

**GLOBAL SPECTRUM ENERGY SERVICES PLC
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER, 2024**

GLOBAL SPECTRUM ENERGY SERVICES PLC
ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2024.

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GLOBAL SPECTRUM ENERGY SERVICES PLC
RESULTS AT A GLANCE

<u>Statement of Income:</u>	2024	2023	Increase/ (Decrease)	
	N'000	N'000	N'000	%
Revenue	9,932,829	4,170,477	5,762,352	138.17
Profit before income tax	1,133,222	720,695	412,527	57.24
Income and Deferred Tax expense	(348,252)	(297,671)	-50,580	16.99
Profit for the year	784,971	423,024	361,947	85.56

Statement of Financial Position:

Total Assets	13,832,715	8,413,217	5,419,498	64.42
Total Liabilities	7,289,865	2,655,338	4,634,527	174.54
Net Assets	6,542,849	5,757,879	784,971	13.63
Total Equity	6,542,849	5,757,879	784,971	13.63
Total Equity & Liabilities	13,832,714	8,413,217	5,419,497	64.42
Paid-up share capital	400,000	400,000	0	0.00
Shareholders' funds	6,542,849	5,757,879	784,971	13.63
Number of shares in issue(units) @ N1 each	800,000	800,000	0	0.00

Per Share Data:

Basic Earnings per share –kobo	98.12	52.88	45	85.56
Adjusted Earnings Per Share(kobo)	98.12	52.88	45	85.56
Total Assets Per Share(N)	17.29	10.52	7	64.42
Net assets per share (N)	8.18	7.20	1	13.63

BOARD MEMEBERS	PROFILE
Mr. Osahon Idemudia	Mr. Idemudia is a seasoned Lawyer called to the Nigerian Bar in 1988, with a Law Degree from the University of Benin (1987). He joined Libra Law Office, the firm of Mrs. Hariat Aderinsola Balogun, as a Counsel where he grew to become a Partner in 1993 and in 2020, he started his own firm known as Iroghama Legal Practitioners where he is the Principal Partner.
Mr. Wasiu Akindele	Mr. Akindele is an Accountant. He was an Audit Senior in the employment service of the accounting and consulting firm, Itunu Rewane & Co. He was also the account executive of CFAO Technologies (Nig.) Ltd between 2004 and 2007.
Mr. Clement Akanibo	Mr. Akanibo is a Chartered Accountant of over twenty-seven (27) periods in Accounting / Taxation areas of the Financial Sector, whose experience spans both the Public and Private sectors. Most notably for the Rivers State government, FIRS, NDIC, SPDC, John Holt and Adamac Group.
Mr. Mustapha Shuaibu	Mr. Shuaibu is an astute businessman and a key player in the Oil & Gas operations, marine services, and insurance. He is an extremely talented and solution-driven business executive having over 20 periods of working experience in a private firm through change, start-ups, turnaround, revitalization, and accelerated growth.
Mr. Chidolue Okonkwo	Mr. Okonkwo is a legal practitioner called to the Nigerian Bar, and the Principal Partner of Okonkwo Chido & Associates, a thriving law practice in Abuja covering areas of practice that include Energy, Maritime and Oil and Gas. He is an alumnus of Enugu State University of Science.
Mrs. Comfort Otera Chigbue	Mrs. Chigbue is a graduate of Law from the University of Maiduguri, Borno State. She was called to the Nigerian Bar in 1988 and obtained a master's degree in International Law & Diplomacy from the University of Lagos in 1991. Mrs. Otera Chigbue is exposed to corporate governance and compliance.
RA dm. Dickson Ikechukwu Olisemenogor (Rtd.)	RA dm. Olisemenogor is a retired veteran Senior Naval Officer, with over 32 periods' experience in maritime affairs and security. During his unblemished and meritorious career, he had the privilege of working in various capacity within the Nigerian Navy, Armed Forces Defence Headquarters and United Nations Peace Support operations. He was also actively involved in numerous maritime security operations within Nigerian and foreign waters in conjunction with personnel from other navies and international security organisations.

CORPORATE INFORMATION

Registered Head Office

49a Chris Madueke Drive,
Lekki Phase 1, Lagos.

Company Registration Number

RC 648014

Company Secretary/Solicitors

Rayfield Associates
49a Chris Madueke Drive,
Lekki Phase 1, Lagos.

Registrar

African Prudential Registrars
220b, Ikorodu Rd, Lagos.

Auditors

Olufemi Fajuyi & Co. (Chartered Accountants)
4, Olowu Street, Off Obafemi Awolowo Way
Ikeja, Lagos

Bankers

Sterling bank
Fidelity Bank Plc.
Zenith Bank Plc
Polaris Bank Limited

CHAIRMAN'S STATEMENT

Our dear esteemed shareholders, valued partners, and fellow members of the board, I am honoured to stand before you today to present our company's Audited Financial Statement for the year ended 31st December, 2024. As we gather here today, it is my pleasure to report that our company has continued to make significant strides in the energy sector, driven by our commitment to innovation, sustainability, and excellence.

As we navigate the ever-evolving and turbulent business landscape, we shall continue to make indelible footprint in the various sectors where our presence is felt. The sectors are energy, logistic, marine security and construction. Our company remains steadfast in its mission to provide reliable, efficient, and environmentally friendly logistics, marine security and construction solutions to our unique customers.

Our financial performance for the year under review reflects our unwavering dedication to this mission and strong supports enjoyed from our strategic partners such as Shell Petroleum Development Company, First E and P Limited, road construction clients and a host of others who play contributory yet strategic part to enhance our growth. These achievements are a testament to the hard work and dedication of our team, as well as the trust and confidence placed in us by our shareholders and strategic partners.

As we look to the future, we remain committed to investing in new technologies, expanding our operations, and enhancing our sustainability initiatives. We are confident that our strategic focus on innovation, customer satisfaction, and operational efficiency will continue to drive growth and value creation for all our stakeholders and strategic partners.

THE GLOBAL ECONOMY

The year 2024 was filled with mixed feelings and reactions given the political and economic tensions around the world. The world experienced a rough and turbulent times that gives birth to economic uncertainty and political instability. However, the global business economy is gradually finding its footings to strike a balance between return on investment and wage-price spiral or inflationary spiral.

Central banks all over the world have made coordinated effort to close the gap between living standard of the people and this spiralling inflation problems confronting individuals and household and businesses alike. While America and China are caught in the trade tariff wars, the global business community are watching with keen interest on the return to global peace for sustainable growth. The projected global growth in the next 5 years from 2024 is at 3.1% which is at its lowest in the past 10 years.

GLOBAL OIL MARKET

The demand for oil has been on the increase since the commencement of political wars between Russia and Ukraine which has lasted for well over one year plus. The supply of world oil has increased by 130 kb/d month -on -month to 103.4 mb/d in November, up 230 kb/d year-on-year, on a continued recovery in Libyan and Kazakhstan output. Total oil supply is on track to increase by 630 kb/d this year and 1.9 mb/d in 2025, to 104.8 mb/d, even in the absence of unwinding of OPEC+ cuts. Non-OPEC+ supply rises by about 1.5 mb/d in both years, led by the United States, Brazil, Guyana, Canada and Argentina.

The decision by OPEC+ to delay the unwinding of its additional voluntary production cuts by another three months and extend the ramp-up period by nine months through September 2026 has materially reduced the potential supply overhang that was set to emerge next year. Even so, persistent overproduction from some OPEC+ members, robust supply growth from non-OPEC+ countries and relatively modest global oil demand growth leaves the market looking comfortably supplied in 2025.

Ministers of the eight OPEC+ countries that had agreed extra output reductions of 2.2 mb/d in November 2023 confirmed at last week's meeting a further delay in restoring these volumes to the market. The postponement was the third since September and came against a backdrop of heightened geopolitical tensions that have raised potential supply risks and slowing global oil demand growth led by China. The cuts will now, at the earliest, be phased out from the end of March 2025 through September 2026.

NIGERIA ECONOMY

Since the assumption of office by Mr. President on the 29th May 2023, the economy has been experiencing some economic challenges which were not peculiar to Nigeria but it was seen as a global phenomenon. The oil and gas sector is the bedrock on which the Nigeria budget is built upon. In 2024, Nigeria could not meet or fulfil its target of crude oil production of 1.78 million barrel per day but managed to contribute 1.54 million barrels per day falling short of 0.24 million barrels per day as a result pocket of oil vandalisms in the south-south region.

It is worthy of note that to kick start his administration, the President made some public pronouncement such as removal of subsidy. The Dangote Petroleum Refinery with a processing capacity of 650,000 barrel of crude oil per day and the adoption of maritime transport marks a turning point in the Nigerian oil industry.

Moreover, the Naira depreciated against major global currencies to further exacerbated costs, since Nigeria economy is heavily dependent on importation. The exchange rate (Naira/US\$) depreciated by 41.4 percent to close at the year ₦1,536.5/US\$ on December 31 (CBN, 2024), making the cost of importing good and services to be on the increase, thereby placing additional financial pains on businesses that rely on imported raw materials especially the manufacturing and construction industries (importations of machineries and equipment). The Input Prices of CBN Purchasing Managers Index (PMI), a proxy for the Producer Price Index (PPI), underscored rising business costs as it maintained an uptick posture through the year and settled at 74.7 index points by November 2024, up from 69.1 at the beginning of the year (CBN, 2024).

OUR COMPANY

In 2024 the major events that shaped Global Spectrum Energy Services Plc were; the expansion of fleet, diversification into construction and employment of key staff.

Expanding our fleet is an exciting proposition. It's a sign of growth, a testament to a thriving business. But like any significant business decision, it requires careful deliberation and planning.

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The acquisition of SVS AVERY is crucial for cost reduction, increased revenue, market presence and sustainable growth. We remain committed to reshaping our business operations to deliver value to stakeholders.

The Nigeria construction market size as of 2023 was \$105.8billion with an annual growth rate of more than 3% during 2025-2028. It is a public knowledge that the government in Nigeria focus on developing infrastructure, hence our decision to explore the opportunity of government support and budget in trillions for capital expenditure, including, roads, rail and housing etc. This choice of diversification as an additional business line is in line with our guiding principle and driven by our plan for growth, risk reduction and creation of shareholders' value.

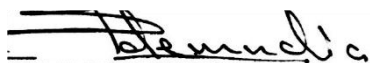
As part of our expansion strategies in 2024, our company made deliberate effort to enhance our operational capacity in the maritime security and construction industry in Nigeria. We successfully recruited and onboarded 76 new employees (Skilled, Semi-skilled and unskilled) across various departments. We remain committed to creating opportunities for talented individuals to join our team. We believe that our employees are our greatest asset, and we are dedicated to providing a supportive, inclusive, and dynamic work environment that fosters growth, development, and success.

Finally, the business landscape in 2024 was filled with challenges that require strategic thinking, innovation, and adaptability. As a company reposed with the needed support from our shareholders and strategic partners, we are up and doing and adaptable to navigate these economic challenges and ensure long-term stability and sustainability.

APPRECIATION

On behalf of Global Spectrum Energy Services Plc, permit me to express our sincere gratitude to everyone who has made this year 2024 a great success, especially our esteemed shareholders, amiable clients, ever supporting partners and loyal and tireless team who took it upon themselves to drive the vision.

I am deeply grateful for the support of our clients and partners. You have made this a truly memorable 2024.



Mr. Osahon Idemudia
Chairman

FRC/2017/NBA/00000016852

March 28, 2025

ABOUT GLOBAL SPECTRUM ENERGY SERVICES PLC

Global Spectrum Energy Services Plc was incorporated on the 14th day of March 2006 as a private limited liability company with RC. No.648014. It is an integrated Pan African Oil & Gas Servicing Company playing strategically in many of the key Oil and Gas producing areas in Africa. The company engages in complimentary Maritime Security, Logistics, Energy and Engineering Services and pioneers cutting edge technologies and innovations in these fields.

The operations of the Marine Services Division and Security Systems Division concentrate on the developing countries, especially those in West Africa including Nigeria, Ghana, Equatorial Guinea, Ivory Coast, etc. Global Spectrum also serves as intermediaries and agents for companies seeking Partnership in these areas.

In the pursuit of our vision to permeate the industry, the Company by a special resolution dated 16th of July 2013, was converted from a private limited liability company to a public company. The Authorized Share Capital presently stands at ₦500, 000,000 (Five Hundred Million) represented by 1,000,000,000 (One Billion) units of ordinary shares of 50 kobo each which only 800,000,000 (Eight hundred Million) have been issued and fully paid up.

Global Spectrum's growth has been guided by prudence and a team of young and passionate field personnel, veteran managers and a visionary management team driven by the determination to exceed all expectations even theirs. Continuous attention to these values has resulted in long-term client relationships, which have been vital to its successful operations in the past and will prove rewarding in its activities in the future.

We have operational offices in Abuja, Lagos, and Port Harcourt Nigeria.

VISION

To become a leading Oil and Gas Servicing Company providing Maritime Security and Energy Services with regards to quality and safety whilst creating opportunities for economic growth thereby contributing to a sustainable development.

MISSION

To be the pre-eminent Pan African Marine Security Company with interests and assets that spans the Continent, while providing reliable and efficient on-shore and off-shore oil, maritime security, and marine engineering services with value to all stakeholders.

CORE VALUES

Our core business values are focused on satisfying clients' needs and requirement through delivering efficient maritime security services thereby managing assets and resources in order to maximize profits.

DIRECTORS REPORT ON THE FINANCIAL STATEMENTS

The Directors have the pleasure to present their report together with the Company's Audited Financial Statements for the period ended December 31, 2024.

1. PRINCIPAL ACTIVITIES

The Company's principal activities are providing offshore supply vessels, security patrol vessels, lubricants sales/distribution, maritime security & protection services, ROV/diving services, subsea installation/construction, seafarers training and development services, logistics, energy, and engineering services.

2. RESULT

	2024 N'000	2023 N'000
Gross Revenue	9,932,829	4,170,477
Profit before Taxation	1,133,222	720,695
Provision for tax payable	(348,252)	(297,671)
Profit for the period	784,971 =====	423,024 =====

3. LEGAL FORM

Global Spectrum Energy Services Plc was incorporated in Nigeria as a Private Limited Liability Company on 14 March 2006 and became a public liability company on 16 July 2013. The company was listed on the Nigeria Stock Exchange on 27 November 2017 and delisted on 11th April 2023.

4. DIRECTORS' INTEREST

- a. The interests of the Directors in the authorized and paid-up capital of the company as recorded in the register of Directors' shareholdings as at 31 December, 2024 are as follows:

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DIRECTORS	DIRECT SHAREHOLDING			
	AS AT 31 DECEMBER 2024		AS AT 31 DECEMBER 2023	
	No. of Shares	%	No. of Shares	%
Mustapha Shuaibu	120,000,000	15	0	0
Wasiu Akindele	6,000,000	0.75	6,000,000	0.75
Clement Akanibo	500,000	0.06	500,000	0.06
Osahon Idemudia	814,322	0.1	814,32	0.1
Chidolue Okonkwo	238,729	0.03	238,729	0.03
Comfort Otera Chigbue	0	0	0	0
Dickson Olisemenogor	0	0	0	0
INDIRECT SHAREHOLDING				
DIRECTORS	AS AT 31 DECEMBER 2024		AS AT 31 DECEMBER 2023	
	INDIRECT SHAREHOLDING		INDIRECT SHAREHOLDING	
	No. of Shares	%	No. of Shares	%
Mustapha Shuaibu*	120,000,000	15	120,000,000	15
Wasiu Akindele	0	0	0	0
Clement Akanibo	0	0	0	0
Osahon Idemudia	0	0	0	0
Chidolue Okonkwo	0	0	0	0

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Comfort Otera Chigbue	0	0	0	0
Dickson Olisemenogor	0	0	0	0

***Mr. Mustapha Shuaibu owns 120,000,000 units of shares in Global Spectrum Plc. through Criterion Nigeria Limited.**

The directors' shareholdings remained constant as at the date the financial statement was approved by the Board of Directors on March 28, 2025.

b. Directors' Interest in Contracts

None of the Directors has notified the Company for the purpose of Section 303 of the Companies and Allied Matters Act 2020, of any disclosable interest in contracts with which the Company is involved as at 31 December, 2024.

c. Directors' Responsibilities

The Directors are responsible for the preparation of financial statements which give a true and fair view of the state of affairs of the company at the end of each financial period and of the profit or loss for that period in compliance with the provisions of the International Financial Reporting Standards, the Financial Reporting Council Acts, 2011 and the Companies and Allied Matters Act 2020, to ensure that:

- Proper accounting books and records are maintained.
- Applicable accounting standards are followed.
- Suitable accounting policies are adopted and consistently applied.
- The going concern basis is used, unless it is inappropriate to presume that the company will continue in business.
- Internal control procedures are instituted which will reasonably safeguard the assets, prevent, and detect fraud and other irregularities.

d. Directors to retire by rotation

In accordance with section 285 (1) and (2) of the Companies and Allied Matters Act 2020, the director to retire by rotation at the forthcoming Annual General Meeting is Mr. Osahon Idemudia. He, however, offers himself eligible for re-election.

5. SHAREHOLDERS WITH SUBSTANTIAL INTEREST OF 5% AND ABOVE

The registrar has advised that according to the register of members as at 31 December, 2024, the following held 5% or more of the issued share capital of the Company:

SHAREHOLDERS WITH 5% AND ABOVE AS AT 31 DECEMBER, 2024			
S/N	FULL NAME	HOLDINGS	%
1	ASPIRAL SUN LTD	440,000,000	55.00
2	CRITERION NIGERIA LTD (REPRESENTED BY MUSTAPHA SHUAIBU)	120,000,000	15.00
3	OCEAN 99 LIMITED	44,900,000	5.61

6. SHARE CAPITAL

a) History

SHARE CAPITAL HISTORY			
period	AUTHORISED SHARE CAPITAL '000	ISSUED AND FULLY PAID UNIT OF SHARES '000	INCREASE '000
2006	1,000	1,000	0
2011	10,000	10,000	9,000
2013	100,000	100,000	90,000
2016	400,000	400,000	300,000
2017	400,000	800,000	0
2020	500,000	1,000,000	100,000

b) Shareholding Analysis of Ordinary Shares

GLOBAL SPECTRUM ENERGY SERVICES PLC SHAREHOLDING RANGE ANALYSIS AS AT 31 DECEMBER, 2024								
Range			No. of Holders	Holders %	Holders Cumulative	Units	Unit %	Units Cumulative
1	—	1,000	293	44	293	57,697	0	57,697
1,001	—	5,000	34	5	327	88,278	0	145,975
5,001	—	10,000	7	1	334	52,088	0	198,063
10,001	—	50,000	243	36	577	11,894,407	1	12,092,470
50,001	—	100,000	4	1	581	347,204	0	12,439,674
100,001	—	500,000	66	10	647	20,046,004	3	32,485,678
500,001		1,000,000	3	0	650	125,143,322	0	35,000,000

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1,000,000		ABOVE	19	3	669	765,000,000	96	800,000,000
1								
			665	100.0		800,000,000	100.0	
			0			0	0	

7. DONATIONS

There was no donation and charitable gift made during the period.

8. FUTURE PROSPECTS

The Directors are confident that the company is appropriately placed to continue its current business and to explore new business opportunities.

9. ACQUISITION OF OWN SHARES

The Directors affirm that the company did not purchase its own shares during the period.

10. MAJOR CUSTOMERS

The Company's major customers are:

- Total E & P
- First E & P
- Addax Petroleum
- SNEPCO
- Exxon Mobil
- Ambrey Risk International

11. MAJOR SUPPLIERS

- Techys Plantgeria Limited
- High Tide Marine Services Limited
- Multiple Energy Services Limited
- Gas kings Nigeria Limited
- Construmat Nigeria Limited
- Shiplside Drydock Limited

12. FRAUD

The Company did not witness any case of fraud during the period under review

13. EMPLOYMENT AND EMPLOYEES

i. Employment of persons with disability:

It is the company's policy not to discriminate in considering applications for employment from persons with disability. Therefore, all employees whether or not disabled are given equal opportunities to acquire experience and increase in knowledge to qualify for promotion & furtherance of their careers. Nevertheless, as at 31 December, 2024, the company had no persons with disability in its employment.

ii. Employees' involvement and training:

- a.** The company is committed to keeping employees as fully informed as possible regarding its performance and progress and seeking their views wherever practicable on matters which particularly affect them as employees.
- b.** Management, professional and technical expertise are the company's major assets and investments in developing such skills continues.
- c.** The company provides a range of training for its staff, and this has broadened opportunities for career development within the organization.
- d.** Incentive schemes designed to meet the circumstance of each individual are implemented wherever appropriate.
- e.** Health, safety at work and welfare of employees. Health and safety regulations are in force within the company's premises and employees are aware of the existing regulations.

14. PROPERTY, PLANT AND EQUIPMENT

The movement in property, plant and equipment during the period is as shown in note 12 of these financial statements. In the opinion of the directors, the market value of the company's properties is not less than the value shown.

15. INTERNAL FINANCIAL CONTROLS

Effective financial controls are an essential management tool. Accordingly, reasonable care has been taken to establish and maintain a framework of financial controls to ensure that the Company's assets are safeguarded and that proper accounting records are maintained with a view to providing reliable financial information.

16. EVENTS AFTER THE REPORTING DATE

There were no events occurring after the reporting date that are material, to affect the financial statements for the period under review.

17. RESULTS AND DIVIDEND

The results for the period ended 31 December, 2024, are set out in the financial statements. There would be no declaration of dividend for the period then ended.

18. AUDITORS

The auditors, Messrs Olufemi Fajuyi & Co. (Chartered Accountants) was appointed to serve as the company's auditors in accordance with section 401(2) of the Companies and Allied Matters Act 2020. A resolution will be proposed authorizing the directors to determine their remuneration.

BY ORDER OF THE BOARD



Victoria Nwuche

FRC/2025/PRO/NBA/002/86565

For: Rayfield Associates

Company Secretary

March 28, 2025.

LAGOS,

NIGERIA

CORPORATE GOVERNANCE REPORT

Global Spectrum Energy Services Plc (“the Company”) acknowledges the importance of having a strong corporate governance framework in place for the effective functioning of the company in order to achieve its objectives subject to various guidelines for the benefit of the stakeholders. The Board ensures that corporate governance framework is built around the principles of openness, independence, accountability, responsibility, fairness, and ethical conducts.

As a Public Limited Liability Company listed on the Nigerian Stock Exchange, The Company endeavours to adopt the requirements of the Financial Reporting Act 2011, Nigerian Code of Corporate Governance 2018 (NCCG) and well as the SEC code of Corporate Governance guidelines (SCCG) in its daily activities.

Our actions and interactions with our customers, employees, government officials, suppliers, shareholders, and other stakeholders reflect our values, beliefs, and principles. The Company complied substantially with major corporate governance principles during the period under review.

Responsibilities of the Board of Director and Officers of the Board

The Board plays a key role in effective governance as it lies at the top end of a system of control that is focused on overseeing and challenging management and control functions. A successful company is headed by an effective Board which is responsible for providing entrepreneurial and strategic leadership, as well as promoting ethical culture and responsible corporate citizenship. The Company headed by an effective Board leads and controls the business and promotes the company’s values and standards.

The Board is composed of members who are competent, fit, and proper to run the affairs of the company in their various capacities. They are conversant with the business of the company and the statutory and regulatory requirements regulating its business. The Board acts in the best interest of the company at all times and also complies with the laws of the Federal Republic of Nigeria, applicable regulations and the Company’s Memorandum and Article of Association.

The Board ensures the implementation of succession planning, Risk Management and oversees the Internal Audit function through various committees. The process of appointment of Director is conducted in terms of the company's Memorandum and Articles of Association which is also in line with the provisions of the codes as well as the recommendations made by the Governance and Remuneration Committee.

Board Structure and Composition

Experience has shown that the size of the Board is appropriate to facilitate the effectiveness of a company. The Board has a sufficient size to fulfil its role diligently and each member of the Board has the requisite skills, knowledge, diversity, experience, and independence to effectively manage the company.

During the period under review, the Board had a composition of 7 (Seven) Directors with the requisite skill comprising of an appropriate mix of 1 (One) Executive Director, 4 (Four) Non-Executive Directors, and 2 (Two) Independent Non-Executive Directors. The Board of Directors of Global Spectrum Energy Services Plc in the period under review:

S/N	DIRECTOR	TITLE
1.	Mr. Osahon Idemudia	Chairman
2.	Mr. Wasiu Akindele	Executive Director, Acting MD
3.	Mr. Shuaibu Mustapha	Non-Executive Director
4.	Mr. Clement Akanibo	Non-Executive Director
5.	Mr. Chidolue Okonkwo	Non-Executive Director
6.	Olaiya Ibikunle Taiwo	Non-Executive Director
7.	Stanley Onyeneke	Non-Executive Director
8.	Mrs. Comfort Otera Chigbue	Independent Non-Executive Director
9.	RAdm Dickson Olisemenogor (Rtd.)	Independent Non-Executive Director

During the period under review, there were no changes in the Board composition.

Chairman

The Board Chairman is responsible for the overall leadership of the Company and the Board. The Chairman of the Company is a Non-Executive Director who is not involved in the day to day running of the Company.

The Chairman sets the agenda and ensures that the Director receive precise, timely and objective information for effective contribution in Board and general meetings and at the same time ensures effective communication with shareholders. During Board meetings, he encourages active engagement by all Board members and ensures that Director constructively challenge senior management. The Chairman also facilitates the effective contribution of non-executive Director thus ensuring constructive relations between executive and non-executive Director.

The Chairman in collaboration with the company secretary ensures provision for induction of new Director and continuous development programs for subsisting Director. The Chairman of the Board does not serve as the Chief Executive Director or Chairman of any Executive Board Committee. This is to allow for checks and balances and to avoid the concentration of authority on an individual. Their roles are defined in writing.

The letter of appointment of the Chairman approved by the Board and agreed to by the Chairman clearly establishes the responsibilities of the Chairman, including an assessment of the time commitment expected. The Chairman acknowledges that it is imperative to have a constructive relationship with the CEO and that a certain level of independence is maintained.

Chief Executive Officer

The Chief-Executive Officer (CEO) of the Company leads the senior management in the day to day running of the affairs of the company and is very conversant with the company's business. He was appointed by the Board considering his entrepreneurial skill, credibility, and integrity.

The Chief Executive Officer develops, drives, and delivers performance within strategic goals, commercial objectives and business plans agreed by the Board. He ensures compliance with appropriate policies and procedures and maintains an effective framework of internal controls over risk in relation to the business. He makes decisions in all matters affecting the operations, performance, and strategy of

the business, except for those matters reserved for the Board or specifically delegated by the Board to its Committees. He is also responsible for the recruitment and appointment of senior management, after consultation with the Remuneration and Nomination Committee.

He is not a member of the Remuneration, Audit, Nomination and Governance committee, He is a member of the Finance and Risk Committee.

Executive Directors, Non-Executive Directors, and Independent Non-Executive Directors

The Executive Directors helps the Chief Executive Director on the day-to-day affairs of the company, implement and achieve the company's strategy as well as management of company's finance. The Company currently have 1 (One) Executive Director. The Non- Executive Directors of the company brings their independent judgement to the Board especially in issues of strategy and performance. The Company currently have a total of 4 (Four) Non-Executive Directors, and 2 (Two) Independent Non-Executive Directors.

Company Secretary

The company secretary is a firm composed of Legal Practitioners with relevant qualifications and competence necessary to effectively discharge its duties. Amongst other duties, the secretary ensures that it provides to the Board guidelines on how to effectively discharge their functions, coordinate training and induction program, meetings, advisory services to the Board both individually and jointly and ensures that there is total compliance with the laws, codes, and regulations.

Meeting of the Board and appointment to the Board

The Board meets at least once every quarter to decide on policy matters and to direct the affairs of the Company. The attendance of each director is considered for re-election. All the Directors dedicate the necessary time and attention to their duties as Directors of the company and their holding of Directorships in other companies is in line with regulatory provisions.

The Governance and Remuneration committee (a joint committee) recommends to the Board a fit and proper candidate to be appointed to the Board. The Company's Articles of

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Association requires all Directors to submit themselves for re-election by shareholders at each Annual General Meeting, and the shareholders are also informed in the Annual report the biographical information of the proposed director to guide their decision on appointment.

In line with corporate governance principle, the table shows the frequency of meetings of the Board of Directors and members attendance at these meetings during the period under review:

NAME	NO. OF MEETING HELD	NO. OF MEETINGS ATTENDED
Mr. Osahon Idemudia	4	4
Mr. Wasiu Akindele	4	4
Mr. Shuaibu Mustapha	4	3
Mr. Clement Akanibo	4	4
Mr. Chidolue Okonkwo	4	4
Mrs. Comfort Otera Chigbue	4	4
RAdm Dickson Olisemenogor (Rtd.)	4	3

The Board of Directors held its meetings on the following dates during the period under review: 25th March 2024, 26th June 2024, 27th September 2024 and 20th December 2024.

BOARD COMMITTEES

In accordance with the rules, the Board delegated some of its functions, duty and responsibility to different committees which includes the Governance and Remuneration, Audit and Risk Management.

Governance and Remuneration Committee

This committee is composed of Independent Non- Executive Director and Non-Executive Directors and are responsible for recommending fit and proper individuals to the Board for appointment on the Board and considers the overall remuneration packages (including pension) of the Executive Director with the aim of recognizing best practice, aligning with shareholder objectives, and encouraging behaviours to maintain the long-term success of the business.

Annually, the committee puts in place a succession plan and policy which serves as a guideline to regulate the appointment of Board members and senior management. This Committee is also responsible to periodically assess the skills, knowledge, and experience of individual Director and of the Board collectively and report on this to the Board. The Committee perform its role regarding ‘fit and proper’ assessments of present and prospective Board Members.

A remuneration policy is in place to ensure that the Director of the company are properly remunerated to attract, motivate, reward, and retain them but at the same time not too excessive. The Shareholders approves the remuneration of the Non-Executive Director and Independent Non-Executive Directors. The remuneration policy and the remuneration of all the Director are disclosed in the company’s Annual report.

During the period under review, RAdm. Olisemenogor was the Chairman of the committee and the committee held meeting twice.

NAME	NO. OF MEETING HELD	NO. OF MEETINGS ATTENDED
Dickson Olisemenogor – Chairman	2	2
Chidolue Okonkwo	2	2
Shuaibu Mustapha	2	2
Comfort Chigbue	2	2

The Finance and Risk Board Committee

The committee is composed of 2 (Two) Non-Executive Director and 1 (One)

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Executive Director. The committee is responsible for the proactive risk management policy, ensures that the company has a structured and appropriate approach to risk. Each area of the business has a clear focus to identify, evaluate and manage and review risk in line with strategic priorities and risk appetite. The risk management process is overseen by the finance and risk committee. The committee meets once every quarter.

At the Executive management level, a committee is created and chaired by the Chief-Executive officer who is responsible for risk at the operational level. Also, a Risk officer was appointed to provide advice to the Board indirectly on all risk issues affecting the company and at the same time reports to the Chief-Executive Officer and the Chief Finance Officer, he is always in attendance at the meeting of the Risk Committee.

NAME	NO. OF MEETING HELD	NO. OF MEETINGS ATTENDED
Clement Akanibo - Chairman	2	2
Wasiu Akindele	2	2
Comfort Chigbue	2	2

The Audit Committee of the company is comprised of 2 (Two) Non-executive Director being Mr. Clement Akanibo and Mr. Chidolue Okonkwo and 3 (Three) shareholder representatives being Mr. Ezekiel Chaka, Mr. Joel Akinola Adeleke and Mr. Ajugo Kingdom. They are fit and proper as they possess the relevant accounting and financial experience. Mr. Ajugo Kingdom was appointed at the last Annual General Meeting which held in Lagos on 15th November 2023 to replace the late Chief Joel Kroham.

The committee reviews the scope of planning of the audit requirement, reviews the external auditors management report, ascertain that the accounting and reporting policy of the company is in accordance with the legal requirements and agreed practice, keep under review the effectiveness of the company's system of accounting and internal control, make recommendations on the appointment, removal and remuneration of external auditors and also authorize the internal auditor to carry out investigations into the activities of the company which is of concern to the committee.

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The Committee meets once every quarter and Executive Director and other relevant participants are invited to attend the meetings, when appropriate.

NAME	NO. OF MEETING HELD	NO. OF MEETINGS ATTENDED
Clement Akanibo – Chairman	4	4
Chidolue Okonkwo	4	4
Mr. Ezekiel Chaka	4	4
Mr. Joel Akinola Adeleke	4	3
Ajugo Kingdom	4	1

Induction and Continuous Education

There is a formal induction program for newly appointed Director and a continuous program for continuing Director to assist in the effective discharge of their duties.

The induction of Directors takes place immediately after his/her appointment to the Board, the purpose is to familiarize themselves with the company's business, services and how it operates. An annual training and orientation plan has been put in place by the Governance and Remuneration Committee for that purpose which contains the different orientation needed by the Executive Director and Non- Executive Director and continuous training programmes.

Board Evaluation

All members of the Board are evaluated both individually, jointly and as a committee. Internal Board evaluation was also carried out by the Governance and Remuneration Committee and the Company Secretary through a Board Effectiveness Questionnaire.

The amount of time that the Non-Executive Director are expected to commit to discharge their duties is agreed on an individual basis at the time of appointment and reviewed periodically thereafter. The time commitment agreed takes into account whether the appointee is the chairman or a member of a Board committee(s).

In evaluation the days of commitment and the performance of the Director are considered, and the result of the evaluation is communicated and discussed by the Board as a whole.

Relationship with Shareholders

The Company recognizes dialogue with shareholders and constructive use of Annual General Meeting. The Executive Director engage proactively with analysts, investors, and shareholders to promote mutual understanding of objectives and to ensure their views are communicated to the Board as a whole.

The Company maintains an on-going communication with its shareholders on its strategy and performance in order to enhance trust and confidence in the company. During the period under-review, the company issued various company announcements and media releases to explain ongoing corporate developments and material events and transactions that have taken place and their impact in the company.

The company communicates with shareholders in the following ways:

- through the 'Annual Report and Accounts' which is provided to shareholders;
- through the publication of company announcements and media releases; and
- at the Annual General Meeting and Extraordinary General Meetings.

All information that aids the effectiveness and participation of shareholders are sent out promptly and all shareholders are given the opportunity to ask questions during the general meetings. The company maintains an open channel of communication with its shareholders through the Company Secretarial Office.

The Board ensures at all times a transparent dealing with shareholder's associations and ensures equitable treatment of all shareholders especially the interest of minority.

Business Conduct and Ethics/ Ethical Culture

The company has in place a business conduct and ethics policy which is approved by the Board. The policy is designed to ensure that ethical standards and behaviours are maintained within the company. The policy is reviewed periodically where the need arises.

The Company also has in place policies on the following: Insider trading, related party transactions and conflict of interest policy which is uploaded on the Investors portal of the company's website.

Sustainability

The Board continues to recognize that the Company has a role within, and responsibility towards, the community it serves. To discharge these roles and responsibilities, during 2024 the company utilize its resources in order to carry out a series of initiatives and projects designed to provide value to various sectors within the community.

From an environmentally friendly perspective, the company continued to take several measures to raise its commitment to support a sustainable environment for the community and for future generations.

Transparency/Disclosures

The company has in place a communication policy which is posted on the company's website (Investors Portal). The information to the shareholders is clear and written in a language that is easily understood. The Company make disclosures to the shareholders through the Investor portal of the website and through its Annual Report.

Global Spectrum Energy Services Plc. and the Law

The Company ensures compliance with the laws and regulations guiding its operations in Nigeria. The Company has in place the following policies:

- i. Whistle Blowing Policy
- ii. Securities Trading and Market Conduct Policy
- iii. Code of Conduct and Business Ethics
- iv. Anti-Bribery and Corruption Policy
- v. Anti-money Laundering and Combating Terrorism Financing Policy
- vi. Communication Policy
- vii. Risk management Policy
- viii. Remuneration Policy
- ix. Claw back Policy
- x. Related Party Transaction Policy
- xi. Conflict of Interest Policy
- xii. Ethical Diversity Policy

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- xiii. Training Policy
- xiv. Sustainability Issues, Including gender inclusion.

By the order of the board



Victoria Nwuche

FRC/2025/PRO/NBA/002/865

675

For: Rayfield

Associates Company

Secretary

March 28, 2025.

LAGOS, NIGERIA

STATEMENT OF THE DIRECTORS' RESPONSIBILITIES

The Companies and Allied Matters Act 2020, requires the Directors to prepare the financial statements for each period that fairly, in all material respect, state of financial affairs of the Company at the end of the period and its profit or loss.

The responsibilities include ensuring that:

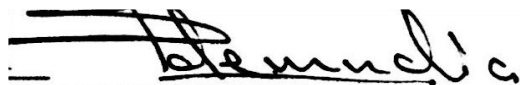
- A. The Company keeps proper accounting records which disclose with reasonable accuracy the financial position of the Company, and which ensure the financial statements comply with the requirements of the Companies and Allied Matters Act, and relevant provisions of the Financial Reporting Council of Nigeria Act 2011 and International Financial Reporting Standards (IFRSs);
- B. Appropriate and adequate internal controls are established to safeguard the asset of the Company and to prevent and detect fraud and other irregularities;
- C. The Company has appropriate accounting policies, consistently applied, and supported by reasonable and prudent judgement and estimate and that all applicable accounting standards have been followed; and
- D. The financial statements are prepared on a going concern basis unless it is presumed that the Company will not continue in business.

The Directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgement and estimates.

In conformity with the requirement of Companies and Allied Matters Act 2020, the Financial Reporting Council of Nigeria Act 2011, and the International Financial Reporting Standards. The Directors are of the opinion that the financial statements give a true and fair view of the statement of affairs of the Company and its profit or loss.

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

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



Mr. Osahon Idemudia
Chairman

FRC/2017/NBA/00000016852

Dated: March 28, 2025.



Mr. Wasiu Akindele
Director

FRC/2018/ICAN/00000018056

Dated: March 28, 2025.

REPORT OF THE STATUTORY AUDIT COMMITTEE
TO THE MEMBERS OF GLOBAL SPECTRUM ENERGY SERVICES PLC

In compliance with section 404 of the Company and Allied Matters Act 2020, we confirm that we have:

- A. Reviewed the scope and planning of the audit requirements;
- B. Reviewed the External Auditors Management Report for the half-period ended 31 December 2024, as well as the management response thereon; and
- C. Ascertained that the accounting and reporting policies of the Company for the half-period ended 31 December 2024 are in accordance with legal requirements and agreed practices.

In our opinion, the scope and planning of the audit for the period ended 31 December, 2024, were adequate and Management’s responses to the Auditor’s findings were satisfactory.

In addition, the scope, planning and reporting of these Financial Statements is compliant with the requirements of the International Financial Reporting Standards as adopted by the Company.

Dated this 28th day of March 2025.



.....
Chairman
Clement Akanibo
FRC/2014/ICAN/00000008266

Members of the Audit Committee

- | | | |
|----------------------------|---|----------|
| • Mr. Clement Akanibo | - | Chairman |
| • Mr. Chidolue Okonkwo | - | Member |
| • Mr. Ajugo Kingdom | - | Member |
| • Mr. Ezekiel Chaka | - | Member |
| • Mr. Joel Akinola Adeleke | - | Member |

Statement on internal controls over financial reporting.

In compliance with the provisions of Section 405 of the Companies and Allied Matters Act, 2020, we certify that:

- a) We have reviewed the audited financial statements of Global Spectrum Energy Services Plc for the year ended 31 December 2024;
- b) Based on our knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c) Based on our knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
- d) We also certify that we:
 - i. are responsible for establishing and maintaining internal controls;
 - ii. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the company, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - iii. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - iv. have evaluated the effectiveness of the company's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e) We have disclosed, based on our most recent evaluation of internal control system, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

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- i. All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - ii. Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control system.
- f) We identified, in the report whether or not there were significant changes internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.



Mr. Akindele Wasiu
Chief Executive Officer

FRC/2018/ICAN/00000018056

28th March, 2025



Mr. Joseph Alfred Emah
Chief Financial Officer

FRC/2024/PRO/ICAN/001/2768

28th March, 2025

CERTIFICATION OF MANAGEMENT'S ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In line with the provision of Section 1.3 of Securities and Exchange Commission's guidance on implementation of Sections 60-63 of the Investments and Securities Act (ISA) 2007 and Financial Reporting Council's guideline in fulfilment of Sec.7(2f) of the FRC Act. 6, 2011, we hereby make the following statements regarding the Internal Controls over Financial Reporting of Global Spectrum Energy Services Plc for the year ended 31 December 2024:

I, Wasiu Akindele, certify that:

a. I have reviewed this management's assessment on internal control over financial reporting of **Global Spectrum Energy Services Plc**

b. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;

d. The entity's other certifying officer and I:

1. are responsible for establishing and maintaining internal controls;

2. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to **Global Spectrum Energy Services Plc**, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

3. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles (GAAPs);

4. have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

e. The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the Board Audit, Governance, Nomination and Remuneration Committee:

1. All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and

2. Any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.

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f. The entity's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

28th March, 2025



Wasiu Akindele

Chief Executive Officer

FRC/2018/ICAN/00000018056

CERTIFICATION OF MANAGEMENT'S ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In line with the provision of Section 1.3 of Securities and Exchange Commission's guidance on implementation of Sections 60-63 of the Investments and Securities Act (ISA) 2007 and Financial Reporting Council's guideline in fulfilment of Sec.7(2f) of the FRC Act. 6, 2011, we hereby make the following statements regarding the Internal Controls over Financial Reporting of Global Spectrum Energy Services Plc for the year ended 31 December 2024:

I, Joseph Alfred Emah, certify that:

a. I have reviewed this management's assessment on internal control over financial reporting of **Global Spectrum Energy Services Plc**

b. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;

d. The entity's other certifying officer and I:

1. are responsible for establishing and maintaining internal controls;

2. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to **Global Spectrum Energy Services Plc**, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

3. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles (GAAPs);

4. have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

e. The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the Board Audit, Governance, Nomination and Remuneration Committee:

1. All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and

2. Any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.

f. The entity's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could

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significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

28^h March, 2025

A handwritten signature in blue ink, appearing to read 'Joseph Alfred Emah', with the date '28/3/25' written below it.

Joseph Alfred Emah

Chief Finance Officer

FRC/2024/PRO/ICAN/001/270068

Independent Auditor's Attestation Report on Management's Assessment of Internal Control over Financial Reporting

To the members of Global Spectrum Energy Services Plc.

Scope

We have been engaged by Global Spectrum Energy Services Plc. to perform a 'limited assurance engagement', based on International Standards on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, herein referred to as the engagement, to report on Global Spectrum Energy Services Plc. Internal Control over Financial Reporting (ICFR) (the "Subject Matter") contained in the Global Spectrum Energy Services Plc.'s ("the Company") Management's Assessment on Internal Control over Financial Reporting as of 31 December 2024 (the "Report").

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Criteria applied by Global Spectrum Energy Services Plc.

In designing, establishing and operating the Internal Control over Financial Reporting (ICFR) and preparing the Management's assessment of the Internal Control over Financial Reporting (ICFR), Global Spectrum Energy Services Plc. applied the requirements of Internal Control-Integrated Framework (2013) of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and SEC Guidance on Management Report on Internal Control Over Financial Reporting (Criteria). Such Criteria were specifically designed to enable organizations effectively and efficiently develop systems of internal control that adapt to changing business and operating environments, mitigate risks to acceptable levels, and support sound decision making and governance of the organization; As a result, the subject matter information may not be suitable for another purpose.

Global Spectrum Energy Services Plc.'s responsibilities

Global Spectrum Energy Services Plc.'s management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Global Spectrum Energy Services Plc.'s management's assessment of the Internal Control over Financial reporting as of 31 December 2024 in accordance with the criteria.

Our responsibilities

Our responsibility is to express a conclusion on the design and operating effectiveness of the Internal Control over Financial Reporting based on our Assurance engagement.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, those standards require that we plan and perform our engagement to obtain limited assurance on the entity's internal control over financial reporting based on our assurance engagement.

Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA code) and have the required competencies and experience to conduct this assurance engagement.

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

Description of procedures performed

The procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provides a basis for our report on the internal control put in place by management over financial reporting.

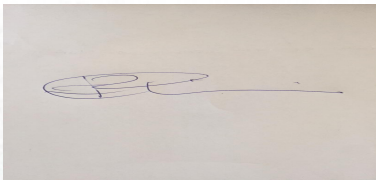
Conclusion

In conclusion, nothing has come to our attention to indicate that the internal control over financial reporting put in place by management is not adequate as of 31 December 2024, based on the requirements of Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and SEC Guidance on Management Report on Internal Control Over Financial Reporting.

Other Matter

We also have audited, in accordance with the International Standards on Auditing, the consolidated and separate financial statements for the year ended 31 December 2024 of Global Spectrum Energy Services Plc. and we expressed an unmodified opinion in our Auditor's report dated 28 March 2025. Our conclusion is not modified in respect of this matter

For: Olufemi Fajuyi & Co.



Rasheed Oyelayo Oyinlola

Engagement Partner

FRC/2014/ICAN/O0000009286

**Independent Auditor's Report
To the Members of Global Spectrum Energy Services Plc.
On the Audit of the Company Financial Statements
For the period 31 December, 2024.**

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of Global Spectrum Energy Services Plc. (the company) as at 31 December, 2024, and of the financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRSs) and the requirement of the Companies and Allied Matter Act and the Financial Reporting Council of Nigeria Act.

What we have audited

Global Spectrum Energy Services Plc.'s financial statement comprises:

- The statement of financial position as at 31 December, 2024;
- The statement of profit or loss and other comprehensive income for the period ended;
- The statement of changes in equity for the period ended;
- The statement of cash flows for the period ended; and
- The notes to the financial statements, which include a summary of significant 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 statement section of this 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 Ethics Standards Board for Accountants' Code of Ethics for professional Accountants (IESBA Code). 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 judgment, 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.

We confirm that there were no key audit matters for the period under review.

Other information

The directors are responsible for the other information. The other information comprises: Company overview, our business, Chairman's statement, Director's reports, Corporate governance report, Statement of Director's responsibilities, Report of audit committee, Directors reports, Statement of value added, Five period financial summary, Notice of annual general meeting (but does not include the financial statements and our audit report thereon).

Our opinion on the financial statement does not cover the other information and we do not and will not express 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 consistent with the financial statement or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that facts. We have nothing to report in this regard.

Responsibilities of the directors and those charged with governance for financial statements.

The directors are responsible for the preparation of the financial statements in accordance with International financial Reporting Standard and the requirement of the Company and Allied Matters Act, and the Financial Reporting Council of Nigeria Act and for such internal control as management determines is necessary to enable the preparation of financial statement that are free from material misstatements, whether due to fraud or error.

In preparing the financial statement, management is 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 management either intends to liquidate the Company or to cease operation, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company financial reporting process.

Auditor's responsibilities for audit of the financial statements

Our responsibilities are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement whether due to fraud or errors, and to issue an auditor's report that include 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. Misstatement 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 decision of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statement, 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 or error is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, 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 purpose of expressing an opinion on the effectiveness of the Company internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosure made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exist related to events or condition that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exist, we are require to draw in our auditor' reports to the related disclosure in the financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date of our auditor's opinion. However, future events or condition may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of financial statements, including the disclosures, and whether the financial statements represent the underlying transaction and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of

the entities or business activities within the Company to express an opinion on the statements.

- We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

From the matters communicated with those charged with governance, we determine those matters that were most significant in 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 manner or when, in extremely rare circumstance, 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 benefit of such communication.

Reports on other legal and regulatory requirements

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

- i) We have obtained all 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 book of accounts, so far as appears from our examination of those books and return adequate for our audit have been received from branches not visited by us;
- iii) The company's statements of financial position, profit or loss and other comprehensive income are in agreement with the book of accounts;

For Olufemi Fajuyi & Co.



Oyelayo Oyinlola
Engagement Partner
FRC/2014/ICAN/00000009286
March 28 , 2025.



GLOBAL SPECTRUM ENERGY SERVICES PLC
STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

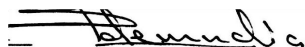
		2024	2023
Continuing operation	Notes	N'000	N'000
Revenue from Services	6	9,932,829	4,170,477
Operating Cost	8	(8,859,878)	(3,893,859)
Gross Profit		1,072,951	276,618
Other operating Income	7	555,913	676,720
Administrative expenses	9	(406,422)	(197,086)
Finance Charges		(89,221)	(35,557)
Profit before tax	26	1,133,222	720,695
Tax expense	11	(348,252)	(297,671)
Profit for the period		784,971	423,024
Other Comprehensive Income for the period,		0	0
Total comprehensive income		784,971	423,024
Earnings/(Loss) Per Share	21		
Basic(kobo)		98.12	52.88
Diluted (kobo)		98.12	52.88

The accompanying notes form an integral part of these financial statements

GLOBAL SPECTRUM ENERGY SERVICES PLC
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

		2024	2023
ASSETS	Notes	N'000	N'000
Non-current assets			
Property, plant and equipment	12	2,947,649	1,078,614
Investment Property	15	<u>2,533,845</u>	<u>2,533,845</u>
Total Non-current assets		<u>5,481,494</u>	<u>3,612,459</u>
Current Assets			
Trade and Other Receivables	16	4,626,052	2,704,566
Prepayments	14	10,750	4,000
Cash and Cash equivalent	17	<u>3,714,419</u>	<u>2,092,192</u>
Total Current Assets		<u>8,351,221</u>	<u>4,800,758</u>
Total Assets		<u>13,832,715</u>	<u>8,413,217</u>
EQUITY AND LIABILITIES			
Equity			
Issued share capital	19	400,000	400,000
Deposit for shares	20	2,486,440	2,486,440
Retained earnings		<u>3,656,409</u>	<u>2,871,439</u>
Total Equity		<u>6,542,849</u>	<u>5,757,879</u>
Non-current liabilities			
Deferred Tax	11	276,714	222,567
		<u>276,714</u>	<u>222,567</u>
Current liabilities			
Trade and other payables	22	6,304,938	1,949,440
Current income tax payable	11	<u>708,213</u>	<u>483,331</u>
		<u>7,013,152</u>	<u>2,432,771</u>
Total equity and liabilities		<u>13,832,715</u>	<u>8,413,217</u>

Approved by the Board of directors on March 28, 2025 and signed on its behalf by:







Osahon Idemudia

Akindele Wasiu

Joseph Alfred Emah

Chairman

Executive Director

(FRC/2017/NBA/00000016852)

(FRC/2018/ICAN/00000018056)

(FRC/2024/PRO/ICAN/001/270068)

The accompanying notes form an integral part of these financial statements

GLOBAL SPECTRUM ENERGY SERVICES PLC
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

	Issued Share Capital	Retained Earnings	Deposit for Shares	Total Equity
	N'000	N'000	N'000	N'000
As at 1 January, 2023	400,000	2,448,415	2,486,440	5,334,855
<u>Changes in 2023</u>				
Adjustment in Retained Earnings	0	0	0	0
Total comprehensive income for the period	0	423,024	0	274,402
As at 31 December, 2023	400,000	2,871,439	2,486,440	5,757,879
<u>Changes in 2024</u>				
Total comprehensive income for the period	0	784,971	0	784,971
As at 31 December, 2024	<u>400,000</u>	<u>3,656,409</u>	<u>2,486,440</u>	<u>6,542,849</u>

The accompanying notes form an integral part of these financial statements

GLOBAL SPECTRUM ENERGY SERVICES PLC
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	2023
	N'ooo	N'ooo
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	1,133,222	720,695
Non- cash adjustments:		
Foreign Exchange Gain	(430,277)	(666,900)
Finance Cost	89,221	35,557
Depreciation charge	<u>197,738</u>	<u>94,372</u>
	989,903	183,724
Working capital adjustments		
(Increase) in trade and other receivables	(1,921,486)	(1,210,457)
Decrease/(Increase)in Current Prepayment	(6,750)	3,500
Increase /(Decrease) in trade and other payables	<u>4,353,712</u>	<u>809,624</u>
	3,415,379	213,609
Income tax paid	<u>(67,437)</u>	<u>(23,100)</u>
Net cashflow from operating activities	<u>3,347,942</u>	<u>(236,709)</u>
Investing activities		
Purchase of properties, plant and equipment	(2,066,772)	(350)
Net cashflow from investing activities	<u>(2,066,772)</u>	<u>(350)</u>
Financing Activities		
Finance Cost	(89,221)	(35,557)
Foreign Exchange Gain	<u>430,277</u>	<u>666,900</u>
	<u>341,057</u>	<u>631,343</u>
Net increase in cash and cash equivalent	1,622,227	394,283
Cash and cash equivalent at 1 January	<u>2,092,192</u>	<u>1,697,909</u>
	<u>3,714,419</u>	<u>2,092,192</u>

The accompanying notes form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

1. General Information

Global Spectrum Energy Services Plc. is a Public Liability Company incorporated in Nigeria. The registered address of the company and its principal activities are disclosed in the 'Reporting Entity' page.

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

2a. New and revised IFRS that are mandatorily effective for the period ended 31 December, 2024

Amendments to IFRS 7, IFRS 9, IAS 39, IFRS 4 and IFRS 16: Interest Rate Benchmark Reform – Phase 2

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free rate (RFR). The amendments include a practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest. The practical expedient is required for entities applying IFRS 4 that are using the exemption from IFRS 9 (and, therefore, apply IAS 39) and for IFRS 16 Leases, to lease modifications required by IBOR reform. The amendments also permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued. Any gains or losses that could arise on transition are dealt with through the normal requirements of IFRS 9 and IAS 39 to measure and recognise hedge ineffectiveness. In addition, the amendments provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component. These amendments had no impact on the interim condensed consolidated financial statements of the Group as (i) it does not have any interest rate hedge relationships; and (ii) the cessation date for publication of the IBORs to which the borrowings are exposed is expected to be after 31 December, 2024.

2b New and revised IFRS that are not mandatorily effective (but allow early application) for the period beginning on or after January 1, 2024.

IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows. The amendments are effective for annual reporting periods beginning on or after January 1, 2024.

IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" is applied in selecting and applying accounting policies, accounting for changes in estimates and reflecting corrections of prior period errors. The standard requires compliance with any specific IFRS applying to a transaction, event or condition, and provides guidance on developing accounting policies for other items that result in relevant and reliable information. Changes in accounting policies and corrections of errors are generally retrospectively accounted for, whereas changes in accounting estimates are generally accounted for on a prospective basis. The amendments are effective for annual periods beginning on or after January 1, 2024.

Standards effective after December 31, 2024.

IAS 1 "Presentation of Financial Statements" sets out the overall requirements for financial statements, including how they should be structured, the minimum requirements for their content and overriding concepts such as going concern, the accrual basis of accounting and the current/non-current distinction. The standard requires a complete set of financial statements to comprise a statement of financial position, a statement of profit or loss and other comprehensive income, a statement of changes in equity and a statement of cash flows.

IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset has a low value. Lessor accounting however remains largely unchanged from IAS 17 and the distinction between operating and finance leases is retained

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A). Statement of Compliance

These financial statements have been prepared in accordance with the Financial Reporting Council Act 2011 and the International Financial Reporting Standards (IFRSs).

The financial statements were authorized for issue by the Board of Directors of Global Spectrum Energy Services Plc. on **March 28, 2025**.

Basis of Measurement

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

Functional and Presentation Currency

These financial statements are presented in Nigerian Naira, which is the company's functional currency. Hence, the financial statements are presented in Naira and all values are rounded to the nearest thousands, except otherwise indicated.

B) Reporting Foreign Currency Transactions in the Functional Currency

A foreign currency transaction is a transaction that is denominated or requires settlement in foreign currency, including transactions arising when the company:

- Renders services whose price is denominated in a foreign currency;
- Acquires or disposes assets or incurs or settles liabilities denominated in foreign currency; and
- Borrows or lends funds when the amounts payable or receivable are denominated in foreign currency.

Initial Recognition

Foreign currency transactions shall be recorded, on initial recognition in the functional currency, by applying to the foreign currency amount, the spot exchange rate (i.e. the prevailing exchange rate) between the functional currency and the foreign currency at the date of the transaction. The date of transaction is the date on which the transaction first qualifies for recognition in accordance with the International Financial Reporting Standards (IFRSs).

The functional currency is the currency of the primary economic environment in which the company operates, which is the Nigerian Naira.

Reporting at the end of subsequent reporting periods

At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date (i.e. the closing rate).

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Recognition of exchange differences

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated at initial recognition during the period or in previous period's financial statements are recognized in profit or loss in the period in which they arise.

C) Financial Instruments

The Financial instruments of the company consist of financial assets, financial liabilities and equity instruments. Each component of the financial instrument is classified on initial recognition in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and an equity instrument.

.1 Financial assets

a. Initial Recognition and Measurement

The company recognized financial assets in its statement of financial position when it becomes a party to the contractual provision of the instrument

At initial recognition, financial assets are measured at fair value plus, in the case of assets at fair value through profit or loss, directly attributable transaction costs.

b. Subsequent Measurement

The subsequent measurement of financial assets depends on their classification. This classification is based on the objectives of the company's business model and the contractual cash flow characteristics of the financial assets.

The objectives of its business model are to operate:

- Energy and Engineering Services;
- Sales of Lubricants;
- Maritime Security/Protection Services; and
- Subsea Installation and Construction.

Based on these objectives, the financial assets of the company are classified into the following categories:

- Cash & cash equivalents;
- Financial assets at fair value through profit or loss;
- Loans and receivables;
- Held-to-maturity investments; and
- Available for sale investments.

(i) Cash and cash equivalents

Cash (currency) is a financial asset because it represents a medium of exchange and is therefore the basis on which all transactions are measured and recognized in the financial statements.

Demand deposits and other short-term investments like fixed deposits are financial assets because they represent the contractual right of the depositor to obtain cash from the bank or draw cheque or similar instrument against the balance in favour of a creditor in payment of a financial liability. Consequently, cash and cash equivalents in the statement of financial position comprise cash on hand, cash at banks and short-term deposits with a maturity of three months or less.

Bank overdrafts are included in current liabilities as part of short-term borrowings in the statement of financial position.

(ii) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets that meet either of the following conditions:

- (a) It meets the definition of held for trading;
- (b) It is designated at fair value through profit or loss at inception.

Held-for-trading financial assets

Financial assets are “Held-for-trading” if acquired principally for the purpose of selling or repurchasing them in near term (i.e. to generate profit from short-term fluctuations in price or dealer’s margin), or on initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking

Designated at fair value through profit or loss at inception

Financial assets designated at fair value through profit or loss at inception, are those that are:

- Held to match liabilities that are linked to changes in fair value of these assets. The designation of these assets at fair value through profit or loss eliminates, or significantly reduces a measurement or recognition inconsistency (sometimes referred to as ‘an accounting mismatch’) that would otherwise arise from measuring assets or liabilities or recognizing gains and losses on them on different bases; or
- Managed and whose performance is evaluated on a fair value basis. Information about these financial assets is provided internally on a fair value basis to the company’s key management personnel.

(iii) Loans and receivables

Loans and receivables represent a contractual right to receive cash in the future. Hence, they are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These arise when the company provides money or services directly to a debtor with no intention of trading the receivables. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less impairment losses.

The amortized cost of a financial asset is the amount at which the financial asset is measured on initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount, minus any reductions for impairment of financial assets. **The carrying amount represents its fair value.**

The prepayments and receivables of the company have no basic loan features and they are also not managed on a contractual yield basis. As a result, they are subsequently measured at their invoiced amounts.

c. De-recognition of financial asset

Financial assets are de-recognized when the contractual right to receive cash flows from the investments have expired or on trade date, when they have been transferred and the company has also transferred substantially all risks and rewards of ownership.

Non-cash financial assets pledged, where the counterparty has the right to sell or re-pledge the assets to a third party, are classified as pledged assets.

d. Impairment of financial assets

A financial asset or group of financial assets is impaired and impairment losses are recognized if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

e. Assets carried at amortized cost

At the end of each reporting period, the company assesses whether any objective evidence of impairment exists for individual financial assets that are individually significant and also for individual or group of financial assets that are not individually significant. If the company ascertains that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it then includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment.

Financial assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in the collective assessment of impairment. If there is objective evidence that an impairment loss on a financial asset measured at amortized cost has been incurred, the amount of the loss is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in profit or loss. If any debt has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

When a receivable from client is uncollectible, it is written off against the related provision for impairment. Such amounts are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off decrease the amount of the provision for loan impairment in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the previously recognized impairment loss is reversed by adjusting the allowance account. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortized cost would have been had the impairment not been recognized at the date the impairment is reversed. The amount of the reversal is recognized in profit or loss.

f. Assets carried at fair value

At each reporting date, the company assesses whether there is objective evidence that a financial asset or a group of financial assets carried at fair value is impaired. In the

case of investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its initial cost is considered in determining whether the assets are impaired.

If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss – is removed from comprehensive income and recognized in profit or loss.

Impairment losses recognized in profit or loss on equity instruments that are classified as available-for-sale are not subsequently reversed through profit or loss, any increase in fair value subsequent to an impairment loss is recognized in other comprehensive income. However, if in a subsequent period the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss is reversed through profit or loss.

f. Gains or losses

Gains or losses arising from changes in the fair value of the ‘financial assets at fair value through profit or loss’ category are included in profit or loss in the period in which they arise.

Gains or losses arising from changes in the fair value of available-for-sale financial assets are recognized in comprehensive income, until the financial asset is derecognized or impaired at which time the cumulative gain or loss previously recognized in comprehensive income is recognized in profit or loss.

Interest income, calculated using the effective interest method, is recognized in profit or loss except for short term receivables where the recognition of interest would be immaterial.

Dividends on available-for-sale equity instruments are recognized in the profit or loss when the company’s right to receive payment is established.

.2 Financial Liabilities

Initial recognition and measurement

The company recognized financial liabilities in its statement of financial position when and only when it becomes a party to the contractual provision of the instrument.

At initial recognition, financial liabilities are measured at their fair value minus, (in the case of a financial liability not at fair value through profit or loss,) transaction costs that are directly attributable to the issue of the financial liability.

Financial Liability

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to the company's individual or corporate clients or another company. The Company's financial liability is basically Trade and other payables.

(i) Trade and Other Account Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

The other account payables consist of the liabilities due to regulatory bodies and service providers. They are classified as current liabilities if payment is due within one period or less. If not, they are presented as non-current liabilities.

(ii). De-recognition of financial liabilities

Financial liabilities are de-recognized when they are extinguished (i.e. when the obligation is discharged, cancelled or expires).

.3 Offsetting financial assets and liabilities

A financial asset and a financial liability are offset and the net amount reported when, and only when, an entity has a legally enforceable right to set off the amounts, and intends either to settle on a net basis or simultaneously.

The difference between the carrying amount of a financial liability (or part thereof) extinguished or transferred to another party and consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

.4 Equity Instrument

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

The equity instrument of the company consists of its own equities only.

.5 Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Hence, the fair values of quoted investments and unit trusts in active markets are based on current market prices. Since actual market prices are available in determining fair values, no significant estimates or valuation models are applied in determining the fair value of quoted financial instruments.

Fair value hierarchy

To increase consistency and comparability in fair value measurements and related disclosures, IFRS 13 establishes a fair value hierarchy that categorises into the following three levels, the inputs to valuation techniques used to measure fair value:

Level 1 Inputs

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date. A quoted price in an active market provides the most reliable evidence of fair value and shall be used without adjustment to measure fair value whenever available except circumstances arise that would not allow this.

Level 2 inputs

Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs

Level 3 inputs are unobservable inputs for the asset or liability.

.6 Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

D. Property, Plant and Equipment (PPE)

Property, plant and equipment and other tangible assets are stated in the statement of financial position at cost at the date of transition to IFRS less accumulated depreciation and any accumulated impairment losses (if any). Cost includes expenditures that are directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

Depreciation on assets is calculated using the straight-line method to allocate their cost to their residual values on a systematic basis over their estimated useful lives. The average useful lives are as follows:

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Buildings	-	50 periods
Plant and equipment	-	5 periods
Furniture and fittings	-	5 periods
Marine Equipment	-	20 periods
Motor Vehicles	-	4 periods

Each part of an item of the office equipment, furniture and other tangible assets with a cost that is significant in relation to the total cost of the item is depreciated separately.

The asset's residual values, useful lives and depreciation method are reviewed on an annual basis, and are adjusted if appropriate.

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals are determined by comparing proceeds with the carrying amount. These are included in profit or loss in the period of the disposal.

De-recognition of property, plant and equipment

An item of property and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period the asset is de-recognized.

E. Investment Property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, used in the production or supply of goods or services or for administrative purposes or occupied substantially for use in the operations of the enterprise and/or members of the Company. An occupation of more than 15% of the property is considered substantial.

The Company recognizes investment property as an asset when, and only when it is probable that the future economic benefits that are associated with the investment property will flow to the Company; and the cost of the investment property can be measured reliably.

Initial recognition and measurement

At initial recognition, the investment property shall be measured at its cost. Transaction costs shall be included in the initial measurement.

Subsequent measurement

After initial recognition, the company shall measure its investment property at fair value.

Disposal

An investment property shall be derecognized (i.e. eliminated from the statement of financial position) on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals.

Gains or losses

Gains or losses arising from the retirement or disposal of investment property shall be determined as the difference between the net disposal proceeds and the carrying amount of the asset and shall be recognized in profit or loss in the period of the retirement or disposal.

F. Impairment of Non-Financial Assets

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

G. Inventories

The company's inventories consist of consumable material parts for its equipment. They are stated at the lower of cost and estimated net realizable value. The cost of the consumables is calculated using the weighted average method. Net realizable value represents the estimated selling price less all estimated costs to sell.

H. Provisions

Provisions are liabilities of uncertain timing or amount, and are recognized when the company has a present obligation as a result of a past event, and it is probable that the company will be required to settle that obligation.

Provisions are measured at the Directors' estimate of the expenditure required to settle that obligation at the end of each reporting period, and are discounted (at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability) to present value where the effect is material.

Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a

whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

I. Taxation

The tax for the period comprises current and deferred tax.

Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is recognized in other comprehensive income or directly in equity, respectively.

Current tax payable

The tax currently payable is based on taxable profit for the period and it comprises of the company income tax and education tax.

Taxable profit differs from net profit as reported in the income statement because it excludes item of income or expenses that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible.

Global Spectrum's liability for the company income tax is calculated using tax rates that have been enacted or substantively enacted at the statement of financial position date, while the education tax is charged at 2% of the assessable profits.

Deferred tax payable

Deferred tax is the tax expected to be payable or recoverable on difference between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary difference can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. The carrying amount of deferred tax assets is reviewed at each statement of financial position date 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 recover. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

Global Spectrum Energy Services Plc. intends to settle its current tax liabilities on a net basis.

The deferred tax assets are presented as non-current assets while the deferred tax liabilities are presented as non-current liabilities in the statement of financial position.

J. Employee Benefits

Pension Fund Obligation

The company operates a ‘**Defined Contribution Plan**’ in compliance with the Pension Reform Act (2014), wherein the employees contribute 8% of their basic salary, housing and transport allowances. The company as an employer also contributes 10% of total basic salaries to each employee’s chosen Pension Fund Administrator (PFA).

The company has no further payment obligations once the contributions have been paid.

Furthermore, the company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees, the benefits relating to employee service in the current and prior periods.

The contributions are recognized as employee benefit expense when they are due.

Short-term employee benefits

The cost of short-term employee benefits (those payable within 12 months after service is rendered) such as paid vacation, leave pay, sick leave and bonuses are recognized in the period in which the service is rendered and is not discounted.

The expected cost of short-term accumulating compensated absences is recognized as an expense as the employees render service that increases their entitlement or, in the case of non-accumulating absences, when the absences occur. The expected cost of bonus payments is recognized as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Provisions for leave pay and bonuses are recognized as a liability in the financial statements.

K. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business net of VAT and other related sales taxes. Revenue is recognised in these phases:

- a) Identity the contract(s) with customers
- b) Identify the performance obligations in the contract
- c) Determine the transaction price
- d) Allocate the transaction price to the performance obligations in the contract
- e) Recognise revenue when/ (as) the entity satisfies a performance obligation.

L. Dividend Distribution

Dividends on the Company's ordinary shares are recognized in equity in the period in which they are approved by the Company's Shareholders. Dividend distribution to the Company's shareholders is recognized as a liability in the financial statements in the period which the dividend is approved by the Company's Shareholders.

M. Share Capital

The share capital of the company consisted of eight hundred million (800,000,000) ordinary shares that are classified as equity and are recorded at the proceeds received net of incremental external costs directly attributable to the issue.

4. RISK MANAGEMENT

4.1 Introduction

As a "Maritime Operator", risk management is central to the company's strategic management.

Risk Management is the process whereby the company methodically addresses the risks attaching to its activities with the goal of achieving sustained benefit within each activity and across the portfolio of all activities. In view of this, the objective of the company's risk management process is the identification and treatment of these risks with the objective of adding maximum sustainable value to all its activities so as to give value to its clients.

The Board of Directors acknowledges its responsibility for establishing, monitoring and communicating appropriate risk and control policies.

4.2 Significant risks

The Company has exposure to significant risks which are categorized as follows:

- Vessel Wreck/Hijack Risk.
- Regulatory risk (capital adequacy, licensing, legal, taxation and financial reporting);
- Business environment (reputation and strategic);
- Operational risk (people, information technology and internal control processes);
- Market risk (equity prices, interest rate and currency);
- Credit risk;
- Liquidity risk; and
- Cash flow risk.

4.3 Detailed Disclosure of Significant Risks

4.3.1 Vessel Wreck /Hijack Risk

This is the risk that the vessel might not be able to come to shore. This can sometimes occur in Nigeria like any other country of the world. This is usually caused

by mechanical problems developing in the course of sail. The weather condition and changes thereafter may also account for the problem. Also, there are pirates who tend to hijack vessels around the world; they lie in wait for any available ship or vessel.

Based on the experience of the management, the following steps are taken to forestall crashes.

- Adequate training of all cabin members. All captains attend trainings based on the internationally laid down frequencies.
- The clearance is always obtained for the regulatory agencies at the port before boarding.
- Adequate maintenance of the vessels and equipment is not negotiated by the management.
- The safety/security department is adequately equipped and precautionary measures are taken on all recommendations.
- Every staff member is safety conscious and is advised to report any damage noticed immediately.

So far, the company has not recorded any wreck since commencement of business.

4.3.2 Regulatory Risk

Regulatory risk is the risk arising from a change in regulations in any legal, taxation and accounting pronouncements or specific aviation industry regulations that pertain to the business of the company. The risk types include capital adequacy, licensing, compliance, legal, taxation and financial reporting.

To manage this risk, the company is an active participant in the maritime industry and preferred bodies, such as Nigerian Maritime Administration and Safety Agency, Nigerian Content Development and Monitoring Board, Nigerian National Petroleum Corporation and also the Department of Petroleum Resources. Furthermore, the company ensures compliance with authorized capital requirements within the industry, Federal and state tax laws, and financial reporting standards.

4.3.3 Compliance risk

Compliance risk is the risk of legal sanctions involving material losses, financial losses or reputational loss that the company may suffer as a result of its failure to comply with local & international laws, industry-specific regulations, code of conduct and best/good practice.

The Board of Directors are conscious that the energy and maritime industry is highly regulated and that the impact of non-compliance with National & International laws could lead to heavy penalties and above all, loss of reputation. Therefore, the company's policy is zero-tolerance for default in compliance with regulatory requirements in all its ramifications.

4.3.4 Legal risk

Legal risk is the risk that the company will be exposed to contractual obligations which have not been provided for. The company has a policy of ensuring that all contractual obligations are documented and appropriately evidenced to agreements with the relevant parties to the contract.

All significant contracted claims are reviewed by independent legal resources and amounts are provided for, if there is consensus as to any possible exposure.

At 31 December, 2024, the Directors are not aware of any significant obligation not provided for.

4.3.5. Taxation risk

Taxation risk is the risk of loss arising as a result of an incorrect interpretation and application of tax laws or due to the impact of new tax legislation on existing products of the company. The risk category consists of the following risk types:

- Transactional risk;
- Operational risk;
- Compliance risk; and
- Accounting risk.

Transactional risk

Transactional risk is the risk of loss that could arise from non-compliance with transaction-based taxes like Value Added Tax (VAT), Withholding Tax (WHT), Capital Gains Tax (CGT) and Stamp Duty. This risk manifests itself through the payment of penalties and interest on non-remittance of the taxes charged to the Federal Inland Revenue Service (FIRS). To manage this risk, the company ensures that the relevant taxes are remitted before the due dates.

Operational risk

This is the risk of loss that could arise as a result of not considering the effect of tax implications on the strategic and short-term management decisions of the company.

To manage this risk, the tax implications of every decision being made by the Board of Directors and or management must be considered before the approval of the Board or Board resolution is passed.

Compliance risk

This is the risk of non-compliance with the requirements of the Company Income Tax Act (CITA) and Education Tax Act (ETA).

The probability of this risk is very low as the company ensures that immediately at the end of annual financial audits, the computed tax due is filed with the Federal Inland Revenue Service.

Accounting risk

Accounting risk is the risk of inadequate provisioning for income taxes in the financial statements of the company that could result into additional assessments by the Federal Inland Revenue Service and by implication, more taxes and wastage of internal resources.

Therefore, to manage this risk, the company ensures that:

- All taxes due by the company are correctly identified, calculated, paid and accounted for in accordance with relevant tax legislations;
- The company continually reviews its existing operations and planned operations in this context; and
- The company ensures that, where clients participate in company products, these clients are either aware of the probable tax consequences, or are advised to consult with independent professionals to assess these consequences, or both.

The identification and management of tax risk is the primary objective of the company's tax function, and this objective covers the specific requirements of each category of tax to which the company is exposed, in the context of the various types of activities that the company conducts.

4.3.6 Financial reporting risk

Financial reporting risk is the risk of loss that could arise as a result of material misstatements and/or errors in the company's financial statements; due to inadequate internal controls, and incomplete documentation.

The Board of Directors' strategy to mitigate this risk is by the use of effective and reliable accounting systems, accounting policies as well as the establishment of proper internal accounting controls to ensure that its financial statements are prepared in a transparent manner that fully discloses all important and relevant matters as well as accurately reflecting the financial position, results and cash flows of the company.

4.3.7 Business environment

4.3.7.1 Reputational risk

Reputational risk is the risk of loss that could arise as a result of decline in the reputation of the company or any of its specific business units from the perspective of its stakeholders (i.e. its shareholders, customers, staff, business/technical partners or the general public).

In order to manage this risk, the Board of Directors considers the reputation of the company very seriously and therefore established a policy of 'prompt in carrying its operations. In addition, the company conducts periodic self-assessment through its robust customer-feedback program, spot checks to dictate its media climate.

4.3.7.2 Strategic risk

Strategic risk is the risk of an unexpected negative change in the company's value, arising from the adverse effect of executive decisions on both business strategies and their implementation. This risk is a function of the compatibility between strategic goals, the business strategies developed and resources deployed to achieve those goals. It also includes the ability of management to effectively analyze and react to external factors, which could impact the future direction of the relevant business units.

The company's risk management function identifies and assesses both these risks qualitatively and quantitatively as part of a quarterly evaluation and on the basis of the evaluation, creates an overview of local and global risks in tandem with the risk profile of the company. It thereafter analyzes the risks and proffer suitable and relevant mitigation strategy.

4.3.7.3 Operational risk

Operational risk is the risk of direct or indirect loss resulting from inadequate or failed internal processes, people and systems or from external events. To manage this risk, the initiation of all transactions and their administration are conducted on the foundation of segregation of duties that has been designed to ensure materially the completeness, accuracy and validity of all transactions.

These controls are augmented by management and executive review of control accounts and systems, electronic and manual checks and controls, back-up facilities and contingency planning. The internal control systems and procedures are also subjected to regular internal audit reviews.

4.3.7.4 Market risk

Market risk is the risk of losses due to factors that negatively impact the overall performance of the financial market. It includes asset-liability mismatching risk, currency risk, interest rate risk and equity price risk.

Global Spectrum Energy Services Plc. is highly exposed to market risk through its financial instruments. This risk is therefore periodically assessed by means of a number of stress tests that are designed to examine the elements that comprised market risk.

Details of each element of the market risk and how they are being managed are as shown below:

Asset - liability mismatching risk

Asset-liability mismatch occurs when the financial terms of the company's assets and liabilities do not correspond. The mismatch has the high probability of resulting into liquidity risk to the company as its assets are relatively liquid with listed equities and cash being easily realizable. Therefore, to manage this risk, the liquidity requirements and cash resources of the company are reviewed on a monthly basis.

Currency risk (Foreign Exchange)

This is the potential for financial loss from currency conversions and exchange rate fluctuations as the company's operations occur mainly in Nigerian Naira, US Dollars and British Pounds Sterling. This risk has a high propensity to hamper the company to operate smoothly and/or tip the scale of its operations to profitable situation or one of a loss.

The risk is mitigated through cross currency matching of revenues to cost while minimizing currency conversions by applying foreign currency earnings to foreign currency costs and local currency earnings to local currency costs.

Trade & Other receivables

The management ensures that the receivables conversion cycle is minimized to mitigate the risk of loss as a result of default of other parties in fulfilling their obligations.

4.3.8 Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in raising sufficient funds that could ensure safe and sustainable services. To mitigate this risk, the company ensures monthly compliance with the requirements of the regulatory body, on 'Financial Health'.

5. Sensitivities

Management applies a number of sensitivity tests to the earnings of the company to better understand the exposure to and importance of each of the main drivers of its profitability.

The main drivers of the company's profitability are lease rentals, vessels cost and equipment hiring.

IFRS 7 requires the management of Global Spectrum Energy Services Plc. to report on the changes in the profit after tax following "reasonable possible" changes in each of the factors to which the company is exposed. Therefore, the management has set the upside and downside movements for each factor at a level which represents the amount by which management believes that factor could reasonably change over the period following the valuation date.

Management believes this represents in some sense what is "reasonably possible", though it is important to note that this opinion is based on past experience and the tested range is not sensitive to all of the relevant information in the market at the reporting date.

Management has considered the impact of upside and downside movements in foreign exchange rates in relation to these sensitivities to be as follows:

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- The earnings are sensitive to changes in both the shape and level of the yield curve. Management has not considered changes in the shape of the yield curve due to several constraints although this may be reviewed in the following period;
- The foreign exchange movements have been considered together in the same sensitivity. Observed historic negative correlations between factors would tend to dampen the effects presented.
These correlations are not very large and they have not been adjusted for. This treatment has resulted in the presentation of a slightly more extreme view of what could reasonably occur over the following period. Future rates of expense inflation, catastrophes and tax assumptions were considered but no sensitivities are presented as it is unlikely, in management's opinion that, these assumptions will change over the following period.

It should therefore be noted that the impact of the drivers on the profit after tax is very high resulting into a minimal profit after tax despite the large turnover made by the company.

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6.REVENUE	Notes	2024 N'000	2023 N'000
Marine Security Contact		6,971,854	4,075,817
Marine Escort Contract		292,768	94,660
Road Project Income		<u>2,668,207</u>	<u>0</u>
		<u>9,932,829</u>	<u>4,170,477</u>

Revenue represents the invoice value of and services rendered to clients during the year

7. OTHER INCOME	2024 N'000	2023 N'000
Other Income	125,636	9,820
Foreign Exchange Gain/Loss	<u>430,277</u>	<u>666,900</u>
	<u>555,913</u>	<u>676,720</u>

The exchange rate used for the conversion of domiciliary accounts part of cash and cash equivalent is N1,535/\$.
(2023: N899.3/\$) as at 31 December, 2024 based on the Central Bank of Nigeria publication's exchange rate.

8. OPERATING COST	2024 N'000	2023 N'000
Vessel Running Cost	4,876,739	3,137,136
Naval Security Cost	8.1 475,206	405,619
Depreciation	177,281	74,273
Road Project Cost	8.2 2,507,306	0
Other Vessel Consumables	<u>823,346</u>	<u>276,831</u>
	<u>8,859,878</u>	<u>3,893,859</u>

8.1 Naval Security Cost is inclusive of N132.0m (N118.4m in 2023) of wages directly associated with operations

8.2. Road project costs relates to a road construction contract with the Federal Capital Development Authority

GLOBAL SPECTRUM ENERGY SERVICES PLC**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2024**

9. ADMINISTRATIVE EXPENSES	2024 N'000	2023 N'000
Director's Emoluments	12,000	12,000
Staff Cost	113,700	58,762
Insurance	12,136	4,223
Advertisement/Business Development	36,361	7,419
Printing & Stationery	6,069	3,006
Bank Charges	30	765
Transport and Travelling	35,987	12,748
Motor Running Expenses	20,846	7,386
Fees and Licences	48,581	17,907
Security	14,808	11,053
Electricity/Water	8,715	3,330
Board/AGM Expenses	1,920	5,493
Rent and Rates	7,275	8,331
Telephone /Communication	2,835	486
Repairs & maintenance	11,351	4,893
Office Expenses	32,684	12,158
Depreciation: Charge for the year	20,456	20,098
Audit Fees	3,000	2,000
Legal/Professional fees	<u>17,667</u>	<u>5,029</u>
	<u>406,422</u>	<u>197,086</u>

GLOBAL SPECTRUM ENERGY SERVICES PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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10. AUDITORS' REMUNERATION

The analysis of auditors' remuneration is as follows:

	2024	2023
	N'000	N'000
Fees Payable to the Companys' auditor for the audit of the company's annual account	<u>2,000</u>	<u>2,000</u>

11. TAXATION

	2024	2023
	N'000	N'000
Current Income Tax Payable		

The movement on income tax payable account during the year was as follows:

Per income statement

Income tax

Income tax for the period	172,068	225,817
Education tax for the period	23,147	19,874
NASENI @ 0.25%	2,833	1,802
Police Trust fund @0.005%	57	36
Prior Year Provision for Tax	96,000	-
Deferred tax	<u>54,147</u>	<u>50,142</u>
	<u>348,252</u>	<u>297,671</u>

Per Statement of financial position

Balance brought forward	481,546	257,117
Charged for the period	294,105	297,671
Paid during the period	<u>(67,437)</u>	<u>(23,100)</u>
Balance carried forward	<u>708,213</u>	<u>481,546</u>

Deferred tax

Balance brought forward	222,567	172,425
(Write back)/charged for the period	<u>54,147</u>	<u>50,142</u>
Asset/Liabilty carried forward	<u>276,714</u>	<u>222,567</u>

The charge for taxation is based on the provisions of the Companies Income Tax Act C21 LFN 2004 as amended to date, Education Tax Act E 4 LFN 2004 and IAS 12.

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12. PROPERTY, PLANT AND EQUIPMENT

2024

12a.	BUILDING	MARINE EQUIPMENT	MOTOR VEHICLE	PLANT & MACHINERY	FURNITURE, FITTING &OFFICE EQUIPMENT	TOTAL
	N'000	N'000	N'000	N'000	N'000	N'000
<u>Cost or valuation</u>						
As at January 1, 2024	350,000	1,485,471	10,932	15,997	14,048	1,876,448
Additions	0	2,060,163	0	339	6,270	2,066,772
Disposal	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
As at December 31, 2024	<u>350,000</u>	<u>3,545,634</u>	<u>10,932</u>	<u>16,336</u>	<u>20,318</u>	<u>3,943,220</u>
<u>Depreciation</u>						
As at January 1, 2024	153,825	606,273	10,932	14,817	11,986	797,833
Charged for the period	17,500	177,281	0	1,247	1,709	197,738
Impairment Losses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
As at December 31, 2024	<u>171,325</u>	<u>783,554</u>	<u>10,932</u>	<u>16,065</u>	<u>13,696</u>	<u>995,571</u>
<u>Carrying Amount</u>						
As at December 31, 2024	<u>178,675</u>	<u>2,762,080</u>	<u>0</u>	<u>272</u>	<u>6,622</u>	<u>2,947,649</u>

No item of Property Plant and equipment has been pledged against a loan facility.

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FOR THE YEAR ENDED 31 DECEMBER 2024

2023

12b.	BUILDING	MARINE EQUIPMENT	MOTOR VEHICLE	PLANT & MACHINERY	FURNITURE, FITTING & OFFICE EQUIPMENT	TOTAL
	N'000	N'000	N'000	N'000	N'000	N'000
Cost or valuation						
As at January 1, 2023	350,000	1,485,471	10,932	15,997	13,698	1,876,098
Additions	0	0	0	0	350	350
Disposal	0	0	0	0	0	0
As at December 31, 2023	<u>350,000</u>	<u>1,485,471</u>	<u>10,932</u>	<u>15,997</u>	<u>14,048</u>	<u>1,876,448</u>
Depreciation						
As at January 1, 2023	136,325	532,000	10,932	13,638	10,567	703,463
Charged for the period	17,500	74,273	0	1,179	1,419	94,372
Impairment Losses	0	0	0	0	0	0
As at December 31, 2023	<u>153,825</u>	<u>606,273</u>	<u>10,932</u>	<u>14,817</u>	<u>11,986</u>	<u>797,834</u>
Carrying Amount						
As at December 31, 2023	<u>196,175</u>	<u>879,198</u>	<u>0</u>	<u>1,180</u>	<u>2,061</u>	<u>1,078,614</u>

No item of Property Plant and equipment has been pledged against a loan facility.

13. INVENTORY	2024	2023
	N'000	N'000
Lubricants and Oil	0	0
	<u>0</u>	<u>0</u>
14. PREPAYMENTS	2024	2023
	N'000	N'000
Rent Prepaid	<u>10,750</u>	<u>4,000</u>
15. Investment Property	2023	2023
	N'000	N'000
As at January 1	2,533,845	2,533,845
Fair value gain	15.1	0
Balance as at December 31	<u>2,533,845</u>	<u>2,533,845</u>

The company uses fair value model in accounting for investment property
Investment property is remeasured at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. [IAS 40.5] Gains or losses arising from changes in the fair value of investment property must be included in net profit or loss for the period in which it arises.
There was no movement in the value of the property for the period under review

15.1 The properties were revalued by Diya Fatimilehin & Co. in May, 2022.
FRC Number: FRC/2013/NIESV/00000000754

GLOBAL SPECTRUM ENERGY SERVICES PLC
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FOR THE YEAR ENDED 31 DECEMBER 2024

16. TRADE AND OTHER RECEIVABLES

	Notes	2024 N'000	2023 N'000
Trade receivables	16.1	1,139,552	1,447,373
Other Receivables	16.2	2,789,186	974,033
Staff Loan		15,621	15,271
Withholding Tax Receivable	16.3	681,692	267,888
		<u>4,626,052</u>	<u>2,704,566</u>

16.1 Ageing of past due but not impaired receivables

0-30 days		2,190,297	1,280,531
31-60 days		683,269	399,465
61-90 days		745,311	435,737
Above 90 days		1,007,175	588,833
		<u>4,626,052</u>	<u>2,704,566</u>

Trade Receivables comprise of the following:

Trade Receivables		1,139,552	1,447,373
Less Allowance for doubtful receivables		<u>0</u>	<u>0</u>
		<u>1,139,552</u>	<u>1,447,373</u>

Movement in the allowance for doubtful receivables

Balance at the beginning of the period		0	0
Amount written off during the year as uncollectible		0	0
Amount recovered during the year		<u>0</u>	<u>0</u>
Balance at the end of the period		<u>0</u>	<u>0</u>

16.2 Inclusive in other receivables is N2.5billion relating to an exisiting joint venture agreement between the company, Interglobal Technologies Limited and Criterion Limited

16.3 Withholding tax receivables relates to tax regulatory statutory deductions deducted at source by the clients on the company's invoices. They are available as credits for tax liability settlements.

17. CASH AND CASH EQUIVALENTS

	2024 N'000	2023 N'000
Cash and Cash Equivalents is made up :		
Cash Balances	33,673	18,411
Bank Balances	3,680,746	2,073,781
	<u>3,714,419</u>	<u>2,092,192</u>

Cash and cash equivalent consists of naira and dollar cash and bank balances.

The dollar balances were arrived at using the Central Bank of Nigeria exchange rate as at December 31, 2024

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18. CASH FLOWS FROM OPERATING ACTIVITIES	2024	2023
	N'000	N'000
Profit before tax	1,133,222	720,695
Non- cash adjustments:		
Finance Cost	89,221	35,557
Foreign Exchange Gain	(430,277)	(666,900)
Fair Value Surplus	0	0
Depreciation charge	<u>197,738</u>	<u>94,372</u>
	989,903	183,724
Working capital adjustments		
Decrease/(Increase) in trade and other receivable	(1,921,486)	(1,210,457)
Increase/(Decrease) in Current Prepayments	(6,750)	3,500
Increase /(Decrease) in trade and other payables	<u>4,353,712</u>	<u>809,624</u>
	3,415,379	(213,609)
Income tax paid	<u>(67,437)</u>	<u>(23,100)</u>
Net cash inflow from operating activities	<u>3,347,942</u>	<u>(236,709)</u>

19. SHARE CAPITAL	2024	2023
Share Capital comprises:	N'000	N'000
Authorized:		
As at January 1		
1,000,000,000 ordinary shares of N50k each	500,000	500,000
Additions during the period	0	0
As at December 31	<u>500,000</u>	<u>500,000</u>
Issued & Allotted:		
As at 1 January	400,000	400,000
Issued during the period	0	0
As at December 31	<u>400,000</u>	<u>400,000</u>

GLOBAL SPECTRUM ENERGY SERVICES PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

20. DEPOSIT FOR SHARES

	2024 N'000	2023 N'000
As at January 1	2,486,440	2,486,440
Movement during the period	0	0
As at December 31	<u>2,486,440</u>	<u>2,486,440</u>

These are deposits made by interested shareholders for the company's shares.

21. EARNINGS PER SHARE

The calculation of the basic and diluted earning per share is based on the following data:

earning for the purpose of basic earnings per share being the net profit attributable to the owners of the company

	2024 N'000	2023 N'000
Profit for the period	<u>784,971</u>	<u>423,024</u>
	000' Units	000' Units
Number of shares		
Ordinary shares of 50kobo each	<u>800,000</u>	<u>800,000</u>
Earnings per 50kobo share (Basic)	<u>98.12</u>	<u>52.88</u>
Earnings per 50kobo share (Diluted)	<u>98.12</u>	<u>52.88</u>

22. TRADE AND OTHER PAYABLES

	2024 N'000	2023 N'000
Trade payables	5,652,787	1,640,623
Other payables & accruals	652,150	308,817
	<u>6,304,938</u>	<u>1,949,440</u>

These represents outstanding payables to the company's major suppliers and other payables to which the company has contractual obligations .

23. BANK OVERDRAFT

	2024 N'000	2023 N'000
As at January 1	0	230,640
Additions during the period	0	0
Repayments during the period	<u>0</u>	<u>(230,640)</u>
As at December 31	<u>0</u>	<u>0</u>

The company repaid an outstanding loan of N230.6m during the year. There are no outstanding loan at the end of the year

24 .COMMITTMENT AND CONTINGENT LIABILITIES

(i) Commitment

Financial Commitments

The Company did not charge any of its assets to secure liabilities of third parties.

The Directors are of the opinion that all known liabilities and commitments have been taken into account in the preparation of these financial statements.

(ii) Contingent Liabilities

There were no contingent liabilities within the period under review.

25. RECLASSIFICATION OF BALANCES

Certain comparative balances have been reclassified to ensure proper disclosure and uniformity with the current year's presentation.

GLOBAL SPECTRUM ENERGY SERVICES PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

25 The table below shows the number of staff of the company whose emolument during the year excluding pension contributed were within the range stated:

	2024 Number	2023 Number
Up to N500,000	56	46
N500,000 - N1,000,000	22	19
N1,000,000 - N2,000,000	33	31
N2,000,000 - N3,000,000	11	8
N3,000,000 and above	8	6
	130	110

i. The related Staff Costs amounted to N118.08m(2022: N118.08m)

Staff cost relating to the above were:	2024 N'000	2023 N'000
Salaries and wages	94,409	56,506
Pension and Social benefit	7,553	4,520
Staff Medical Expenses	2,331	1,392
	104,293	62,418

25 RETIREMENT BENEFIT SCHEME

(i) The Company operates pension scheme in accordance with the provisions of the Pension Reform Act 2014. The scheme applies to all employees of the Company and is funded through monthly contribution . by both the company and the employees. The Company uses majorly three pension managers for its contribution scheme.

25.3 The average number of persons, excluding directors, employed by the company during the year was as follows:

	2024 Number	2023 Number
Management	2	2
Senior Staff	10	10
Junior Staff	96	96
	108	108

25.4 EMPLOYEE BENEFIT EXPENSES

	2024 N'000	2023 N'000
Staff costs for the above persons (excluding executive Directors):		
Salaries and wages	82,409	44,506
Defined contribution plan	14,834	8,011

GLOBAL SPECTRUM ENERGY SERVICES PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

26. PROFIT BEFORE TAX

	2024	2023
	N'000	N'000
The profit before taxation is stated after charging the following:-		
Depreciation of Property, Plant and Equipment	197,738	94,372
Auditors remuneration	3,000	2,000
Directors Emoluments	6,000	6,000
Staff Cost	<u>106,461</u>	<u>186,977</u>

RELATED PARTY DISCLOSURES

27. CHAIRMAN AND DIRECTORS EMOLUMENTS

Chairman	0	0
Other Directors	<u>12,000</u>	<u>12,000</u>
As Directors Fees		
Emolument as Executives	<u>12,000</u>	<u>12,000</u>

28. PENSION FUND ADMINISTRATORS

In respect of the pension fund scheme, the company uses the following Pension Administrators:

- * Stanbic IBTC Pensions Limited
- * Leadway Pensure PFA Limited
- * PAL Pension Managers Plc.
- * Fidelity Pensions Managers Limited
- * TrustFund Pension Plc

29 .COMMITTMENT AND CONTINGENT LIABILITIES

(i) Commitment

Financial Commitments

The Company did not charge any of its assets to secure liabilities of third parties

The Directors are of the opinion that all known liabilities and commitments have been taken into account in the preparation of these financial statements.

(ii) Contingent Liabilities

There are no contingent liabilities in respect of legal actions against the company .

NON – IFRS FINANCIAL STATEMENTS

GLOBAL SPECTRUM ENERGY SERVICES PLC
STATEMENT OF VALUE ADDED
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024		2023 N'000	%
Revenue	9,932,829		4,170,477	
Other Operating Income	<u>555,913</u>		<u>676,720</u>	
	10,488,743		4,847,197	
Bought in materials and services	<u>(9,009,008)</u>		<u>(3,809,596)</u>	
Value Added	<u>1,479,734</u>	<u>100</u>	<u>1,037,601</u>	<u>100</u>
Applied as follows:				
To pay employees				
Salaries, wages, pension and benefits	113,700	7.68	186,977	18.02
To pay providers of capital				
Finance costs	89,221	6.03	35,557	3.43
To pay government				
Taxation	294,105	19.88	297,671	28.69
To provide for replacement and development				
Depreciation	197,738	13.36	94,372	9.10
Retained Profit for the year	<u>784,971</u>	<u>53.05</u>	<u>423,024</u>	<u>40.77</u>
	<u>1,479,734</u>	<u>100</u>	<u>1,037,601</u>	<u>100</u>

Value added represents the additional wealth which the company had been able to create by its own, and its employees' efforts. This statement shows the allocation of that wealth among the employees, government, providers of finance and that retained for the future creation of more wealth.

GLOBAL SPECTRUM ENERGY SERVICES PLC
FIVE YEAR FINANCIAL SUMMARY

<u>Assets</u>	2024 N'000	2023 N'000	2022 N'000	2021 N'000	2020 N'000
Non Current Assets	5,481,494	3,612,459	3,706,481	3,782,603	3,876,685
Current Assets	<u>8,351,221</u>	<u>4,800,758</u>	<u>3,199,518</u>	<u>2,087,734</u>	<u>1,884,756</u>
Total Assets	<u>13,832,715</u>	<u>8,413,217</u>	<u>6,905,999</u>	<u>5,870,337</u>	<u>5,761,442</u>
<u>Equity and Liabilities</u>					
Equity					
Share Capital	400,000	400,000	400,000	400,000	400,000
Deposit for Shares	2,486,440	2,486,440	2,486,440	2,486,440	2,486,440
Retained Earnings	<u>3,656,409</u>	<u>2,871,439</u>	<u>2,871,439</u>	<u>2,175,799</u>	<u>2,048,775</u>
Total Equity	<u>6,542,849</u>	<u>5,757,879</u>	<u>5,757,879</u>	<u>5,062,239</u>	<u>4,935,215</u>
<u>Non - Current Liabilities</u>					
Non Current Liabilities	276,714	222,567	172,425	141,066	98,323
Current Liabilities	<u>7,013,152</u>	<u>2,432,771</u>	<u>1,396,933</u>	<u>667,032</u>	<u>727,905</u>
	<u>7,289,866</u>	<u>2,655,338</u>	<u>1,569,358</u>	<u>808,098</u>	<u>826,227</u>
Total Equity and Liabilities	<u>13,832,715</u>	<u>8,413,217</u>	<u>7,327,236</u>	<u>5,870,337</u>	<u>5,761,442</u>

Statement of Comprehensive Income

	2024 N'000	2023 N'000	2022 N'000	2021 N'000	2020 N'000
Revenue	9,932,829	4,170,477	3,283,148	1,954,292	2,219,882
Profit Before Tax	1,133,222	720,695	460,480	261,066	301,096
Profit for the year	784,971	423,024	286,071	169,767	182,395
Basic earnings per share (kobo)	98.12	52.88	35.76	21.22	22.80
Market Value per share(N)	2.48	2.75	2.75	3.78	4.19