to third parties for usage of portion of energy imported by the Company from the National Grid.

6 Cost of sales	2024	2023
	₦'000	₦'000
Operations & maintenance and implementation service fees (Note 6.1)	165,275,223	72,990,947
Gas consumed	226,642,297	99,457,258
Depreciation on generation assets (Note 12c)	11,895,586	11,873,616
Salaries and benefits	2,283,633	2,064,842
Regulatory charges (Note 6.2)	4,566,044	2,202,859
Other staff welfare	423,050	263,274
Other plant maintenance cost	25,393,218	17,111,714
	436,479,051	205,964,510

6.1 Operations & maintenance and implementation service fees

This relates to operations and maintenance (O&M), technical services and operational support cost rendered by Kepco Energy Resource Ltd (BVI). The fees were charged in line with the O&M contract between the Company and KERL(BVI). It also includes other O&M cost, facilities maintenance, and other ancillary support services.

	2024	2023
	₦'000	₦'000
Operations & maintenance cost	165,275,223	72,990,947
	165,275,223	72,990,947

6.2 Regulatory charges

This represents regulatory charges due to the Nigerian Electric Regulatory Commission under the provisions of the NERC (License and Operations fee) Regulations, 2010, and is calculated as 1.5% of licensee's charges/kWh over a period.

7 Finance income/cost

7.1 Finance income	2024	2023
	₦'000	₦'000
Interest on short term deposits	2,812,991	2,496,799
	2,812,991	2,496,799

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	2024	2023
	₦'000	₦'000
7.2 Finance cost		
Accretion expense (Note 21)	1,729,869	1,386,082
Bank guarantee charges	34,488	45,984
	1,764,357	1,432,066
7.3 Other losses		
Gain on disposal of fixed assets	1,375	1,979
Net foreign exchange loss	(42,885,079)	(31,486,677)
Other income	317,950	145,098
	(42,565,754)	(31,339,600)
7.4 Impairment of receivables		
	2024	2023
	₦'000	₦'000
Impairment loss	25,285,216	9,645,748
This relates to impairment of trade receivables.		
8 Administrative expenses		
	2024	2023
	₦'000	₦'000
Depreciation on non-generation assets (Note 12c)	1,278,891	1,246,144
Amortization on intangible assets (Note 13)	65,793	60,754
Salaries and benefits	764,244	783,866
Repairs and maintenance	3,915,520	2,310,035
Motor running expenses	650,421	478,757
Safety & security	330,465	266,765
Other staff welfare	345,930	384,261
Other professional fees (Note 9.2)	39,371	40,974
Community expenses/CSR	164,147	120,468
Travelling and transportation	304,018	224,495
Bank charges	61,359	26,739
Office & IT consumables	90,206	100,864
Audit fees (Note 9.1)	88,150	61,727
Directors fees and expenses	107,510	163,745
Entertainment and advertisement	72,957	84,560
Insurance	20,303	19,378
Regulatory expenses	21,668	72,521
Other expenses	3,930	79,739
	8,324,883	6,525,792

Other expenses relate to miscellaneous expenses not captured in the above sub-headings.

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9 Professional fees

9.1	Audit fees	88,150	61,727
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No non-audit services was provided by our external auditors during the course of the year.

9.2 Other professional fees

- Consultancy fees	36,049	40,974
- Legal services	3,322	-
	39,371	40,974

Details of entities that provided professional services to the company are disclosed in Note 31 of the financial statements

10	Profit before tax	2024	2023
		₦'000	₦'000

This is stated after charging/crediting:

Auditor's remuneration	88,150	61,727
Depreciation	13,174,477	13,119,760
Other losses	42,565,754	31,339,600

11	Income tax expense	2024	2023
	Per profit or loss	₦'000	₦'000

Income tax	2,346,994	1,164,890
Education tax	165,318	100,494
Total income tax expense	2,512,312	1,265,384

Prior year tax overprovision	(31,671)	(35,446)
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Deferred tax (Note 11.3)	(16,343,204)	(21,980,184)
	(13,862,562)	(20,750,246)

11.1	Current tax liabilities	2024	2023
		₦'000	₦'000

Current tax			
At 1 January	1,361,644	926,650	
Prior year tax overprovision	(31,671)	(35,446)	
Total income tax expense	2,512,312	1,265,384	
Payments during the year	(1,329,974)	(794,944)	
At 31 December	2,512,312	1,361,644	

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	2024 ₦'000	2023 ₦'000
11.2 Reconciliation of effective tax rate		
Loss before tax from continuing operations	(45,905,400)	(22,316,917)
Income tax expense calculated at 30% of PBT	(13,771,620)	(6,695,075)
Effect of:		
Education Tax	165,318	100,494
Impact of temporary differences	(16,343,204)	(21,980,184)
Impact of non-taxable income	(1,138,937)	(2,389,516)
Impact of capital allowances	(371,326)	(207,342)
Impact of disallowable expenses	16,563,736	10,089,530
Impact of minimum tax	1,065,141	367,294
Prior year tax over/(underprovision)	(31,671)	(35,446)
Total tax credited to income statement	(13,862,562)	(20,750,246)

11.3 Deferred tax liabilities

	2024 ₦'000	2023 ₦'000
Deferred tax		
At 1 January 2024	46,062,045	68,042,229
Recognised in statement of profit or loss	(16,343,204)	(21,980,184)
Recognised in other comprehensive income	85,430,399	-
At 31 December 2024	115,149,240	46,062,045

11.4 Analysis of deferred tax

Deferred tax asset:

	Property, plant and equipment ₦'000	Other provisions ₦'000	Total ₦'000
At 1 January 2023;	10,890,311	1,827,117	12,717,427
Credited to the income statement	3,645,745	18,334,439	21,980,184
At 31 December 2023	14,536,056	20,161,556	34,697,611
Credited to the income statement *	3,600,169	12,743,035	16,343,204
At 31 December 2024	18,136,225	32,904,591	51,040,815

Deferred tax liability:

	Property, plant and equipment ₦'000	Other provisions ₦'000	Total ₦'000
At 1 January 2023;	77,405,624	3,354,032	80,759,656
Charged to the income statement	-	-	-
At 31 December 2023	77,405,624	3,354,032	80,759,656
Charged to other comprehensive income	85,430,399	-	85,430,399
At 31 December 2024	162,836,023	3,354,032	166,190,055

*** Amount credited to income statement**

	Property, plant and equipment ₦'000	Other provisions ₦'000	Total ₦'000
Property, plant and equipment	3,600,169	-	3,600,169
Asset retirement obligation	-	1,140,201	1,140,201
Impairment of trade receivables	-	8,344,121	8,344,121
Unrealised exchange difference	-	3,258,713	3,258,713
	3,600,169	12,743,035	16,343,204

12 Property, Plant and Equipment

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The company's property, plant, and equipment assets were revalued as at December 31 2024 by Jide Taiwo & Co., an independent valuer registered with the Financial Reporting Council of Nigeria (FRCN). The resulting revaluation surplus has been credited to the revaluation reserve. The revaluation reserve is a non-distributable reserve.

- 12a** The Directors at the reporting date have considered possible impairment triggers in respect of the operations of the Company based on industry events. Based on its assessment, no impairment provision has resulted based on the assumptions and estimates adopted on the expected cash flows from installed capacity, power generation load factor, weighted average cost of capital and technical loss ratio. The Directors believe that the estimates and assumptions made are appropriate and reasonable and based on best available information for both planning and operational purposes. The Directors acknowledge that sensitivity fluctuations may exist in the future based on macro-economic indices and Company specific factors due to the continuing restructuring and regulations in the power industry, but expect that any fluctuation which may impact on the carrying amount of the generating assets will be accounted for prospectively, if any exists in the applicable reporting period. None of these assets are pledged as collateral for loans.

12b Additions to Property, Plant and Equipment

	2024 ₦'000	2023 ₦'000
Property, Plant and Equipment		
Additions	2,194,017	620,776
Total additions	2,194,017	620,776

12c Classification of depreciation

	2024 ₦'000	2023 ₦'000
Total depreciation	13,174,478	13,119,760
Generation assets (Note 6)	11,895,586	11,873,616
Non-generation assets (Note 8)	1,278,891	1,246,144
Total depreciation	13,174,477	13,119,760

	2024 ₦'000	2023 ₦'000
13 Intangible assets	Software	Software
Cost		
At 1 January	285,348	252,097
Additions	-	33,251
Revaluation	66,389	-
At 31 December	351,737	285,348
Accumulated amortisation and impairment		
At 1 January	136,344	75,590
Charge for the year	65,793	60,754
At 31 December	202,137	136,344
Carrying amount		
At 31 December	149,600	149,004

	2024 ₦'000	2023 ₦'000
13a Additions to Intangible assets		
Additions	-	33,251
Total addition	-	33,251

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	2024	2023
	₦'000	₦'000
14 Inventories		
Premium motor spirit	3,962	9,656
Spares and consumables	4,216,036	2,135,360
Automotive gas oil	10,467	11,647
	4,230,465	2,156,663

	2024	2023
	₦'000	₦'000
15 Trade and other receivables		
Trade receivables	485,552,747	188,092,899
Amounts due from related parties (Note 20.1)	16,998,502	19,278,305
Other receivables*	786,344	597,062
Unpaid share capital	20,000	20,000
	503,357,593	207,988,266
Expected credit loss (Note 15.1)	(72,781,044)	(47,495,828)
Net trade and other receivables	430,576,549	160,492,438

* Other receivables relate to accrued interest on short term deposits and other transactions not related to electricity sales.

	2024	2023
	₦'000	₦'000
15.1 Movement in expected credit loss allowance		
At 1 January 2024	47,495,828	37,850,080
Impairment loss	25,285,216	9,645,748
Balance as at 31 December 2024	72,781,044	47,495,828

	2024	2023
	₦'000	₦'000
16 Other assets		
Advances	2,998,043	3,663,684
Prepayments	1,175,111	589,832
	4,173,154	4,253,516

17 Restricted cash		
Cash cover for bank guarantees*	2,211,169	2,673,454

* This relates to cash cover for bank guarantees in respect of letters of credit for Gas suppliers.

	2024	2023
	₦'000	₦'000
18 Cash and cash equivalents		
Investments in fixed deposit (Note 18.1)	15,149,639	15,973,413
Cash in bank	6,627,290	3,038,241
Cash at hand	207	4,504
	21,777,136	19,016,158

18.1 Investments in fixed deposit represent short term deposits kept by the Company in Nigerian commercial banks with maturity of 3 months or lower at fixed interest rates, and therefore yielding interest over the period of deposit.

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19 Trade and other payables	2024 ₦'000	2023 ₦'000
Amounts due to related parties (Note 20.5)	203,922,074	64,222,135
Trade creditors	68,095,885	41,036,669
Accruals and other creditors	209,594,772	67,518,435
	481,612,732	172,777,238

20 Related party transactions

20.1 Amounts due from related companies	2024 ₦'000	2023 ₦'000
Ikeja Electric (Note 20.2)	16,827,601	19,263,981
First Independent Power Ltd (Note 20.7)	3,395	3,395
Sahara Power Limited (20.8)	157,693	-
Sahara Energy Resources Limited (Note 20.3)	9,813	9,821
WAG Limited (Note 20.4)	-	1,108
	16,998,502	19,278,305

Parent and ultimate controlling party

The parent company of Egbin Power Plc is KEPCO Energy Resource Limited ("KERL"), with 70% shareholding. Following the conclusion of the Government's privatization exercise in November 2013, the Federal Government of Nigeria handed over the Company to the core investor, a Joint Venture between Sahara Power Group (SPG) and Korea Electric Power Corporation ("KEPCO") known as KEPCO Energy Resource Limited ("KERL").

The Company had the following transactions with the under-listed related parties during the year:

20.2 Ikeja Electric

Ikeja Electric Plc is an affiliated entity owned by Sahara group. On 18 December 2015, Ikeja Electric Plc entered into a memorandum of understanding (bilateral arrangement) with Egbin Power Plc. in respect of electricity sales from Unit 6. Accrued during the year is recorded within "administrative expenses" (Note 8) under "profit or loss". The amount represents receivables due from Ikeja Electric, a related entity, under the bilateral arrangement. See details below.

	2024 ₦'000	2023 ₦'000
Opening balance	19,263,981	20,263,981
Accrued during the year	63,620	-
Total payments	(2,500,000)	(1,000,000)
Total amount due as at end of the period	16,827,601	19,263,981

20.3 Sahara Energy Resources Limited

Sahara Energy Resources Limited (SERL) is an affiliated company owned by Sahara group.

The amount represents amount due from/(to) from Sahara Energy Resources Limited on cash swap transactions.

	2024 ₦'000	2023 ₦'000
Opening balance	42,029	259,443
Accrued during the year	-	-
Total payments	8	(217,414)
Net amount due to as at end of the period	42,037	42,029
Receivable	9,813	9,821
Payable	(51,850)	(51,850)
Net Payable	(42,037)	(42,029)

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20.4 WAG Limited

WAG Limited has common ownership with Egbin Power Plc. Amount receivable is in respect of reimbursable expenses incurred on behalf of WAG Limited. Additions during the year is recorded within "administrative expenses" (Note 8) under "profit or loss".

	2024	2023
	₦'000	₦'000
Opening balance	1,108	-
Accrued during the year	-	1,108
Total payments	(1,108)	-
Total amount due as at end of the period	-	1,108

20.5 Amounts due to related companies

	2024	2023
	₦'000	₦'000
Kepeco Energy Resource Ltd. BVI (Note 20.6)	187,509,789	52,037,124
Sahara Group Limited (Note 20.7)	16,349,042	12,122,163
First Independent Power Ltd (Note 20.8)	2,786	2,391
Sahara Energy Resources Limited (Note 20.3)	51,850	51,850
Sahara Power Limited (Note 20.8)	8,607	8,607
Total	203,922,074	64,222,135

20.6 Kepco Energy Resource Limited BVI

An affiliated company provides technical services and operations and implementation support services for the Company. This covers specialised manpower, major and minor inspections of the company's turbines, boilers and auxiliaries, procurement of spares & operational consumables; and other maintenance activities. Additions during the year is recorded within "cost of sales" (Note 6) under "profit or loss". Amount payable as at 31 December 2024 in respect of this transaction is USD 121.9m.

	2024	2023
	₦'000	₦'000
Opening balance	52,037,124	21,981,485
Accrued during the year	165,275,223	72,990,947
Total payments	(69,682,577)	(68,355,507)
* Exchange difference	39,880,019	25,420,199
Total amount due as at end of the period	187,509,789	52,037,124

* The exchange difference is as a result of Foreign Exchange Revaluation of outstanding balances due to the foreign exchange rate movements during the year.

20.7 Sahara Group Limited

Sahara Group Limited has common ownership with Egbin Power Plc. Sahara Group Limited provides professional and administrative support services to the Company. Additions during the year is recorded within "other gains & losses" (Note 7.3) under "profit or loss". See below transactions during the period.

	2024	2023
	₦'000	₦'000
Opening balance	12,122,163	6,027,864
Accrued during the year	4,236,356	6,094,299
Total payments	(9,477)	-
Total amount due as at end of the period	16,349,042	12,122,163

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20.8 First Independent Power Limited

First Independent Power Limited has common ownership with Egbin Power Plc. Amount receivable/(payable) is in respect of reimbursable expenses incurred on behalf of FIPL/Egbin Power Plc. Additions during the year is recorded within "administrative expenses" (Note 8) under "profit or loss". See below transactions during the period.

	2024 ₦'000	2023 ₦'000
Opening balance	1,004	3,395
Accrued during the year	(395)	-
Total payments	-	(2,391)
Total amount due as at end of the period	609	1,004
Receivable	3,395	3,395
Payable	(2,786)	(2,391)
Net Receivable	609	1,004

20.9 Sahara Power Limited

This affiliated company provides administrative support services to the Company. Transactions during the year relates to reimbursable expenses recorded in "administrative expenses" (Note 8) under "profit or loss".

	2024 ₦'000	2023 ₦'000
Opening balance	8,607	8,607
Total amount due as at end of the period	8,607	8,607
Receivable	157,693	-
Payable	(8,607)	(8,607)
Net Receivable/(Payable)	149,086	(8,607)

21 Provision for decommissioning obligation

	2024 ₦'000	2023 ₦'000
At 1 January	11,599,321	10,282,511
Change in estimate (other comprehensive income)	1,725,287	(69,274)
Accretion cost for the year	1,729,869	1,386,082
At 31 December	15,054,477	11,599,321

Decommissioning provision represents the present value of estimated future decommissioning costs relating to the generation assets, which are expected to be incurred up to year 2035, based on its operating life. This provision has been created based on the management's best estimates as at the reporting date. Assumptions based on the current economic environment have been made, which management believes are a reasonable basis upon which to estimate the future liability. The fair value of this liability is recorded on a discounted basis, and accreted overtime for the change in present value. The estimate for the decommissioning liability was calculated based on the plant capacity for the year, expected scrap value of the steel components, factoring the Federal Government of Nigeria (FGN) 12-year tenor bond at the rate of 18.24% (2023: 14.91%) per annum. The assumptions and judgements made in regard to this estimate are subject to annual assessment by management and adjustments, if any, are made to the carrying amount. Management recognises that actual decommissioning costs will ultimately depend upon future market prices for the necessary decommissioning works required, which will reflect market conditions at the relevant time. Furthermore, the timing of decommissioning is likely to depend on when the generation assets cease to produce on economically viable basis.

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22 Financial instruments
22.1 Material accounting policies

Details of the material accounting policies and methods adopted (including the criteria for recognition, the basis of measurement and the basis for recognition of income and expenses) for each class of financial asset, financial liability and equity instrument are disclosed in Note 3.

22.2 Categories of financial instruments

The following table summarizes the Company's financial instruments:

22.2.1 Financial assets measured at amortized cost

	2024 ₦'000	2023 ₦'000
Trade and other receivables	503,357,593	207,988,266
Cash and cash equivalents	21,777,136	19,016,158
Restricted cash	2,211,169	2,673,454
<i>Fair value of financial assets</i>	527,345,898	229,677,878
<i>Carrying amount of financial assets</i>	527,345,898	229,677,878

22.2.2 Financial liabilities

	2024 ₦'000	2023 ₦'000
Amounts due to related parties (Note 20.5)	203,922,074	64,222,135
Trade creditors	68,095,885	93,073,793
<i>Fair value of financial liabilities</i>	272,017,960	157,295,927
<i>Carrying amount of financial liabilities</i>	272,017,960	157,295,927

23 Share capital

	2024 ₦'000	2023 ₦'000
Authorised		
100,000,000 ordinary shares of N1 each	100,000	100,000
Issued		
25,000,000 ordinary shares of N1 each	25,000	25,000
Shareholders - Units		
KEPCO Energy Resources Limited	Unit 17,500,000	Unit 17,500,000
Bureau of Public Enterprises	6,000,000	6,000,000
Ministry of Finance Incorporated	1,500,000	1,500,000
	25,000,000	25,000,000
Shareholders - % interest	%	%
KEPCO Energy Resources Limited	70	70
Bureau of Public Enterprises	24	24
Ministry of Finance Incorporated	6	6
	100	100

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24 Loss per share	2024	2023
	₦'000	₦'000
Loss for the purpose of basic earnings per share is based on net loss attributable to equity holders of the Company.	(32,042,838)	(1,566,671)
Number of shares	Number	Number
Number of ranking ordinary shares for the purpose of basic earnings per share.	25,000,000	25,000,000
<i>Loss per share - Basic & Diluted (Naira)</i>	(1,282)	(63)
25 Other reserves	2024	2023
	₦'000	₦'000
Balance as at 1 January	124,727,466	124,796,740
Changes in Decommissioning Estimate	1,725,287	(69,274)
Balance as at 31 December	126,452,753	124,727,466
Analysis of other reserves:	2024	2023
	₦'000	₦'000
Nigerian Electricity Liability Management Company (NELMCO) *	(49,100,000)	(49,100,000)
Government funding *	19,719,437	19,719,437
Deferred Tax on Revaluation Surplus	(94,666,146)	(94,666,146)
Accumulated Changes in Decommissioning Estimate	(2,406,044)	(680,757)
Closing balance	(126,452,753)	(124,727,466)

*NELMCO/Government funding balances are pre-privatization assets and liabilities which relates to periods before 1st November 2013.

26 Information regarding Directors and employees

26.1 Directors	2024	2023
	₦'000	₦'000
Directors' emoluments comprise:		
Fees	38,093	38,093
Expenses	69,417	125,652
	107,510	163,745

The number of Directors including the Chairman whose emoluments were within the bands stated below were:

	Number	Number
Up to NGN 6,000,000	4	4
NGN 6,000,001 to N 8,000,000	2	2
	6	6

The Directors have no interests in contracts executed by the Company during the year ended 31 December 2024.

26.2 Employees

Total number of employees as at year-end:

	2024 Number	2023 Number
Management	42	37
Senior	128	256
Junior	259	162
	429	455

Aggregate staff costs:

	2024 ₦'000	2023 ₦'000
Salaries and wages (Note 6 & 8)	3,047,877	2,848,708
Other staff welfare (Note 6& 8)	768,980	647,535
	3,816,857	3,496,243

The number of paid employees with gross emoluments within the bands stated below were:

	Number	Number
-		
Below N1,000,000	4	7
N1,000,000 - N2,000,000	68	70
N2,000,001 - N5,000,000	144	90
N5,000,001 - N10,000,000	145	195
Above N10,000,000	68	93
	429	455

27 Contingent liabilities

There is a pending litigation and claims amounting to N520 billion as at 31 December 2024 : (2023: N520 billion). The suit was instituted against the Company by members of the host community over the land on which the Company's power station is located. However, the Directors on the representation and advise of the legal advisers are of the view and confident that the Company will suffer no material losses as the suit is likely to be decided in their favour.

28 Financial commitments

There were no capital commitments contracted by the Company or approved by the Board which had not been provided for as at the reporting date (2023: Nil)

29 Subsequent events

There were no other significant events after the reporting date that could have a material effect on the state of affairs of the Company as at 31 December 2024, or on the profit for the year which have not been adequately provided for or disclosed in these financial statements.

30 Comparative figures

Where necessary, certain prior year comparatives have been adjusted to properly reflect current year presentation format.

31 Professional Services

The following professionals provided assurance services in the year under review:

Name of professional	FRC number of professional	Name of firm	FRC number of firm	Nature of service provided
Killian Khanoba	FRC/2013/PRO/ICAN/004/00000001624	Kreston Pedabo Professional Services	FRC/2022/COY/861283	Corporate Tax Services
Mr. Peter Ade Chime	FRC/2015/PRO/NIESV/004/00000011462	Jide Taiwo & Co.	FRC/2012/000000000254	Fixed Assets Valuation

32 Reporting on Internal control over financial reporting

On the 6th of February 2025, the Company obtained a waiver from the Financial Reporting Council (FRC) of Nigeria to be exempted from the requirement to report on the internal control over financial reporting (ICFR) for the year ended 31 December 2024

33 Material Contracts

Gas Sales and Aggregation Agreement

The Company entered into a Gas Sales and Aggregation Agreement for the purchase of gas on 27th May 2011. The parties to the contract are: Egbin Power Plc (referred to as the buyer), Chevron Nigeria Limited (the seller) and Gas Aggregation Company Nigeria Limited (the aggregator). Under the terms of the agreement, the Seller is the operator of the supply area, and has gas available for the purpose of meeting its obligations to the buyer who wishes to buy and take delivery of gas from the seller for use as fuel at its power plant. The Aggregator is empowered by the national domestic gas supply and pricing regulations 2008 to coordinate wholesale gas supply from gas producers to eligible purchasers with Nigeria.

The Agreement was executed on the 27th May 2011 and shall terminate upon the earlier event to occur of: (a) the tenth (10th) anniversary of the Start Date; or (b) when 529,250,000 (five hundred and twenty-nine million, two hundred and fifty thousand) MMBtu of Gas (Contract Quantity) has been made available for delivery by the Seller, (c) any other termination event in accordance with Article 25 of the contract. However, a Side Letter was executed in 2018, which modified the start date of the GSAA to be October 31st 2018, extending the validity till 30th October 2028.

The gas will be transported to the power plant under the Gas Transportation Agreement (GTA) signed on 23 February 2013 with the Nigerian Gas Company Limited.

Gas Transportation Agreement

The Company entered into a Gas Transportation Agreement with Nigerian Gas Company Limited (NGC), now Nigerian Gas Infrastructure Company (NGIC) on the 23rd of February 2013. The tenure of the gas transportation agreement is ten (10) years from the commencement date. The tenure is extensible subject to notice by any of the parties and negotiation on terms for the extended tenure. Under the agreement, Nigeria Gas Company Limited (the transporter) transports Gas on behalf of Egbin Power Plc (referred to as the shipper) on the terms and conditions set out in the agreement.

In order to guarantee payment for the transportation service, the Company has an obligation to maintain a standby letter of credit (LC) equivalent to the total amount payable for Ninety (90) days transport service. See note 17 to these financial statements for further information about amounts maintained as letters of credit with respect to gas supply and transportation. The extension of this contract is currently under review, and the obligations of the contract is still being performed by both parties as at the date of the financial statements.

Bulk Power Purchase Agreement

The Company entered into a 20-year Power Purchase Agreement (PPA) with the Nigerian Bulk Electricity Trading Plc (NBET) on 21 February 2013 to sell electric power (dependable capacity and gross energy output) generated from its power plant at an agreed-upon pricing model and contract capacity. Under this agreement, the Company is the seller and NBET is the buyer.

This agreement underlies the Company's revenue stream as it contains the terms upon which the Company's main customer (NBET) purchases the gross energy output generated from the Company's power plant.

NBET is wholly owned by the Federal Government of Nigeria (FGN) and was established as part of the Nigerian power sector reforms. NBET's obligation to pay the Company is also supported by the Federal Government through the Central Bank of Nigeria (CBN) power sector reform intervention fund.

Under the terms of the agreement, the Company shall deliver to the buyer (NBET) and the buyer shall accept and pay for all dispatched gross energy output and capacity.

The Parties are by the contract bound by the Market Rules and provisions of the Grid Code where applicable.

Operation and Maintenance Contract

On 1 January 2019, the Company entered a contract with KEPCO Energy Resource Limited (KERL) for the provision of operations and maintenance services in line with the Company's five year maintenance plan. KERL is registered under the laws of the British Virgin Islands.

The contract is for a period of five years. See Notes 6.1 to these financial statements for details of transactions with KERL in respect of this contract as at 31 December 2024.

EGBIN POWER PLC
Other national disclosures
For the year ended 31 December 2024
Value added statement

	2024	%	2023	%
	₹'000		₹'000	
Revenue	465,700,870	(3,240)	230,094,000	1,632
Bought in materials and services				
- Imported	(165,275,223)	1,150	(72,990,947)	(518)
- Local	(314,800,650)	2,190	(143,002,015)	(1,014)
Value added/(eroded)	(14,375,003)	100	14,101,038	100
Distributed as follows:				
To pay employees				
Staff cost	3,816,857	(27)	3,496,243	25
To pay Government				
Taxation	2,512,312	(17)	1,265,384	9
To pay providers of finance				
Interest expense	34,488	1	45,984	-
Maintenance of assets and future expansion				
Depreciation	13,174,477	(93)	13,119,760	93
Accretion expense	1,729,869	(12)	1,386,082	10
Deferred taxation	(3,600,169)	25	(3,645,745)	(26)
Loss for the year	(32,042,838)	223	(1,566,671)	(11)
Value added/(eroded)	(14,375,003)	100	14,101,038	100

Value added represents the additional wealth which the Company was able to create through its own efforts and those of its employees. This statement shows the allocation of that wealth among employees, providers of capital, government, and the proportion retained for the future creation of more wealth.

EGBIN POWER PLC
Other national disclosures
For the year ended 31 December 2024
5-year financial summary

	2024 N'000	2023 N'000	2022 N'000	2021 N'000	2020 N'000
Statement of financial position					
Assets employed					
Property, plant and equipment	793,367,491	238,967,033	251,470,218	259,485,493	266,535,709
Intangible assets	149,600	149,004	176,507	53,300	1,767
Other assets	-	-	-	-	-
Net current assets	(21,156,571)	14,453,347	24,083,430	39,731,451	18,125,238
Deferred tax	(115,149,240)	(46,062,045)	(68,042,229)	(71,532,005)	(74,295,643)
Other long-term liabilities	(15,054,477)	(11,599,321)	(10,282,511)	(12,078,712)	(7,912,343)
Net assets	642,156,803	195,908,018	197,405,415	215,659,528	202,454,728
Capital and reserves					
Share capital	25,000	25,000	25,000	25,000	25,000
Retained earnings	(32,407,509)	(364,671)	1,202,000	22,810,468	11,419,243
Revaluation reserves	800,992,065	320,975,155	320,975,155	320,975,155	315,553,822
Other reserves	(126,452,753)	(124,727,466)	(124,796,768)	(128,151,095)	(124,543,337)
Total equity	642,156,803	195,908,018	197,405,387	215,659,528	202,454,728
Statement of profit or loss and other comprehensive income					
Revenue	465,700,870	230,094,000	106,426,203	153,822,254	119,695,559
(Loss)/Profit before taxation	(45,905,400)	(22,316,917)	(24,416,265)	10,897,284	10,200,174
Taxation	13,862,562	20,750,246	2,807,797	493,941	687,141
(Loss)/Profit for the year	(32,042,838)	(1,566,671)	(21,608,468)	11,391,225	10,887,315
Other comprehensive income	563,722,022	69,274	3,354,355	1,813,575	1,108,191
Total comprehensive (loss) /income for the year	531,679,184	(1,497,397)	(18,254,113)	13,204,800	11,995,506
(Loss)/earnings per share					
- Basic & Diluted (Naira)	(1,281.71)	(62.67)	(864.34)	455.65	435.49
Net assets per share	25,686	7,836	7,896	8,626	8,098

Notes

Earnings per share is based on the earnings/(loss) for the year and it is computed on the basis of the weighted number of ordinary shares in issue as at the end of the respective statement of financial position date.

Net assets per share is based on the net assets and the weighted number of ordinary shares in issue as at the end of the respective statement of financial position date.

EGBIN POWER PLC
Other supplementary information
For the year ended 31 December 2024
Statement of profit or loss and other comprehensive income (USD)

	2024 US\$'000	2023 US\$'000
Revenue	304,082	351,021
Cost of sales	(285,001)	(314,211)
Gross profit	19,081	36,810
Impairment (loss)/reversal	(16,510)	(14,715)
Administrative expenses	(5,436)	(9,955)
Operating profit	(2,865)	12,140
Finance income	1,837	3,809
Finance cost	(1,152)	(2,185)
Other gains/(losses)	(27,794)	(47,810)
Loss profit before taxation	(29,974)	(34,046)
Taxation	9,052	31,656
Loss for the year	(20,922)	(2,391)
Other comprehensive income		
<i>Items that will not be reclassified subsequently to profit or loss:</i>		
Changes in decommissioning estimate	(1,127)	106
Revaluation surplus	369,211	-
Deferred tax on revaluation surplus	(55,782)	
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Translation difference	(88,531)	(39,574)
Total comprehensive loss for the year	202,849	(41,858)
(Loss)/earnings per share - Basic & Diluted (Naira/ US\$)	(0.84)	(0.10)

EGBIN POWER PLC
Other supplementary information
For the year ended 31 December 2024
Statement of financial position (USD)

	2024 US\$'000	2023 US\$'000
ASSETS		
Non-current assets		
Property, plant and equipment	515,834	263,512
Intangible assets	97	164
Total non-current assets	515,931	263,676
Current assets		
Inventories	2,750	2,378
Trade and other receivables	279,913	176,927
Other assets	2,713	4,689
Restricted cash	1,437	2,947
Cash and cash equivalents	14,157	20,963
Total current assets	300,970	207,904
TOTAL ASSET	816,901	471,580
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	111	111
(Accumulated losses)/retained earnings	93,313	114,235
Other reserves	1,342,066	1,029,763
Cumulative translation adjustment	(1,017,957)	(928,063)
Total equity	417,533	216,045
Non-current liabilities		
Deferred tax liabilities	74,856	50,778
Provision for decommissioning obligation	9,787	12,787
Total non-current liabilities	84,643	63,565
Current liabilities		
Trade and other payables	313,091	190,470
Current tax liabilities	1,633	1,501
Total current liabilities	314,724	191,971
TOTAL LIABILITIES	399,367	255,536
TOTAL EQUITY AND LIABILITIES	816,901	471,580

EGBIN POWER PLC
Other supplementary information
For the year ended 31 December 2024
Statement of changes in equity (USD)

	Share Capital US\$'000	Retained Earnings US\$'000	Other Reserves US\$'000	Cumulative translation adjustment US\$'000	Total Equity US\$'000
Balance at 1 January 2023	111	116,626	1,029,657	(705,473)	440,921
Loss for the year	-	(2,391)	-	-	(2,391)
Changes in decommissioning estimate	-	-	106	-	106
Translation difference	-	-	-	(222,591)	(222,591)
Balance at 31 December 2023	111	114,235	1,029,763	(928,064)	216,045
Profit for the year	-	(20,922)	-	-	(20,922)
Revaluation surplus	-	-	369,211	-	369,211
Deferred tax on revaluation surplus	-	-	(55,782)	-	(55,782)
Changes in decommissioning estimate	-	-	(1,127)	-	(1,127)
Translation difference	-	-	-	(89,893)	(89,893)
Balance at 31 December 2024	111	93,313	1,342,066	(1,017,957)	417,533

EGBIN POWER PLC
Other supplementary information
For the year ended 31 December 2024
Statement of cash flows (USD)

	2024	2023
	US\$'000	US\$'000
Cash flows from operating activities		
Loss before tax	(29,843)	(24,602)
Adjustments for:		
Depreciation on generation assets	7,733	13,090
Depreciation on non generation assets	1,663	2,748
Impairment loss allowance(Receivable)	16,438	10,633
Accretion expense	1,125	1,528
Gain on assets disposal	(0)	-
Interest on fixed deposit	(1,829)	(2,752)
	25,130	25,247
Movements in working capital		
Increase in trade and other receivables	(192,016)	(63,321)
(Increase)/decrease in other assets	52	(2,141)
Increase in inventories	(1,348)	(1,196)
Increase/(Decrease) in trade and other payables	200,771	70,137
Total adjustments and movements	32,589	28,726
Income taxes paid	(865)	(876)
Net cash generated from operating activities	1,881	3,248
Cash flows from investing activities		
Purchase of fixed assets	(1,426)	(721)
Interest received on fixed deposits	1,829	2,752
Increase/(decrease) in restricted cash	301	1,283
Net cash (used in)/generated from investing activities	704	3,314
Net increase in cash and cash equivalents	2,585	6,562
Effects of exchange rate changes on cash and cash equivalents	(9,391)	(17,413)
Gross and cash equivalents at beginning of the year	20,963	31,814
Gross cash and cash equivalents at end of the year	14,157	20,963
Net cash and cash equivalents at end of the year	14,157	20,963

