

# **JAPPAUL GOLD & VENTURES PLC**

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS  
31 DECEMBER 2024**

# JAPPAUL GOLD & VENTURES PLC

## CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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## **JAPPAUL GOLD & VENTURES PLC**

**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE PREPARATION OF CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024**

In accordance with the provisions of Companies and Allied Matters Act, 2020, and the Financial Reporting Council Act No. 6, 2011 (as amended), the Directors are responsible for the preparation of the consolidated and separate financial statements which give a true and fair view of the state of affairs of the Group and Company, and of the financial performance for the year. The responsibilities include ensuring that:

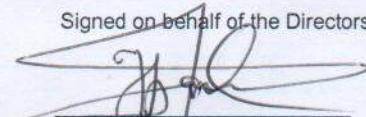
- (a) appropriate internal controls are established both to safeguard the assets of the Group and the Company and to prevent and detect fraud and other irregularities;
- (b) the Group and the Company keep accounting records which disclose with reasonable accuracy the financial position of the Group and the Company and which ensure that the consolidated and separate financial statements comply with requirements of International Financial Reporting Standards and the Companies and Allied Matters Act 2020 and the Financial Reporting Council Act No. 6, 2011 (as amended).
- (c) the Group and the Company have used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, and that all applicable accounting standards have been followed; and
- (d) it is appropriate for the consolidated and separate financial statements to be prepared on a going concern basis unless it is presumed that the Company will not continue in business.

The Directors accept responsibility for the consolidated and separate financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with International Financial Reporting Standards, the requirements of the Companies and Allied Matters Act 2020 and the Financial Reporting Council Act No. 6, 2011 (as amended).

The Directors are of the opinion that the consolidated and separate financial statements give a true and fair view of the state of the financial affairs of the Company and of the financial performance for the year.

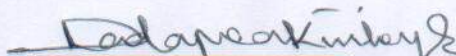
The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the consolidated and separate financial statements, as well as adequate systems of financial control.

Signed on behalf of the Directors by:



**Paul A. Jegede**  
Chairman  
FRC/2013/IODN/00000002328

**Dated: 17 April 2025**



**Akinloye Daniel Oladapo**  
Group Managing Director  
FRC/2016/CIS/00000014722

**Dated: 17 April 2025**



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

**Management's Annual Assessment of, and Report on, Japaul Gold and Ventures Plc's Internal Control Over Financial Reporting**

To comply with the provisions of Section 1.3 of SEC Guidance on Implementation of Sections 60 - 63 of Investments and Securities Act 2007, we hereby make the following statements regarding the Internal Controls of Japaul Gold and Ventures Plc for the year ended 31 December, 2024

i. Japaul Gold and Ventures Plc's management is responsible for establishing and maintaining a system of internal control over financial reporting("ICFR") that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.

ii Japaul Gold and Ventures Plc's management used the Committee of Sponsoring Organization of the Treadway Commission (COSO) Internal Control- Integrated Framework to conduct the required evaluation of the effectiveness of the entity's ICFR;

iii Japaul Gold and Ventures Plc 's management has assessed that the entity's ICFR as of the end of 31 December 2024 is effective.

iv Japaul Gold and Ventures Plc's Independent auditor Messrs SIAO Partners (Chartered Accountants) has issued an attestation report on management's assessment of the entity's internal control over financial reporting.

The attestation report of Messrs SIAO Partners (Chartered Accountants) will be filed as part of Japaul Gold and Ventures Plc's annual Report.

A handwritten signature in blue ink, appearing to read "J. Paul", with a date "13/02/2025" written below it.

Name: Jegede Paul  
(Chairman)

A handwritten signature in blue ink, appearing to read "Oladapo Akinloye Daniel", with a date "13/02/2025" written below it.

Name: Oladapo Akinloye Daniel  
(Group Managing Director/CEO)



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

### Certification of Management assessment on Internal Control Over Financial Reporting

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60 - 63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of Japaul Gold and Ventures Plc for the year ended 31 December, 2024.

I, Oladapo Akinloye Daniel, certify that:

(a) I have reviewed this Management assessment on Internal Control Over Financial Reporting of Japaul Gold and Ventures Plc;

(b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state material fact necessary to make the statements made, in the 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 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 the entity, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(4) have evaluated the effectiveness of the 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; and



(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 audit committee of the entity's board of directors (or persons performing the equivalent functions):

(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(s) 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.

Name: Oladapo Akinloye Daniel

Designation: GMD/CEO

FRC No: FRC/2016/CIS/00000014722

Signature: 

Date: 31/01/2025

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

### Certification of Management assessment on Internal Control Over Financial Reporting

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60 - 63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of Japaul Gold and Ventures Plc for the year ended 31 December, 2024.

I, Makinde Sunday Adewoye, certify that:

(a) I have reviewed this Management assessment on Internal Control Over Financial Reporting of Japaul Gold and Ventures Plc;

(b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state material fact necessary to make the statements made, in the 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 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 the entity, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(4) have evaluated the effectiveness of the 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; and

(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 audit committee of the entity's board of directors (or persons performing the equivalent functions):

(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(s) 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.

Name: Makinde Sunday Adewoye

Designation: Chief Financial Officer

FRC No: FRC/2022/PRO/ ICAN/001/890630

Signature: 31/01/2025

Date:



## Assurance Report on Management's Assessment of Controls over Financial Reporting

We have performed a limited assurance engagement in respect of the systems of internal control over financial reporting of **Japaul Gold and Ventures Plc** as of 31 December 2024, in accordance with the Financial Reporting Council (FRC) Guidance on assurance engagement report on Internal Control over Financial Reporting and based on criteria established in the Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) ("the ICFR framework") and in line with the provisions of Section 1.3 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007. **Japaul Gold and Ventures Plc's** management is responsible for maintaining effective internal control over financial reporting and for assessing the effectiveness of internal control over financial reporting including the accompanying Management's Report on Internal Control over Financial Reporting.

We have also audited, in accordance with the International Standards on Auditing, the financial statements of the company and our report dated 17/04/2025 expressed unmodified opinion.

### Limited Assurance Conclusion

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

### Definition of internal control over financial reporting

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

Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

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

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.

### **Inherent limitations**

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

### **Directors' and Management's Responsibilities**

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

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

Section 7(2f) of the Financial Reporting Council of Nigeria Act, 2023 further requires that management perform an assessment of internal controls, including information system controls. Management is responsible for maintaining evidential matters, including documentation, to provide reasonable support for its assessment of internal control over financial reporting.

### **Our Independence and Quality Control**

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

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

### **Auditor's Responsibility and Approach**

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

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

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

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

As described in the Guideline, the procedures we performed included obtaining an understanding of the 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 under 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.

For: SIAO Partners (Chartered Accountants)  
FRC/2022/COY/087969



.....  
Abiodun Ariyibi  
Partner  
**FRC/2013/ICAN/000000001548**

Date: 17/04/.....2025



## Independent Auditor's Report

### To the Members of JAPPAUL GOLD & VENTURES PLC

#### Report on the Audit of the Annual Report and Consolidated and Separate Financial Statements

##### Opinion

We have audited the Consolidated and Separate Financial Statements of **JAPPAUL GOLD & VENTURES PLC** and its subsidiaries (the Group), which comprise the consolidated and separate statement of financial position at 31 December 2024, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the Consolidated and Separate Financial Statements, including a summary of significant accounting policies.

In our opinion, the Consolidated and Separate Financial Statements present fairly, in all material respects, the financial position of **JAPPAUL GOLD & VENTURES PLC** the consolidated and separate financial position of the Group at 31 December 2024, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended, are in accordance with International Financial Reporting Standards (IFRSs), the Financial Reporting Council of Nigeria Act, No. 6, 2011 (as amended), and with the requirements of the Companies and Allied Matters Act 2020.

##### 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 Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code) and other independence requirements applicable to performing audits of the Consolidated and Separate Financial Statements in Nigeria. We have fulfilled our other ethical responsibilities in accordance with IESBA Code and in accordance with other ethical requirements applicable to performing audits in Nigeria. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated and Separate Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated and Separate Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described below to be key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p><b>Financial Assets – Allowance for Expected Credit Loss (ECL)</b></p> <p>Financial assets constitute a significant portion of the entity's financial position, as a major component of the entity's financial intermediation function revolves round financial assets. The adoption of the International Financial Reporting Standards (IFRS 9) – Financial Instrument recognition and measurement effective 01 January 2018 introduced an expected credit loss model (ECL) for recognizing impairments for financial instruments different from the incurred loss model under IAS 39.</p> <p>The ECL model involves the application of considerable level of judgement and estimation in determining inputs for ECL calculation such as:</p> <ul style="list-style-type: none"> <li>• Determining criteria for assigning Probability of Default rates (PD Rates)</li> <li>• Assessing the relationship between the quantitative factors such as default and qualitative factors such as macroeconomic variables.</li> <li>• Incorporating forward looking information in the model building process.</li> <li>• Factors incorporated in determining the Probability of Default (PD).</li> <li>• Factors considered in cash flow estimation including timing and amount.</li> </ul> <p>This is considered a key audit matter in the Consolidated and Separate Financial Statements given the level of complexity and judgement involved in the process which required considerable audit time and expertise.</p>	<p>We focused our testing of impairment on financial assets on the assumptions of management and in line with IFRS 9. Our audit procedures included:</p> <p>We reviewed the IT General Controls governing the IFRS reporting process employed by the entity in assigning PD's to the financial assets.</p> <ul style="list-style-type: none"> <li>• We assessed and tested the design and operating effectiveness of the controls over impairment calculations.</li> <li>• Evaluated whether the model used to calculate the recoverable amount complies with the requirements of IFRS 9 and it is in agreement with our understanding of the business and the industry in which E-Finance operates.</li> <li>• For the financial assets, we challenged all the assumptions considered in the estimation of recovery cash flows and timing of realization by considering historical patterns of amount owed and repayment as well as recent communications with their counterparties.</li> </ul> <p>In instances where we were not satisfied with the assumptions used by the management in its cash flow estimation and discounting, we challenged management assumptions by re-computing the cash flows to determine the recoverable amounts.</p>

## **Other Information**

The directors are responsible for the other information. The other information comprises the Chairman's statement, Directors' Report, Audit Committee's Report, Corporate Governance Report and Group Secretary's report which is expected to be made available to us after that date. The other information does not include the Consolidated and Separate Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated and Separate Financial Statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Consolidated and Separate Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated and Separate Financial Statements or our knowledge obtained in the audit, or otherwise appeared to be materially misstated.

If, based on the work we have performed on the other information that we obtained, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Emphasis of Matter**

**The Consolidated and Separate Financial Statements of Japaul Gold & Ventures Plc for the year ended 31 December, 2023 were audited by PKF Professional Services, your predecessor auditor, who expressed unmodified opinion on those statements on 28 March, 2024.**

## **Responsibilities of the Directors and Those Charged with Governance for the Consolidated and Separate Financial Statements**

The directors are responsible for the preparation and fair presentation of the Consolidated and Separate Financial Statements in accordance with International Financial Reporting Standards and the requirements of the Financial Reporting Council of Nigeria Act No.6, 2011 (as amended), the Companies and Allied Matters Act (CAMA) 2020, and for such internal control as the directors determine is necessary to enable the preparation of Consolidated and Separate Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated and Separate Financial Statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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



## **Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Consolidated and Separate Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated and Separate Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

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

### Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies and Allied Matters Act (CAMA) 2020, the Financial Reporting Council of Nigeria Act No. 6, 2011 (as amended), we confirmed that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit
- The Group has kept proper books of account, so far as appears from our examination of those books.
- The Group and the Company's statement of financial position and the statement of profit or loss and other comprehensive income are in agreement with the books of account.



Abiodun Ariyibi, FCA  
Partner  
FRC/2013/ICAN/00000001548  
For: SIAO Partners (Chartered Accountants)  
FRC/2022/COY/932774  
(Chartered Accountants)  
Lagos, Nigeria



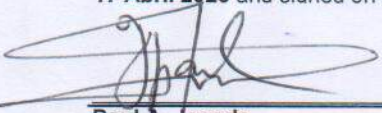
Date 17th April 2025

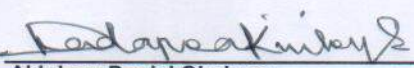
# JAPPAUL GOLD & VENTURES PLC

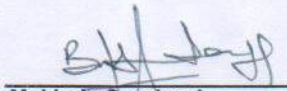
## CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2024

	Note	Group		Company	
		2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	16	4,232,252	4,458,641	2,707,333	2,652,151
Right-of-use assets	17	4,000,000	4,250,000	4,000,000	4,250,000
Intangible assets	17.1	7,960,000	-	7,960,000	-
Investment in subsidiaries	18	-	-	40,000	40,000
Investment in associates	19	-	-	-	-
Investment property	20	782,606	-	-	-
<b>Total non-current assets</b>		<b>16,974,858</b>	<b>8,708,641</b>	<b>14,707,333</b>	<b>6,942,151</b>
<b>Current assets</b>					
Inventories	21	-	-	-	-
Trade and other receivables	22	16,415,962	5,471,345	13,138,809	2,932,460
Cash and cash equivalents	23	25,721	136,149	9,920	16,234
<b>Total current assets</b>		<b>16,441,683</b>	<b>5,607,494</b>	<b>13,148,729</b>	<b>2,948,694</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	24	6,431,099	5,895,916	5,877,849	4,285,716
Defined contribution plan	25	170,281	186,344	109,812	129,275
Borrowings	26	2,292,452	3,096,726	2,292,452	3,096,726
Lease liability	27	1,000,000	-	-	-
Current income tax liability	14.2	432,553	330,880	58,624	74,330
<b>Total current liabilities</b>		<b>10,326,385</b>	<b>9,509,866</b>	<b>8,338,737</b>	<b>7,586,047</b>
<b>Net current liabilities</b>		<b>6,115,298</b>	<b>(3,902,372)</b>	<b>4,809,992</b>	<b>(4,637,353)</b>
<b>Non-current liabilities</b>					
Defined benefit plan	25	72,621	72,621	42,516	42,516
Lease liability	27	3,567,750	4,567,750	4,567,750	4,567,750
Deferred tax liability	14.4	966,376	966,376	909,886	909,886
<b>Total non-current liabilities</b>		<b>4,606,747</b>	<b>5,606,747</b>	<b>5,520,152</b>	<b>5,520,152</b>
<b>Net assets/(liabilities)</b>		<b>18,483,409</b>	<b>(800,478)</b>	<b>13,997,174</b>	<b>(3,215,354)</b>
<b>Equity</b>					
Share capital	28.2	7,131,350	3,131,350	7,131,350	3,131,350
Share premium	28.3	30,044,111	16,440,679	30,044,111	16,440,679
Accumulated loss	28.4	(18,691,858)	(20,372,312)	(23,178,265)	(22,787,361)
Remeasurement reserve	28.5	(195)	(195)	(22)	(22)
<b>Total equity</b>		<b>18,483,409</b>	<b>(800,478)</b>	<b>13,997,174</b>	<b>(3,215,354)</b>

The consolidated and separate financial statements were approved by the Board of Directors and authorised for issue on 17 April 2025 and signed on its behalf by:

  
Paul A. Jegede  
Chairman  
FRC/2019/IODN/00000002328

  
Akinloye Daniel Oladapo  
Group Managing Director  
FRC/2016/CIS/00000014722

  
Makinde Sunday A.  
Ag. Chief Financial Officer  
FRC/2022/PRO/ICAN/001/890630

The accompanying notes form an integral part of these consolidated and separate financial statements.

# JAPPAUL GOLD & VENTURES PLC

## CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Group		Company	
		2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>Continuing operations</b>					
Revenue	9.1	4,103,213	2,577,965	527,288	2,346,439
Direct costs	10	(1,961,386)	(1,518,983)	(618,448)	(1,123,034)
<b>Gross profit</b>		<b>2,141,827</b>	<b>1,058,982</b>	<b>(91,160)</b>	<b>1,223,405</b>
Other income	11	242,869	136,356	183,766	127,711
Administrative expenses	12	(580,458)	(575,969)	(479,955)	(461,595)
<b>Operating Profit/(loss)</b>		<b>1,804,238</b>	<b>619,369</b>	<b>(387,349)</b>	<b>889,521</b>
Net finance costs	13.2	-	(1,241,391)	-	(1,241,391)
<b>Profit/(loss) before taxation</b>		<b>1,804,238</b>	<b>(622,022)</b>	<b>(387,349)</b>	<b>(351,870)</b>
Income tax expense	14.1	(123,784)	(52,022)	(3,555)	(48,055)
<b>Profit/(loss) from continuing operations</b>		<b>1,680,454</b>	<b>(674,044)</b>	<b>(390,904)</b>	<b>(399,925)</b>
<b>Discontinued operations</b>					
Foreign currency translation derecognised		-	-	-	-
<b>Profit/(loss) for the year</b>		<b>1,680,454</b>	<b>(674,044)</b>	<b>(390,904)</b>	<b>(399,925)</b>
<b>Profit/(loss) for the year attributable to:</b>					
Owners of the Company		1,680,454	(674,044)	(390,904)	(399,925)
Non-controlling interest		-	-	-	-
		<b>1,680,454</b>	<b>(674,044)</b>	<b>(390,904)</b>	<b>(399,925)</b>
<b>Other comprehensive Profit/(loss)</b>					
<b>Items that may be reclassified subsequently to profit or loss</b>					
Exchange difference on translation of foreign operations		-	-	-	-
<b>Items that will not be reclassified subsequently to profit or loss</b>					
Fair value (loss)/gain on investment-FVTOCI		-	-	-	-
<b>Loss</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive profit/(loss) for the year</b>		<b>1,680,454</b>	<b>(674,044)</b>	<b>(390,904)</b>	<b>(399,925)</b>
<b>Total comprehensive profit/(loss) attributable to:</b>					
Owners of the parents		1,680,454	(674,044)	(390,904)	(399,925)
Non-controlling interest		-	-	-	-
		<b>1,680,454</b>	<b>(674,044)</b>	<b>(390,904)</b>	<b>(399,925)</b>
<b>Earning/(loss) per share</b>	15	<b>12</b>	<b>(11)</b>	<b>(3)</b>	<b>(6)</b>

The accompanying notes form an integral part of these consolidated and separate financial statements.

## JAPPAUL GOLD & VENTURES PLC

### CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

Group	Attributable to owners of the Company					Total equity N'000
	Share capital N'000	Share premium N'000	Accumulated loss N'000	Re- measurement reserve N'000	Fair value reserve N'000	
At 1 January 2023	3,131,350	16,440,679	(19,698,268)	(195)	-	(126,434)
<b>Changes in equity for 2023:</b>						
Profit for the year	-	-	(674,044)	-	-	(674,044)
<b>Other comprehensive income</b>						
Fair value gain on investment-FVTOCI	-	-	-	-	-	-
Exchange loss on foreign operations	-	-	-	-	-	-
<b>Total comprehensive loss for the year</b>	-	-	(674,044)	-	-	(674,044)
<b>Transactions with owners, recorded directly in equity</b>						
Transfer of fair value reserve of equity investment at fair value through other comprehensive income	-	-	-	-	-	-
<b>At 31 December 2023</b>	<b>3,131,350</b>	<b>16,440,679</b>	<b>(20,372,312)</b>	<b>(195)</b>	<b>-</b>	<b>(800,478)</b>
<b>At 1 January 2024</b>	<b>3,131,350</b>	<b>16,440,679</b>	<b>(20,372,312)</b>	<b>(195)</b>	<b>-</b>	<b>(800,478)</b>
Addition to share capital	4,000,000	13,603,432				17,603,432
<b>Changes in equity for 2024:</b>						
Profit for the year	-	-	1,680,454	-	-	1,680,454
<b>Other comprehensive income</b>						
Fair value loss on investment - FVTOCI	-	-	-	-	-	-
Exchange loss on foreign operations	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	1,680,454	-	-	19,283,886
<b>Transactions with owners, recorded directly in equity</b>						
Transfer of fair value reserve of equity investment at fair value through other comprehensive income	-	-	-	-	-	-
<b>At 31 December 2024</b>	<b>3,131,350</b>	<b>16,440,679</b>	<b>(18,691,858)</b>	<b>(195)</b>	<b>-</b>	<b>18,483,408</b>

## JAPPAUL GOLD & VENTURES PLC

### CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

Company	Attributable to owners of the Company				Total equity N'000
	Issued share capital N'000	Share premium N'000	Accumulated loss N'000	Re-measurement reserve N'000	
At 1 January 2023	3,131,350	16,440,679	(22,387,436)	(22)	(2,815,429)
<b>Changes in equity for 2023:</b>					
Loss for the year	-	-	(399,925)	-	(399,925)
<b>Other comprehensive income</b>					
Fair value loss on investment - FVTOCI	-	-	-	-	-
<b>Total comprehensive loss for the year</b>	-	-	(399,925)	-	(399,925)
<b>Transactions with owners, recorded directly in equity</b>					-
<b>Transfer of fair value reserve of equity investment at fair value through other comprehensive income</b>			-		-
Dividends paid in the year	-	-		-	-
<b>At 31 December 2023</b>	<b>3,131,350</b>	<b>16,440,679</b>	<b>(22,787,361)</b>	<b>(22)</b>	<b>(3,215,354)</b>
<b>At 1 January 2024</b>	<b>3,131,350</b>	<b>16,440,679</b>	<b>(22,787,361)</b>	<b>(22)</b>	<b>(3,215,354)</b>
Addition to share capital	4,000,000	13,603,432			17,603,432
<b>Changes in equity for 2024:</b>					
Loss for the year	-	-	(390,904)	-	(390,904)
<b>Other comprehensive income</b>					
Fair value loss on investment - FVTOCI	-	-	-	-	-
<b>Total comprehensive profit for the year</b>	<b>4,000,000</b>	<b>13,603,432</b>	<b>(390,904)</b>	<b>-</b>	<b>17,212,528</b>
<b>Transactions with owners, recorded directly in equity</b>					
<b>Transfer of fair value reserve of equity investment at fair value through other comprehensive income</b>			-		-
Dividends paid in the year	-	-		-	-
<b>At 31 December 2024</b>	<b>7,131,350</b>	<b>30,044,111</b>	<b>(23,178,265)</b>	<b>(22)</b>	<b>13,997,174</b>

The accompanying notes form an integral part of these consolidated and separate financial statements.

# JAPPAUL GOLD & VENTURES PLC

## CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Group		Company	
		2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>Cash flows from operating activities</b>					
Cash receipts from customers		(6,598,535)	1,647,010	(9,495,295)	1,457,666
Payment to suppliers and employees		(406,396)	(1,423,810)	2,869,574	(1,365,844)
<b>Cash generated from operations</b>		<b>(7,004,931)</b>	223,200	<b>(6,625,721)</b>	91,822
Payment for employee benefit obligations	27.1	(27,830)	(15,588)	(29,190)	(14,404)
Current income tax paid	16.2	(22,111)	(5,501)	(19,261)	(2,850)
<b>Net cash from operating activities</b>	31	<b>(7,054,872)</b>	202,111	<b>(6,674,172)</b>	74,568
<b>Cash flows from investing activities</b>					
Purchase of property, plant and equipment	18.1	(774)	(454,106)	(171,177)	(454,106)
Purchase of assets under finance lease	19	-	-	-	-
Purchase of intangible asset	17.1	(7,960,000)	-	(7,960,000)	-
Proceed on disposal of property, plant and equipment	13.3	352,817	8,149	246,635	4,849
<b>Net cash used in investing activities</b>		<b>(7,607,957)</b>	(445,957)	<b>(7,884,542)</b>	(449,257)
<b>Cash flows from financing activities</b>					
Borrowings	26	(3,051,032)	385,673	(3,051,032)	385,673
Increase in share capital	28.2	4,000,000	-	4,000,000	-
Increase in share premium	28.3	13,603,432	-	13,603,432	-
Overdraft		-	(11,561)	-	-
<b>Net cash from financing activities</b>		<b>14,552,400</b>	374,112	<b>14,552,400</b>	385,673
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(110,428)</b>	130,266	<b>(6,314)</b>	10,984
Cash and cash equivalents at 1 January		136,149	5,883	16,234	5,250
<b>Cash and cash equivalents at 31 December</b>	25	<b>25,721</b>	136,149	<b>9,920</b>	16,234

The accompanying notes form an integral part of these consolidated and separate financial statements.

# JAPPAUL GOLD & VENTURES PLC

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 1. The Entity

#### 1.1. Legal form

Japaul Gold and Ventures Plc (formerly known as Japaul Oil & Maritime Services Plc) was incorporated on 29 June 1994 as a private limited liability company and commenced business in January 1997. Japaul Oil is in the business of oil and maritime services. The Company's shares were listed on the Nigerian Stock Exchange (NSE). As at year end, the Company has the following subsidiaries, namely:

Japaul Shipping & Offshore Services Limited  
Japaul Mines & Products Limited  
Japaul Dredging Services Limited

The Registered office address of the company is Japaul House, Plot 8, Dr. Nurudeen Olowopopo Avenue, Central Business District (CBD), Agidingbi, Ikeja, Lagos, Nigeria.

#### 1.2. Principal activities

The principal activities of the group are engaging in oil and maritime services in the upstream segment of the oil and gas industry. The group's scope of operations covers the provision of offshore oilfield vessels, dredging activities in oil fields/locations, quarry services, maritime and logistics, oil flowlines/pipeline construction in swamps.

### 2. Basis of preparation

#### 2.1. Statement of compliance

The consolidated and separate financial statements for the year ended 31 December 2024 have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the IASB. Additional information required by local regulators has been included where appropriate.

The consolidated and separate financial statements comprise of the consolidated and separate statement of comprehensive income, the consolidated and separate statement of financial position, the consolidated and separate statement of changes in equity, the consolidated and separate statement of cashflows and notes to the consolidated and separate financial statements.

#### 2.2. Basis of measurement

The consolidated and separate financial statements have been prepared in accordance with the going concern principle under the historical cost convention, except for financial assets (liabilities) which were measured at fair value. The liability for defined benefit obligations is recognized as the present value of the defined benefit obligation less the total of the plan assets, plus unrecognized actuarial gains, less unrecognized past service cost and unrecognized actuarial losses while the plan assets for defined benefit obligations are measured at fair value.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates, it also requires management to exercise its judgment in the process of applying the group's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate and therefore the group's financial statements present the financial position and results fairly.

## JAPPAUL GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### 2.3. Going concern considerations

The Company suffered recurring losses after tax over the years. At 31 December 2024, the Group made a profit after tax of N1.686 billion (2023: a net loss of N674 million) and the Company made a net loss after tax of N390.9 million (2023: N399.9 million net loss) respectively. This resulted in accumulated losses at 31 December 2024 of N18.6 billion for the Group and N23.1 billion for the company) (2023: N20.3 billion for the Group and 22.7 billion for the company) and as of that date, the Group's current assets exceeded its current liabilities by N6.120 billion (2023: N4.80 billion) and the Company's current liabilities exceeded its current assets by N3.90 billion (2023: N4.637 billion). All these resulted in positive shareholders' fund of N18.488 billion and N13.99 billion for the Group and the Company respectively (2023: negative shareholders' fund of N800m and N3.215 billion for the Group and the Company respectively). Consequently, the going concern basis of the Group is threatened, which has raised significant doubts over its ability to continue as a going concern.

However, the consolidated and separate financial statements have been prepared on a going concern basis as the Directors have put some measures in place to address the situation.

The Group's continued existence as a going concern is dependent on the following:

- Arranging for private equity investment/funding (ongoing) upto \$20m; part of which will be used to resuscitate the subsidiaries and offset the companies loans.
- Sustaining and expanding our existing quarrying business;
- Refurbishing and upgrading of existing equipment for hiring purposes;
- Diversification into mechanized mining of solid minerals (ongoing).
- Sustaining and upgrading our recent efforts in land reclamation projects in Lekki and Ikoyi axis. The project is in excess of ₦25 billion.
- Crystallizing the upcoming reclamation project in Asaba, Delta State.
- Land reclamation project at rumuolumeni, Port Harcourt, Rivers State.

In spite of the uncertainty noticed in the financial statements as a result of the Shareholders fund being eroded due to revaluation of Quinn Mcgrath loan balance denominated in USD, the Company is in a position to wipe off this uncertainty in the nearest future, because the Company is currently engaged in a massive Dredging Contract worth over N30 billion in Lekki axis of Lagos State. This is a 2 years and 6months Contract of which over N3.5 billion has been done. This of course, will bring the Company back to profitability in no distant future

Given the following considerations described above, the Directors have a reasonable expectation that the Group will continue in operation for the foreseeable future. For these reasons, the Directors continue to adopt the going concern basis in preparing the consolidated and separate financial statements at 31 December 2024.

However, if the ongoing actions and plans as enumerated above did not yield the desired results, the Group may be unable to realize its assets and discharge its liabilities in the normal course of business.

#### 2.4. Functional and presentation currency

This consolidated and separate financial statements are presented in Naira, which is the Group's presentational currency. The consolidated and separate financial statements are presented in the currency of the primary economic environment in which the Group operates (its functional currency). For the purpose of the consolidated and separate financial statements, the consolidated and separate results and financial position are expressed in Naira, which is the functional currency of the Group, and the presentational currency for the consolidated and separate financial statements.

# JAPPAUL GOLD & VENTURES PLC

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 2.5. Basis of consolidation

This consolidated and separate financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December, 2024.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continues to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using the same accounting policies.

All inter-group balances, transactions, dividends, unrealised gains on transactions within the Group are eliminated on consolidation. Unrealised losses resulting from inter-group transactions are eliminated, but only to the extent that there is no evidence of impairment.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

### 2.6 Changes in accounting policies and disclosures and Standards Issued

#### 2.6.1 Changes in accounting policies and disclosures

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Group's annual financial statements FOR THE YEAR ENDED 31 DECEMBER 2024.

Several standards amendments and interpretations apply for the first time in 2024 but did not have an impact on the financial statements of the Company.

The Company has not early adopted any other standard, interpretation or amendment that has been issued but not yet effective.

#### 2.6.2 Standards issued and effective before, on or after 1 January 2024

##### 2.6.2a Lease liability in a sale and leaseback (Amendments to IFRS 16, Leases)

This requires a seller-lessee to account for variable lease payments that arise in a sale-and- leaseback transaction as follows:

On initial recognition, include variable lease payments when measuring a lease liability arising from a sale-and-leaseback transaction.

After initial recognition, apply the general requirements for subsequent accounting of the lease liability such that no gain or loss relating to the retained right of use is recognized.

Seller-lessees are required to reassess and potentially restate sale-and-leaseback transactions entered into since the implementation of IFRS 16.

##### 2.6.2b Classification of liabilities as current or non-current liabilities with covenants (Amendments to IAS 1, Presentation of Financial Statements)

The amendments published in 2020 and 2022 respectively, clarify that the classification of liabilities as current or noncurrent is based solely on an entity's right to defer settlement for at least 12 months after the reporting date. The right needs to exist at the reporting date and must have substance. The amendments also clarify that the transfer of an entity's own equity instrument is regarded as settlement of a liability, in certain circumstances. If a liability has any equity conversion options, they generally affect its classification as current or noncurrent, unless these conversion options are recognized as equity under IAS 32, Financial Instruments: Presentation.

##### 2.6.2c Supplier finance arrangements (Amendments to IAS 7, Statement of Cash Flows and IFRS 7, Financial Instruments: Disclosures)

The amendment requires an entity (the buyer) to disclose qualitative and quantitative information about its supplier finance arrangements, such as terms and conditions - including, for example, extended payments terms and security or guarantees provided. Amongst other characteristics, IAS 7 explains that a supplier finance arrangement provides the entity with extended payment terms, or the entity's suppliers with early payment terms, compared to the related invoice payment due date.

#### 2.6.3 Standards not effective before, on or after 1 January 2025

##### 2.6.3a Lack of exchangeability (amendment to IAS 21, The Effects of Changes in Foreign Exchange Rates)

This applies when one currency cannot be exchanged into another. This may occur, for example, because of government-imposed controls on capital imports and exports, or a limitation on the volume of foreign currency transactions that can be undertaken at an official exchange rate. The amendments clarify when a currency is considered exchangeable into another currency, and how an entity estimates a spot rate for currencies that lack exchangeability. The amendments introduce new disclosures to help financial statement users assess the impact of using an estimated exchange rate.

# JAPPAUL GOLD & VENTURES PLC

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 3. Summary of significant accounting policies

The significant accounting policies set out below have been applied in preparing the financial statements unless otherwise indicated.

#### 3.1. Investment in subsidiaries

Investments in subsidiaries are carried at cost. The consolidated financial statements include the financial statements of the holding company and its subsidiaries. A subsidiary is one in which the group has controlling interest and controls the operation/decision making of the subsidiary.

#### 3.2. Intangible assets

##### 3.2.1. Intangible assets acquired separately

Intangible assets acquired separately are shown at historical cost less accumulated amortization and impairment losses.

Amortization is charged to profit or loss on a straight-line basis over the estimated useful lives of the intangible asset unless such lives are indefinite. These charges are included in other expenses in profit or loss. Intangible assets with an indefinite useful life are tested for impairment annually.

Amortization periods and methods are reviewed annually and adjusted if appropriate.

	Depreciation method	Average useful life
Computer software	Straight line	5 years

#### 3.4. Property, plant and equipment

##### 3.4.1. Initial recognition

All property, plant and equipment assets are stated at cost less accumulated depreciation less accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

##### 3.4.2. Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group 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.

##### 3.4.3. Depreciation of property, plant and equipment

Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

	Depreciation method	Average useful life
Land	-	-
Buildings	Straight line	50 years
Furniture and fittings	Straight line	4 years
Computer equipment	Straight line	4 years
Motor vehicles	Straight line	4 years
Office equipment	Straight line	4 years
Marine equipment	Straight line	20 years
Plant and machinery	Straight line	10 years
Survey equipment	Straight line	4 years
Heavy duty vehicles	Straight line	6 years

## JAPPAUL GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The assets' residual values and useful lives are reviewed at the end of each reporting period and adjusted if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable value.

The group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

#### **3.4.4. Derecognition**

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount, these are included in the income statement under operating income. When revalued assets are sold, the amounts included in the revaluation surplus are transferred to retained earnings.

#### **Reclassification**

When the use of a property changes from owner-occupier to investment property, the property is re-measured to fair value and reclassified as investment property. Any gain arising on re-measurement is recognized in the income statement to the extent that it reverses a previous impairment loss on the specific property, with any remaining recognized in other comprehensive income and presented in the revaluation reserve in equity. Any loss is recognized immediately in the income statement.

#### **3.5. Investment property**

Investment property is recognised 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 enterprise, and the cost of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement. Costs include costs initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

#### **3.6. Trade and other receivables**

Trade receivables are amount due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets, if not they are presented as non-current assets. Where the potential impact of discounting future cash receipts over the short credit period is not considered to be material, trade receivables are stated at their original invoiced value. These receivables are reduced by appropriate allowances for estimated irrecoverable amounts.

#### **3.7. Cash and cash equivalents**

Cash equivalents comprises of short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. An investment with a maturity of three months or less is normally classified as being short-term.

For the purpose of presenting the statement of cash flows, cash and cash equivalents are shown net of bank overdrafts.

#### **3.8. Financial instruments**

Financial instruments carried in the statement of financial position includes financial assets at fair value through other comprehensive income, cash and cash equivalents and borrowings. Financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. The various classifications of financial instruments, their measurement subsequent to initial recognition, reclassifications and derecognition are stated as follows:

# JAPPAUL GOLD & VENTURES PLC

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### Financial assets and liabilities

#### 3.8.1 Financial assets

##### a) Initial recognition and measurement

Financial instruments are recognised initially when the Group becomes a party to the contractual provisions of the instruments.

Financial instruments carried at fair value through profit or loss are initially recognised at fair value with transaction costs, which are directly attributable to the acquisition or issue of the financial instruments, being recognised immediately through profit or loss. Financial instruments that are not carried at fair value through profit or loss are plus transaction costs that are directly attributable to the acquisition or issue of the financial instruments initially measured at fair value.

When the transaction price differs from the fair value of other observable current market, transactions in the same instrument or based on a valuation technique whose variables include only data observable from markets, the company immediately recognises the difference between the transaction price and the fair value (a 'Day 1' profit or loss) in 'Net gains/(losses) on financial instruments classified as held for trading'. In cases where fair value is determined using data which is not observable, the difference between the transaction price and model value is only recognized in the income statement when the inputs become observable, or when the instrument is derecognized.

##### b) Subsequent measurement

Subsequent to initial measurement, financial instruments are measured either at amortised cost or fair value depending on their classification category.

##### c) Classification

Subsequent to initial recognition, all financial assets within the Group are measured at:

- i. amortised cost;
- ii. fair value through other comprehensive income (FVOCI); or
- iii. fair value through profit or loss (FVTPL)

The Group's financial assets are subsequently measured at amortised cost if they meet both of the following criteria:

- **Business model test** - The asset is held within a business model whose objective is to hold the financial asset in order to collect contractual cash flows; and
- **SPPi contractual cash flow characteristics test** - The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest (SPPi) on the principal amount outstanding on a specified date. Interest in this context is the consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time.

Debt instruments are measured at fair value through other comprehensive income (FVOCI) by the Group if they meet both of the following criteria:

- **Business model test:** The asset is held within a business model whose objective is achieved by both holding the financial asset in order to collect contractual cash flows and selling the financial asset; and
- **SPPi contractual cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets (equity investments) are measured at fair value.

Financial asset is classified and measured at fair value through profit or loss (FVTPL) by the Group if the financial asset is:

- A debt instrument that does not qualify to be measured at amortised cost or FVOCI;
- An equity investment which the Group has not elected to classify as at FVOCI;
- A financial asset where the Group has elected to measure the asset at FVTPL under the fair value option.

## JAPPAUL GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### d) De-recognition

The Group de-recognises a financial asset when the contractual rights to the cash flows from the financial assets expire, or when it transfers the rights to receive the contractual cash flows on the financial assets in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred. Any interest in transferred financial assets that is created or retained by the entity is recognized as a separate asset or liability. The entity derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

The group enters into transactions whereby it transfers assets recognized on its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised. Transfers of assets with retention of all or substantially all risks and rewards include securities lending and repurchase transactions.

In transactions in which the group neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset and it retains control over the asset, the entity continues to recognise the asset to the extent of its continuing involvement, determined by extent to which it is exposed to changes in the value of the transferred asset. The rights and obligations retained in the transfer are recognised separately as assets and liabilities as appropriate. In transfers where control over the asset is retained, the entity continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

#### 3.9.2 Financial liabilities

The Group's holding in financial liabilities is in financial liabilities at fair value through profit or loss and financial liabilities at amortised cost. Financial liabilities are derecognised when extinguished.

##### 3.9.2.1 Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are financial liabilities held for trading.

A financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or if 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.

Derivatives are also categorised as held for trading unless they are designated and effective as hedging instruments. Financial liabilities held for trading also include obligations to deliver financial assets borrowed by a short seller.

Gains and losses arising from changes in fair value of financial liabilities classified held for trading are included in the income statement and are reported as 'Net gains/(losses) on financial instruments classified as held for trading'. Interest expenses on financial liabilities held for trading are included in 'Net interest income'.

##### 3.9.2.2 Other liabilities measured at amortised cost

Financial liabilities that are not classified at fair value through profit or loss fall into this category, and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method; any difference between proceeds and the redemption value is recognised in the income statement over the period of the liabilities using the effective interest method. Financial liabilities measured at amortised cost are notes and commercial papers, balance on client accounts.

#### 3.9.3 Fair value measurement

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date.

## JAPPAUL GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

For financial instruments traded in active markets, the determination of fair values of financial assets and financial liabilities is based on quoted market price or dealer price quotations.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. If the above criteria are not met, the market is regarded as being inactive. Indications that a market is inactive are when there is a wide bid-offer or significant increase in the bid- offer spread or there are few recent transactions.

For all other financial instruments, fair value is determined using valuation techniques. In these techniques, fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques, using inputs (for example, NIBOR, LIBOR yield curve, FX rates, volatilities and counterparty spreads) existing at the dates of the statement of financial position.

In cases where the fair value of the unlisted equity instruments cannot be determined reliably, the instruments are carried at cost less impairment. The fair value for loans and advances as well as liabilities to Company's and customers are determined using a present value model on the basis of contractually agreed cash flows, taking into credit quality, liquidity and costs. The fair values of contingent liabilities and irrecoverable loan commitments correspond to their carrying amounts.

The best evidence of fair value of a financial instrument at initial recognition is the transaction price, i.e., the fair value of the consideration given or received, unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data observable from markets. When transaction price provides the best evidence of fair value at initial recognition, the financial instrument initially measured from a valuation model is subsequently recognised in profit or loss on an appropriate basis over the life of the instrument but not later than when the valuation is supported wholly by observable market data or instrument is closed out.

Any difference between the fair value at initial recognition and the amount that would be determined at that date using a valuation technique in a situation in which the valuation is dependent on unobservable parameters is not recognised in profit or loss immediately but is recognised over the life of the instrument on an appropriate basis or when the instrument is redeemed, transferred or sold, or the fair value becomes observable.

#### **3.9.4 Reclassification of financial assets and liabilities**

The Group may choose to reclassify a non-derivative financial asset held for trading out of the held for trading category if the financial assets other than loans and receivables are permitted to be reclassified out of the held for trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to reoccur in the near-term.

In addition, the Group may choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if the entity has the intention and ability to hold these financial assets for the foreseeable future until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

## JAPPAUL GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### 3.9.5 Identification and measurement of impairment of financial assets

##### 3.9.5.1 Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred 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.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

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 recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the income statement.

##### 3.9.6. Offsetting financial instruments

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

## JAPPAUL GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### The group and the Company as a lessee

The group and the Company applies a single recognition and measurement approach for all leases, except for short term leases and leases of low-value assets. The group and the Company recognises lease liabilities to make lease Payments and right-of-use assets representing the right to use the underlying assets.

#### i) Right-of-use assets

The group and the Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use), Right-of-use assets are measured at cost, less any accumulated depreciation and Impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group and the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

#### ii) Lease liabilities

At the commencement date of the lease, the Group and the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and the Company and payments of penalties for terminating the lease, if the lease term reflects the Group and the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group and the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

## JAPPAUL GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### 3.10. Trade and other payables

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business. Accounts payable are classified as current liabilities if payment is due with one year or less. If not, they are presented as non-current liabilities.

Other payables are stated at their original invoiced value, as the interest that would be recognised from discounting future cash payments over the short payment period is not considered to be material.

#### 3.11. Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

Interest-bearing borrowings are stated at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability.

#### 3.12. Employee benefits

##### 3.12.1. Defined contribution pension plan

The group runs a defined contribution plan. A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. The group 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.

Under the defined contribution plans, the group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

##### 3.12.2. Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The group's net obligation in respect of defined benefit plan is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value. Any recognized past service costs and fair value of any plan assets are deducted. The discount rate is the yield at the reporting date on AA credit-rated bonds that have maturity dates approximating the terms of the group's obligation and that are denominated in the currency in which the benefit are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected credit unit method.

The group recognizes all actuarial gains or losses arising from defined benefit plans immediately in other comprehensive income and all expenses related to defined benefit plans in personnel expenses in profit or loss.

The group recognizes gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on settlement or curtailment comprises any resulting change in the fair value of the plan asset, any change in the present value of defined benefit obligation, any related actuarial gains or losses and past services cost that had not previously been recognised.

## JAPPAUL GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### 3.12.3. Termination benefit

Termination benefit are recognized as an expense when the group is demonstrably committed without realistic possible withdrawal, to a formal detail plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefit for voluntary redundancies is recognized as expenses if the group has made an offer of voluntary redundancy and it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If the benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

#### 3.12.4. Short term employee benefits

These are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short term cash bonus or profit sharing plans if the group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

### 3.13. Taxation

#### 3.13.1. Current income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate.

#### 3.13.2. Deferred income tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit (loss), it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the group controls the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities, where there is an intention to settle the balances on a net basis.

The tax effects of carry-forwards of unused losses or unused tax credits are recognised as an asset when it is probable that future taxable profits will be available against which these losses can be utilised.

## JAPPAUL GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Deferred tax related to fair value re-measurement of available-for-sale investments and cash flow hedges, which are charged or credited directly in other comprehensive income, is also credited or charged directly to other comprehensive income and subsequently recognised in the income statement together with the deferred gain or loss.

#### **3.14. Provisions**

Provisions are recognized when the group has a present obligation (legal or constructive) as a result of a past event, and it is probable that the group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

#### **3.15.1 Warranty**

A provision for warranty is recognized when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated possibilities.

#### **3.15.2 Restructuring**

A provision for restructuring is recognized when the group has approved a formal detail restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.

#### **3.15.3 Onerous contract**

Provision for onerous contracts is recognized when the expected benefit to be derived by the group from a contract are lower than the unavoidable costs of meeting its obligation under the contract. The provision is measured at the present value of the lower of the expected costs of terminating the contract and the expected net cost of continuing with the contract.

#### **3.16. Equity instruments**

Equity instruments issued by the group are recorded at the value of proceeds received, net of costs directly attributable to the issue of the instruments. Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

Where any group purchases the group's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the group's equity holders. Where such shares are subsequently sold, reissued or otherwise disposed of, any consideration received is included in equity attributable to the group's equity holders, net of any directly attributable incremental transaction costs and the related income tax effects.

# JAPPAUL GOLD & VENTURES PLC

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 3.17. Revenue recognition

#### 3.17.1. Sale of goods or services

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for services rendered, stated net of discounts and value added taxes. The Group recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity.

Sales of goods are recognised when title has passed and the significant risks and rewards of ownership have been transferred.

Revenue from a valid contract with a customer is recognised when the following conditions are met:

- a. The contract has been approved by the parties to the contract.
- b. The rights and obligations of the parties to the contract in relation to the goods and services to be transferred are identifiable.
- c. The payment terms for the goods and services to be transferred are identifiable.
- d. The contract has commercial substance.
- e. It is probable that the consideration to which the Company is entitled to in exchange for the goods or services will be collected.

#### 3.17.2. Investment return

Investment return includes dividend income, interest and rent receivable, movement in amortized cost on debt securities and other loan and receivables, realized gains and losses, and unrealized gains and losses on fair value of the financial assets.

#### 3.17.3. Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the assets carrying amount.

#### 3.17.4. Rental income

Rental income is recognized on an accrued basis.

#### 3.17.5. Realised gains and losses

The realised gains or losses on the disposal of an asset is the difference between proceeds received, net of transaction costs and its original or amortised costs as appropriate.

### 3.18. Foreign currencies

#### 3.18.1. Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the entities within the group. Monetary items denominated in foreign currencies are retranslated at the exchange rates applying at the reporting date. Nonmonetary items carried at fair value that are denominated in foreign currencies are retranslated 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. Exchange differences are recognized in profit or loss in the period in which they arise except for:

- Exchange differences on foreign currency borrowings which are regarded as adjustments to interest costs, where those interest costs qualify for capitalization to assets under construction;
- Exchange differences on transactions entered into to hedge foreign currency risks;
- Exchange differences on loans to or from a foreign operation for which settlement is neither planned nor likely to occur and therefore forms part of the net investment in the foreign operation, which are recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

#### 3.18.2. Foreign operations

The functional currency of the parent Company and the presentation currency of the financial statements is Nigerian Naira. The assets and liabilities of the Group's foreign operations are translated to Naira using exchange rates at the year end. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuated significantly during that year, in which case the exchange rate on transaction date is used. Goodwill acquired in business combinations of foreign operations are treated as assets and liabilities of that operation and translated at the closing rate.

Exchange differences are recognised in other comprehensive income and accumulated in a separate category of equity.

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## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 3.19. Segment reporting

The Group's operating segments are organized by the nature of the operations and further by geographic location into geographical regions; local and foreign to highlight the contributions of foreign operations to the Group. Due to the nature of the Group, Japaul Oil's Executive Committee regularly reviews operating activity on a number of bases, including by geographical region, customer Group and business activity by geographical region.

A segment is a distinguishable component of the Group that is engaged in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risk and rewards that are different from those of other segments.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The Group's operating segments were determined in a manner consistent with the internal reporting provided to the Executive Committee, which represents the chief operating decision-maker, as this is the information CODM uses in order to make decisions about allocating resources and assessing performance.

All transactions between business segments are conducted on an arm's length basis, with intersegment revenue and costs being eliminated in Head office. Income and expenses directly associated with each segment are included in determining business segment performance.

### 4. Critical accounting estimates and judgement

The group makes estimate and assumption about the future that affects the reported amounts of assets and liabilities. Estimates and judgment are continually evaluated and based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumption.

The effect of a change in an accounting estimate is recognized prospectively by including it in the comprehensive income in the period of the change, if the change affects that period only, or in the period of change and future period, if the change affects both.

The estimates and assumptions that have a significant risks of causing material adjustment to the carrying amount of asset and liabilities in the next financial statements are discussed below:

#### a.) Defined benefit obligation

The present value of defined benefit obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the defined benefit obligation include the discount rate, the group determines the discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimate future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the group considers the interest rates of high- quality corporate bond that are denominated in the currency in which the benefits will be paid, and have terms to maturity approximating the terms of the defined benefit obligation.

## JAPPAUL GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### **b.) Impairment of IFRS 9 - financial instruments :financial assets**

The group determines that IFRS 9 - financial instruments - financial assets are impaired when there has been a significant or prolonged decline in the fair value below its cost. This determination of what is significant or prolonged requires judgment. In making this judgment, the group evaluates among other factors, the normal volatility in share price, the financial health of the investee, industry and sector performance, changes in technology, and operational and financing cash flow. Impairment may be appropriate when there is evidence of deterioration in the financial health of the investee, industry and sector performance, changes in technology, and financing and operational cash flows.

The fair values of financial instruments where no active market exists or where quoted prices are not otherwise available are determined by using valuation techniques. In these cases the fair values are estimated from observable data in respect of similar financial instruments or using models. Where market observable inputs are not available, they are estimated based on appropriate assumptions. Where valuation techniques (for example, models) are used to determine fair values, they are validated and periodically reviewed by qualified personnel independent of those that sourced them.

To the extent practical, models use only observable data; however, areas such as credit risk (both own credit risk and counterparty risk), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

#### **c.) Impairment of property, plant and equipment and intangible assets**

Management is required to make judgement concerning the cause, timing and amount of impairment. In the identification of impairment indicators, management considers the impact of changes in current competitive conditions, cost of capital, availability of funding, technological obsolescence, discontinuance of services and other circumstances that could indicate impairment exist.

#### **d.) Others are:**

- i. Residual values of items of property, plant and equipment;
- ii. Estimated useful lives of item of property, plant and equipment;
- iii. Impairment of doubtful receivables.

### **5. Risk management framework**

The primary objective of the group's risk management framework is to protect their stakeholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Management recognises the critical importance of having efficient and effective risk management systems in place.

The group has established a risk management function with clear terms of reference from the board of Directors, its committees and the executive management committees.

This is supplemented with a clear organizational structure with documented delegated authorities and responsibilities from the board of directors to executive management committees and senior managers. Lastly, the Internal Audit unit provides independent and objective assurance on the robustness of the risk management framework, and the appropriateness and effectiveness.

The group's principal significant risks are assessed and mitigated under three broad headings:

**Strategic risks** – This specifically focused on the economic environment, the products offered and market. The strategic risks arose from a group's ability to make appropriate decisions or implement appropriate business plans, strategies, decision making , resource allocation and its inability to adapt to changes in its business environment.

**Operational risks** – These are risks associated with inadequate or failed internal processes, people and systems, or from external events.

## JAPPAUL GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

**Financial risks** – Risk associated with the financial operation of the group, including underwriting for appropriate pricing of plans, provider payments, operational expenses, capital management, investments, liquidity and credit.

The board of directors approves the group's risk management policies and meets regularly to approve any commercial, regulatory and organizational requirements of such policies. These policies define the group's identification of risk and its interpretation, limit structure to ensure the appropriate quality and diversification of assets, align underwriting to the corporate goals, and specify reporting requirements to meet.

#### 5.1. Strategic risks

The following capital management objectives, policies and approach to managing the risks which affect its capital position are adopted by the group.

- i. To maintain the required level of financial stability thereby providing a degree of security to clients and plan members.
- ii. To allocate capital efficiently and support the development of business by ensuring that returns on capital employed meet the requirements of its capital providers and of its shareholders.
- iii. To retain financial flexibility by maintaining strong liquidity.
- iv. To align the profile of assets and liabilities taking account of risks inherent in the business and regulatory requirements.
- v. To maintain financial strength to support new business growth and to satisfy the requirements of the regulators and stakeholders.

#### Approach to capital management

The group seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to the shareholders and customers.

The group's approach to managing capital involves managing assets, liabilities and risks in a coordinated way, assessing shortfalls between reported and required capital level on a regular basis.

The group's primary source of capital in 2024 is funding from the banks and foreign lenders.

There has been no significant changes to its capital structure during the past year from previous years.

#### 5.2. Operational risks

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the group's processes, personnel, technology and infrastructure, and from external factors such as provider tariffs, medical costs, premium review for adequacy, prompt premium payments and collections. Others are legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the group's operations.

The group's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the group's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each unit. This responsibility is supported by the development of operational standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including independent authorisation of transactions.
- requirements for the reconciliation and monitoring of transactions.
- compliance with regulatory and other legal requirements.
- documentation of controls and procedures.
- training and professional development.
- ethical and business standards.

# JAPPAUL GOLD & VENTURES PLC

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 5.3. Financial risks

The group has exposure to the following risks from financial instruments:

- Credit risks
- Liquidity risks
- Market risks

#### a Credit risks

Credit risks arise from a customer payment delays or outright default; inability to fully meet contractual obligations to providers. Exposure to this risk results from financial transactions with a customer.

The group has policies in place to mitigate its credit risks.

The group's Enterprise risk management policy sets out the assessment and determination of what constitutes credit risk for the group. Compliance with the policy is monitored and exposures and breaches are reported to the group's management. The policy is regularly reviewed for pertinence and for changes in the risk environment.

#### Exposure to risk

The carrying amount of the group's financial instruments represents the maximum exposure to credit risk.

	Group		Company	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>Financial assets</b>				
Trade and other receivables	16,415,962	5,469,299	13,138,809	2,930,414
Cash and cash equivalents net of overdraft	25,721	136,149	9,920	16,234
	<u>17,224,289</u>	<u>5,605,448</u>	<u>13,148,729</u>	<u>2,946,648</u>

The debtors' age analysis is also evaluated on a regular basis for potential doubtful debts, where this is considered necessary. The group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables.

The group allows an average debtors period of 45 days after invoice date. It is the group's policy to assess debtors for recoverability on an individual basis and to make provision where it is considered necessary. In assessing recoverability the group takes into account any indicators of impairment up until the reporting date. The application of this policy generally results in debts between 46 and 60 days not being provided for unless individual circumstances indicate that a debt is impaired. Whilst 100% of debtors balances over 365 days are provided for.

#### b Liquidity risks

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial instruments.

The group employs policies and procedures to mitigate the it's exposure to liquidity risk.

## JAPPAUL GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### c Market risks

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign exchange rates (currency risk), market interest rates (interest rate risk) and market prices (price risk).

#### Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The group's principal transactions are carried out in naira and dollar and its financial assets are primarily denominated in the Naira. Although it has foreign operations, its exposure to foreign exchange risk is minimal as it also has liabilities denominated in foreign currencies to help mitigate risks that may arise.

#### 6. Capital management

In the management of its capital, the group has certain objectives which it intends to achieve, these include:

- the safeguarding of the group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and the provision of an adequate return to shareholders by pricing products and services commensurately with the level of risk.
- consistency with others in the industry, the group monitors capital on the basis of the debt-to-capital ratio. This ratio is calculated as net debt ÷ capital:
- net debt is calculated as total liabilities (as shown in the statement of financial position) less cash and cash equivalents. Capital comprises all components of equity (i.e. ordinary shares, share premium, retained earnings, and other reserves).

The net debt-to-capital ratios at 31 December 2024 and at 31 December 2023 were as follows:

	Group		Company	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
Total liabilities	<b>14,933,132</b>	15,116,613	<b>13,858,889</b>	13,106,199
Less: Cash and cash equivalents	<b>25,721</b>	136,149	<b>9,920</b>	16,234
Net debt	<b>14,907,411</b>	14,980,464	<b>13,848,969</b>	13,089,965
Total equity	<b>18,483,408</b>	(800,478)	<b>13,997,174</b>	(3,215,354)
Debt-to-capital ratio	<b>0.81</b>	(18.71)	<b>0.99</b>	(4.07)

The increase in the debt-to-capital ratio during 2024 resulted primarily from a decrease in total equity driven by the loss made during the year from operations.

# JAPPAUL OIL & MARITIME SERVICES PLC

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 7. Financial instruments and fair values

As explained in Note 3.7, financial assets and liabilities have been classified into categories that determine their basis of measurement and, for items measured at fair value, whether changes in fair value are recognized in the statement of income or comprehensive income. These categories are: fair value through profit or loss; fair value through other comprehensive income and financial assets at amortised costs; and, for liabilities, amortized cost or fair value .

7.1. The fair value of financial assets together with the carrying amounts shown in the statement of financial position are as follows:

	Financial assets		Financial liabilities		
	Fair value through profit or loss N'000	Fair value through other comprehensive income N'000	Amortised cost N'000	Fair value through profit or loss N'000	Total carrying amount N'000
<b>At 31 December 2024</b>					
<b>Assets</b>					
Trade and other receivables	16,415,962	-	-	-	16,415,962
Cash and cash equivalents	25,721	-	-	-	25,721
	<u>16,441,683</u>	<u>782,606</u>	<u>-</u>	<u>-</u>	<u>17,224,289</u>
<b>Liabilities</b>					
Trade and other payables	-	-	6,431,099	-	6,431,099
Loans and borrowings	-	-	2,292,452	-	2,292,452
Lease liability	-	-	4,567,750	-	4,567,750
Bank overdrafts	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>13,291,301</u>	<u>-</u>	<u>13,291,301</u>
<b>At 31 December 2023</b>					
<b>Assets</b>					
Trade and other receivables	-	-	5,469,299	-	5,469,299
Cash and cash equivalents	136,149	-	-	-	136,149
	<u>136,149</u>	<u>-</u>	<u>5,469,299</u>	<u>-</u>	<u>5,605,448</u>
<b>Liabilities</b>					
Trade and other payables	-	-	5,893,814	-	5,893,814
Loans and borrowings	-	-	3,096,726	-	3,096,726
Lease liability	-	-	4,567,750	-	4,567,750
Bank overdrafts	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>13,558,290</u>	<u>-</u>	<u>13,558,290</u>

	Due within 1 year N'000	Due within 1-5 year N'000	Total N'000
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### 7.2. Maturity profile of financial liabilities

#### 7.2.1. Group - Maturity profile of financial liabilities

##### 31 December 2024

Bank overdrafts	-	-	-
Trade and other payables	6,431,099	-	6,431,099
Lease liability	1,000,000	3,567,750	4,567,750
Bank term loans	2,292,452	-	2,292,452
	<u>9,723,551</u>	<u>3,567,750</u>	<u>13,291,301</u>

# JAPPAUL OIL & MARITIME SERVICES PLC

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 7.2.1. Group - Maturity profile of financial liabilities

#### 31 December 2023

Trade and other payables	5,893,814	-	5,893,814
Lease liability	-	4,567,750	4,567,750
Bank term loans	1,469,662	-	1,469,662
	<u>7,363,476</u>	<u>4,567,750</u>	<u>11,931,226</u>

### 7.2.2. Company - Maturity profile of financial liabilities

#### 31 December 2024

Trade and other payables	5,877,849	-	5,877,849
Lease liability	-	4,567,750	4,567,750
	<u>5,877,849</u>	<u>4,567,750</u>	<u>10,445,599</u>

#### 31 December 2023

Trade and other payables	4,283,614	-	4,283,614
Lease liability	-	4,567,750	4,567,750
	<u>4,283,614</u>	<u>4,567,750</u>	<u>8,851,364</u>

### 7.3. Fair valuation methods and assumptions

Cash and cash equivalents, trade receivables, trade payable and short term borrowings are assumed to approximate their carrying amounts due to the short-term nature of these financial instruments.

The fair value of publicly traded financial instruments is generally based on quoted market prices, with unrealised gains in a separate component of equity at the end of the reporting year.

### 7.4. Fair value measurements recognised in the statement of financial position

Financial instruments that are measured subsequent to initial recognition at fair value, are grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

**Level 1:** fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** for equity securities not listed on an active market and for which observable market data exist that the Group can use in order to estimate the fair value;

**Level 3:** fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### 8. Operating Segment

The Group has five reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different service, and are managed separately. For each of the strategic business units, the Group's CEO reviews internal management reports on at least monthly basis. The following summary describes the operations in each of the Group's reportable segments.

Segment	Description
Vessels' rental	This segment is responsible for carrying out Marine and Offshore Operations.
Chippings and crushing	This segment carries out Quarry, crushing and haulage services
Dredging	This segment is into dredging and sand mining services
Equipment rental	This segment rents equipment

The accounting policies of the reportable segments are the same as described in Notes 3.21.

# JAPPAUL GOLD & VENTURES PLC

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Information regarding the results of each reportable segment is included below.

### 9. Revenue

The following is an analysis of the Company's and Group's revenue for the year from continuing operations (excluding other incomes).

	Group		Company	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>9.1 Categories of revenue:</b>				
Chippings and crushing	145,767	231,526	-	-
Dredging	-	-	-	-
Equipment rental	3,957,446	2,346,439	527,288	2,346,439
	<b>4,103,213</b>	<b>2,577,965</b>	<b>527,288</b>	<b>2,346,439</b>
<b>10. Direct Costs</b>				
Vessels' crew salaries and wages and maintenance	-	-	-	-
Chippings and crushing	1,500	13,703	-	-
Supporting equipment expenses & others	679,325	292,663	160,689	170,458
Equipment repairs and maintenance	759,771	691,287	105,680	599,567
Depreciation (Note 10.1)	520,790	521,330	352,079	353,009
	<b>1,961,386</b>	<b>1,518,983</b>	<b>618,448</b>	<b>1,123,034</b>
<b>10.1. Depreciation expenses</b>				
Owned plant and equipment	270,791	271,331	102,079	103,009
Leased equipment (Note 17)	250,000	250,000	250,000	250,000
	<b>520,791</b>	<b>521,331</b>	<b>352,079</b>	<b>353,009</b>
<b>Gross profit/(loss)</b>	<b>2,141,827</b>	<b>1,058,982</b>	<b>(91,160)</b>	<b>1,223,405</b>
<b>Gross profit/(loss) margin</b>	<b>52%</b>	<b>41%</b>	<b>-17%</b>	<b>52%</b>

10.2. The Company makes use of vessel hire services from Afriksdelta Marine Services Limited.

## JAPPAUL GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### 10.3 Operational segment

The group has four reportable segments. These segments engage in the provision of the following services: Dredging, Quarry, Offshore and Construction services and their results for the year as well as the comparative year are reported as follows:

	31-Dec-24				
	Dredging Services N'000	Offshore Services N'000	Quarry Services N'000	Consolidation adjustments N'000	Total N'000
<b>10.4 Statement of profit or loss and other comprehensive income:</b>					
<b>Revenue:</b>					
External revenue	527,288	3,430,158	145,767	-	4,103,213
Inter-segment revenue	-	-	-	-	-
<b>Total Segment revenue</b>	<b>527,288</b>	<b>3,430,158</b>	<b>145,767</b>	<b>-</b>	<b>4,103,213</b>
Direct cost	(618,450)	(1,175,572)	(167,364)	-	(1,961,386)
Other income	183,766	997	58,103	-	242,866
Operating (loss)/profit	<b>(378,755)</b>	<b>2,220,999</b>	<b>(29,408)</b>	<b>-</b>	<b>1,812,836</b>
Reportable segment (loss)/profit before income tax	(378,755)	2,220,999	(29,408)	-	1,812,836
Income tax expense	(3,555)	(119,208)	(1,019)	-	(123,782)
Loss from discontinued operation				-	-
Reportable segment (loss)/profit after income tax	<b>(382,310)</b>	<b>2,101,791</b>	<b>(30,427)</b>	<b>-</b>	<b>1,689,054</b>
Depreciation	(102,835)	(168,630)	(2,336)	-	(273,801)
<b>10.5 Statement of financial position</b>					
<b>Operating assets</b>	<b>27,856,062</b>	<b>6,601,262</b>	<b>2,149,300</b>	<b>(3,295,572)</b>	<b>33,311,052</b>
<b>Operating liabilities</b>	<b>13,850,288</b>	<b>5,395,832</b>	<b>5,068,483</b>	<b>(9,390,071)</b>	<b>14,924,532</b>

## JAPPAUL GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	31-Dec-23				
	Dredging Services	Offshore Services	Quarry Services	Consolidation adjustments	Total
	N'000	N'000	N'000	N'000	N'000
<b>10.6 Statement of profit or loss and other comprehensive income:</b>					
<b>Revenue:</b>					
External revenue	2,346,439	-	231,526	-	2,577,965
Inter-segment revenue	-	-	-	-	-
<b>Total Segment revenue</b>	<b>2,346,439</b>	<b>-</b>	<b>231,526</b>	<b>-</b>	<b>2,577,965</b>
Direct cost	(1,123,036)	(236,457)	(159,490)	-	(1,518,983)
Other income	124,411	3,267	8,678	-	136,356
Operating loss	(351,874)	(297,508)	27,360	-	(622,022)
Reportable segment profit/(loss) before income tax	(351,874)	(297,508)	27,360	-	(622,022)
Income tax expense	(48,055)	(20)	(3,947)	-	(52,022)
Loss from discontinued operation				-	-
Foreign currency translation derecognised	-				-
Reportable segment loss after income tax	(399,929)	(297,528)	23,413	-	(674,044)
Depreciation and amortisation	(102,835)	(168,630)	(2,336)	-	(273,801)
<b>10.7 Statement of financial position</b>					
<b>Operating assets</b>	<b>9,890,844</b>	<b>3,615,460</b>	<b>2,147,082</b>	<b>(1,337,251)</b>	<b>14,316,135</b>
<b>Operating liabilities</b>	<b>13,106,197</b>	<b>4,407,019</b>	<b>5,035,147</b>	<b>(7,431,750)</b>	<b>15,116,613</b>

# JAPPAUL GOLD & VENTURES PLC

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 10.8 Geographical segment

The group operates both within and outside Nigeria and the results based on each geographical location are as follows:

	31-Dec-24				31-Dec-23			
	Within Nigeria N'000	Outside Nigeria N'000	Consolidation adjustments N'000	Total N'000	Within Nigeria N'000	Outside Nigeria N'000	Consolidation adjustments N'000	Total N'000
<b>10.8.1. Statement of profit or loss and other comprehensive income:</b>								
<b>Revenue:</b>								
External revenue	4,103,213	-	-	4,103,213	2,577,965	-	-	2,577,965
Inter-segment revenue	-	-	-	-	-	-	-	-
<b>Total Segment revenue</b>	<b>4,103,213</b>	<b>-</b>	<b>-</b>	<b>4,103,213</b>	<b>2,577,965</b>	<b>-</b>	<b>-</b>	<b>2,577,965</b>
Direct cost	(1,961,386)	-	-	(1,961,386)	(1,518,983)	-	-	(1,518,983)
Other income	242,869	-	-	242,869	136,356	-	-	136,356
Operating profit/(loss)	1,804,238	-	-	1,804,238	619,369	-	-	619,369
Reportable segment loss before income tax	1,804,238	-	-	1,804,238	(622,022)	-	-	(622,022)
Taxation	(123,784)	-	-	(123,784)	(52,022)	-	-	(52,022)
Reportable segment loss after income tax	1,680,454	-	-	1,680,454	(674,044)	-	-	(674,044)
Depreciation and amortisation	6,269	-	-	6,269	3,318	-	-	3,318
<b>10.8.2 Statement of financial position</b>								
<b>Operating assets</b>	<b>33,416,541</b>	<b>-</b>	<b>-</b>	<b>33,416,541</b>	<b>14,316,135</b>	<b>-</b>	<b>-</b>	<b>14,316,135</b>
<b>Operating liabilities</b>	<b>14,933,132</b>	<b>-</b>	<b>-</b>	<b>14,933,132</b>	<b>13,371,633</b>	<b>-</b>	<b>-</b>	<b>13,371,633</b>

# JAPPAUL GOLD & VENTURES PLC

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Group		Company	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>11. Other income</b>				
Rent received from property	48,705	66,808	47,705	62,808
Provision and accruals no longer required	(2,030)	58,136	(2,030)	54,926
Profit on disposal of PPE	196,194	-	138,091	-
Foreign exchange gain	-	2,112	-	2,977
Sundry income	-	9,300	-	7,000
	<b>242,869</b>	<b>136,356</b>	<b>183,766</b>	<b>127,711</b>
<b>12. Administration expenses</b>				
Personnel expenses (Note 12.1)	235,341	236,787	199,086	201,689
Director's remuneration	30,323	33,106	29,991	33,106
Bank charges	3,396	1,579	151	100
Travelling and accommodation	51,782	42,132	35,177	36,044
Repairs and maintenance	8,262	8,102	8,262	8,096
Security and cleaning	46,728	85,689	31,533	76,185
Insurance	16,005	282	121	216
Motor running	46,168	27,524	38,901	23,910
Diesel and electricity	16,287	7,907	16,287	7,907
Printing and stationery	5,241	5,671	4,853	5,272
Professional and legal fees	32,277	26,712	32,277	26,291
Auditors' remuneration	8,600	6,500	8,600	6,500
Board and AGM expenses	8,883	12,681	8,883	12,681
Licenses, rates and fees	23,958	18,275	20,717	11,483
Subscription	3,774	3,720	3,774	3,691
Entertainment, advertisement and public relations	3,814	3,759	2,488	1,709
Depreciation and amortisation (Note 12.2)	6,269	3,318	5,507	2,049
Loss on disposal of property, plant and equipment (Note 12.3)	-	666	-	3,966
Impairment loss (Note 12.4)	-	50,859	-	-
Foreign exchange loss	3	-	-	-
Other office expenses	33,347	700	33,347	700
	<b>580,458</b>	<b>575,969</b>	<b>479,955</b>	<b>461,595</b>

## JAPPAUL GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Group		Company	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>12.1. Personnel expenses</b>				
Salaries, wages and allowances	196,191	201,627	162,315	170,425
Contributions to pension fund scheme (Note 25.1)	11,767	14,069	9,727	11,407
Training, recruitment and canteen expenses	1,421	1,637	1,215	1,381
Medical expenses	3,464	522	3,331	344
Other personnel expenses	22,498	18,932	22,498	18,132
	<b>235,341</b>	<b>236,787</b>	<b>199,086</b>	<b>201,689</b>
<b>12.2. Depreciation and amortisation expenses</b>				
Depreciation of property, plant and equipment	6,269	3,318	5,507	2,049
<b>12.3. Profit/(Loss) on disposal of property, plant and equipment</b>				
Proceeds from sale	352,817	8,815	246,635	143,200
Gross value	175,143	45,886	156,623	27,366
Accumulated depreciation (Note 16)	(18,520)	(37,071)	(48,079)	(18,551)
<b>Carrying amount</b>	<b>156,623</b>	<b>8,815</b>	<b>108,544</b>	<b>8,815</b>
<b>Profit/(loss) on disposal</b>	<b>196,194</b>	<b>-</b>	<b>138,091</b>	<b>134,385</b>
<b>12.4. Impairment loss</b>				
Trade and other receivables (Note 22.1)	-	-	-	-
Impairment on related party receivables	-	-	-	8,978,137
Impairment of bank balances (Note 22)	-	50,859	-	-
	<b>-</b>	<b>50,859</b>	<b>-</b>	<b>8,978,137</b>

## JAPPAUL GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Group		Company	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>13. Finance cost and finance income</b>				
<b>13.1. Finance costs</b>				
Exchange loss on translation of foreign loan balance	-	1,241,391	-	1,241,391
<b>13.2. Finance income</b>				
Interest income	-	-	-	-
<b>Net finance costs</b>	<b>-</b>	<b>1,241,391</b>	<b>-</b>	<b>1,241,391</b>

13.3. Exchange loss on translation of foreign loan balance refers to year-end revaluation of unpaid Quinn Mcgrath loan denominated in USD.

Interest income represents income earned on bank deposits while interest expense represents charges paid on trade finance, loans and overdraft facilities utilised during the year.

	Group		Company	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>14. Taxation</b>				
<b>14.1. Tax expense</b>				
Income tax	46,451	15,619	3,555	12,336
Nigeria police tax levy	92	-	-	-
NASENI	5,552	-	-	-
Education tax	71,688	36,403	-	35,719
	<b>123,784</b>	52,022	<b>3,555</b>	48,055
Deferred tax (Note 14.4)	-	-	-	-
	<b>123,784</b>	<b>52,022</b>	<b>3,555</b>	<b>48,055</b>
<b>14.2. Current income tax liability</b>				
At 1 January	330,880	239,710	74,330	22,852
Tax paid	(22,111)	-	(19,261)	-
Current year charge (Note 14.1)	123,784	91,170	3,555	51,478
<b>At 31 December</b>	<b>432,553</b>	<b>330,880</b>	<b>58,624</b>	<b>74,330</b>

The charge for taxation has been computed in accordance with the provisions of the Companies Income Tax Act, CAP C21, LFN 2004 as amended to date and the Education Tax Act, CAP E4, LFN 2004.

# JAPPAUL GOLD & VENTURES PLC

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Group		Company	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>14.3. Reconciliation of effective tax rate</b>				
Profit/(loss) before tax	<b>1,804,238</b>	(622,022)	<b>(387,349)</b>	(351,870)
Income tax expense	<b>123,784</b>	52,022	<b>3,555</b>	48,055
Effective tax rate	<b>7%</b>	(8%)	<b>(1%)</b>	(14%)
Tax calculated using the domestic corporation tax rate of 30% (31 December 2023 : 30%)	-	-	-	-
Non-deductible expenses	-	-	-	-
Effect of minimum tax	<b>46,451</b>	15,619	<b>3,555</b>	12,336
Effect of Nigeria police tax	<b>92</b>	-	-	-
Effect of education tax levy	<b>71,688</b>	36,403	-	35,719
Effect of under provision in prior years	-	-	-	-
	<b>118,231</b>	52,022	<b>3,555</b>	48,055
<b>14.4. Deferred tax liability</b>				
At 1 January	<b>966,376</b>	966,376	<b>909,886</b>	909,886
Adjustment	-	-	-	-
Charge in the year	-	-	-	-
<b>At 31 December</b>	<b>966,376</b>	966,376	<b>909,886</b>	909,886

Deferred taxation is computed using the liability method in accordance with IAS 12 on "Income taxes". The deferred tax computation resulted in deferred tax assets of N6,489,690,590 which has not been recognised in these consolidated financial statements on account of prudence.

	Group		Company	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>15. Earning per share</b>				
Profit/(loss) after taxation	<b>1,680,454</b>	(674,044)	<b>(390,904)</b>	(399,925)
Number of issued shares	<b>6,262,702</b>	6,262,702	<b>6,262,702</b>	6,262,702
Addition:	<b>8,000,000</b>	-	<b>8,000,000</b>	-
Weighted average number of issued shares	<b>14,262,702</b>	6,262,702	<b>14,262,702</b>	6,262,702
Profit/(loss) per share (kobo)	<b>12</b>	(11)	<b>(3)</b>	(6)

Profit/(loss) per share (basic) has been computed for each year on the profit/(loss) after tax attributable to ordinary shareholders and divided by the weighted average number of issued and fully paid up to N0.50k ordinary share during the year.

## JAPAU GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### 16. Property, plant and equipment

##### 16.1. The Group

The movement on this account during the year was as follows:

	Freehold and Leasehold Land N'000	Buildings N'000	Plant and machinery N'000	Equipment, fixtures and fittings N'000	Auto trucks and equipment N'000	Motor vehicles N'000	Marine equipment N'000	Capital work in progress N'000	Total N'000
<b>Costs:</b>									
At 1 January 2023	1,949,426	127,045	1,282,777	86,497	287,920	72,437	5,363,849	280,093	9,450,044
Additions	-	-	469	2,337	-	15,100	32,961	403,239	454,106
Disposal	-	-	-	-	(18,520)	(1,900)	(25,466)	-	(45,886)
At 31 December 2023	1,949,426	127,045	1,283,246	88,834	269,400	85,637	5,371,344	683,332	9,858,264
At 1 January 2024	1,949,426	127,045	1,283,246	88,834	269,400	85,637	5,371,344	683,332	9,858,264
Additions	(182,230)	(40,000)	(45,898)	2,455	18,520	(2,500)	-	250,427	774
Disposal	-	-	-	-	(18,520)	-	(156,623)	-	(175,143)
At 31 December 2024	1,767,196	87,045	1,237,348	91,289	269,400	83,137	5,214,721	933,759	9,683,895
<b>Accumulated depreciation :</b>									
At 1 January 2023	35,823	83,847	1,277,917	83,779	287,920	72,437	3,321,170	-	5,162,893
Charge for the year	-	1,198	3,799	1,489	-	629	266,686	-	273,801
Disposal	-	-	-	-	(18,520)	(1,900)	(16,651)	-	(37,071)
At 31 December 2023	35,823	85,045	1,281,716	85,268	269,400	71,166	3,571,205	-	5,399,623
At 1 January 2024	35,823	85,045	1,281,716	85,268	269,400	71,166	3,571,205	-	5,399,623
Charge for the year	-	(11,600)	(59,441)	1,761	18,520	1,275	120,025	-	70,540
Disposal	-	-	-	-	(18,520)	-	-	-	(18,520)
At 31 December 2024	35,823	73,445	1,222,275	87,029	269,400	72,441	3,691,230	-	5,451,643
<b>Carrying amount:</b>									
At 31 December 2023	1,913,603	42,000	1,530	3,566	-	14,471	1,800,139	683,332	4,458,641
At 31 December 2024	1,731,373	13,600	15,073	4,260	-	10,696	1,523,491	933,759	4,232,252

- Depreciation charge of N521 million (2023: N271 million) for the vessels and other equipment are included in direct cost in the statement of profit or loss and other comprehensive income for the Group.
- Depreciation charge of N6.26 million (2023: N3.3 million) is included in administrative expenses in the statement of profit or loss and other comprehensive income.
- Capital work in progress balance of N933 million (2023: N683 million) refers to as capital expenditure incurred on a construction of Lekki height between Japaul Oil and Maritime services in conglomeration with other companies as a party and Lagos state government as the other party, and cost incurred for the Gold mining campaign of the group.
- There were no borrowing costs related to the acquisition of plant and equipment during the year (2023: Nil).
- None of the assets of the Company has been pledged as security for borrowings.

## JAPPAUL GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### 16.2. Company

The movement on this account during the year was as follows:

	Freehold Land N'000	Buildings N'000	Plant and machinery N'000	Equipment, fixtures and fittings N'000	Motor vehicles N'000	Marine equipment N'000	Capital work in progress N'000	Total N'000
<b>Costs:</b>								
<b>At 1 January 2023</b>	<u>1,412,845</u>	<u>67,044</u>	<u>296,151</u>	<u>68,515</u>	<u>37,958</u>	<u>2,014,492</u>	<u>249,681</u>	<u>4,146,686</u>
Additions	-	-	470	2,337	15,100	32,961	403,238	454,106
Disposal	-	-	-	-	(1,900)	(25,466)	-	(27,366)
<b>At 31 December 2023</b>	<u>1,412,845</u>	<u>67,044</u>	<u>296,621</u>	<u>70,852</u>	<u>51,158</u>	<u>2,021,987</u>	<u>652,919</u>	<u>4,573,426</u>
<b>At 1 January 2024</b>	<u>1,412,845</u>	<u>67,044</u>	<u>296,621</u>	<u>70,852</u>	<u>51,158</u>	<u>2,021,987</u>	<u>652,919</u>	<u>4,573,426</u>
Additions	-	-	16,094	2,455	-	-	152,628	171,177
Disposal	-	-	-	-	-	(156,623)	-	(156,623)
<b>At 31 December 2024</b>	<u>1,412,845</u>	<u>67,044</u>	<u>312,715</u>	<u>73,307</u>	<u>51,158</u>	<u>1,865,364</u>	<u>805,547</u>	<u>4,587,980</u>
<b>Accumulated depreciation and impairment:</b>								
<b>At 1 January 2023</b>	<u>-</u>	<u>67,044</u>	<u>292,965</u>	<u>65,894</u>	<u>37,957</u>	<u>1,371,756</u>	<u>-</u>	<u>1,835,616</u>
Charge for the year	-	-	2,944	1,421	629	99,216	-	104,210
Disposal	-	-	-	-	(1,900)	(16,651)	-	(18,551)
<b>At 31 December 2023</b>	<u>-</u>	<u>67,044</u>	<u>295,909</u>	<u>67,315</u>	<u>36,686</u>	<u>1,454,321</u>	<u>-</u>	<u>1,921,275</u>
<b>At 1 January 2024</b>	<u>-</u>	<u>67,044</u>	<u>295,909</u>	<u>67,315</u>	<u>36,686</u>	<u>1,454,321</u>	<u>-</u>	<u>1,921,275</u>
Charge for the year	-	1	1,945	1,730	3,775	-	-	7,451
Disposal	-	-	-	-	-	(48,079)	-	(48,079)
<b>At 31 December 2024</b>	<u>-</u>	<u>67,045</u>	<u>297,854</u>	<u>69,045</u>	<u>40,461</u>	<u>1,406,238</u>	<u>-</u>	<u>1,880,647</u>
<b>Carrying amount:</b>								
<b>At 31 December 2023</b>	<u>1,412,845</u>	<u>-</u>	<u>712</u>	<u>3,537</u>	<u>14,471</u>	<u>567,666</u>	<u>652,919</u>	<u>2,652,151</u>
<b>At 31 December 2024</b>	<u>1,412,845</u>	<u>(1.00)</u>	<u>14,861</u>	<u>4,262</u>	<u>10,697</u>	<u>459,126</u>	<u>805,547</u>	<u>2,707,333</u>

a. Depreciation charge of N352 million (2023: N103 million) for the vessels and other equipments are included in direct cost in the statement of profit or loss and other comprehensive income for the Company .

b. Depreciation charge of N5.507 million (2023: N2.04 million) is included in administrative expenses in the statement of profit or loss and other comprehensive income.

c. Capital work in progress balance of N805 million (2023:N653 million) refers to as capital expenditure incurred on a construction of Lekki height between Japaul Oil and Maritime services in conglomeration with other companies as a party and Lagos state government as the other party, and cost incurred for the Gold mining campaign of the company.

d. Capital borrowing costs related to the acquisition of plant and equipment during the year was Nil (2023: Nil)

e. None of the assets of the Company has been pledged as security for borrowings.

## JAPPAUL GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### 17. Right-of-use assets

The movement on this account during the year is as follows:

	Group		Company	
	Marine equipment N'000	Total N'000	Marine equipment N'000	Total N'000
<b>Costs:</b>				
<b>At 1 January 2023</b>	5,000,000	5,000,000	5,000,000	5,000,000
Additions	-	-	-	-
<b>31 December 2023</b>	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>
<b>Adjusted balance at 1 January 2024</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>
Addition	-	-	-	-
<b>31 December 2024</b>	<u><b>5,000,000</b></u>	<u><b>5,000,000</b></u>	<u><b>5,000,000</b></u>	<u><b>5,000,000</b></u>
<b>Accumulated depreciation:</b>				
<b>At 1 January 2023</b>	-	-	-	-
Charge for the year	750,000	750,000	750,000	750,000
Ceded assets (Note 17.a)	-	-	-	-
<b>31 December 2023</b>	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>
<b>At 1 January 2024</b>	<b>750,000</b>	<b>750,000</b>	<b>750,000</b>	<b>750,000</b>
Charge for the year	250,000	250,000	250,000	250,000
Ceded assets	-	-	-	-
<b>31 December 2024</b>	<u><b>1,000,000</b></u>	<u><b>1,000,000</b></u>	<u><b>1,000,000</b></u>	<u><b>1,000,000</b></u>
<b>Carrying amount:</b>				
At 31 December 2023	4,250,000	4,250,000	4,250,000	4,250,000
<b>At 31 December 2024</b>	<u><b>4,000,000</b></u>	<u><b>4,000,000</b></u>	<u><b>4,000,000</b></u>	<u><b>4,000,000</b></u>

**17.a** In prior year, land, building and marine equipment pledged as collateral securities for various loans obtained by the Group from Access/Diamond Bank and accumulated finance lease obligations on Continental 1 through Marine Delivery PTE were waived through a debt pardon, and a return of associated assets to the owner (Charter) was mutually agreed by both parties to settle all obligations to the Bank based on duly executed terms of settlement before the Federal High Court directive in suit no: FHC/L/CS/1222/2018.

In the year 2019, marine equipment pledged as collateral securities for various loans obtained by the company from Access Bank were mutually agreed for take over to settle all obligations to the bank based on duly executed terms of settlement before the Federal High Court directive on suit no: FHC/L/CS/1222/2018.

Two dregers (JD xii & JD xiii with registration number SR 2525 & SR 2526 respectively) from the mutually agreed terms of settlement between the Company and Access Bank were leased backed to the company for a period of 6 years with a 1 year moratorium. The assets were leased for N5 billion.

#### 17.1 Intangible Assets

	Group		Company	
	N'000	N'000	N'000	N'000
Mining License	<u>7,960,000</u>	<u>-</u>	<u>7,960,000</u>	<u>-</u>

# JAPaul GOLD & VENTURES PLC

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Held by (Units) In thousand	% voting power	Group		Company	
			2024	2023	2024	2023
			N'000	N'000	N'000	N'000
<b>18. Subsidiaries Information</b>						
<b>18.a. Investment in subsidiaries</b>						
Investment in subsidiaries comprise:						
Japaul Shipping & Offshore Services Ltd (Note 20.1)	100%	100%	-	-	<b>25,000</b>	25,000
Japaul Mine & Products Ltd (Note 20.2)	100%	100%	-	-	<b>5,000</b>	5,000
Japaul Dredging Services Ltd (Note 20.3)	100%	100%	-	-	<b>10,000</b>	10,000
Japaul Gulf Electromechanical	49%	49%	-	-	-	-
			-	-	<b>40,000</b>	40,000
Impairment on investment in subsidiaries			-	-	-	-
			-	-	<b>40,000</b>	40,000

### 18.b. Subsidiaries undertaking

All shares in subsidiaries undertakings are ordinary shares.

Subsidiaries	Principal activity	Country of incorporation	Percentage held	Statutory year end
Japaul Shipping & Offshore Services Limited	Marine and offshore services	Nigeria	100%	31 December
Japaul Mine & Products Ltd	Quarry, crushing and haulage services	Nigeria	100%	31 December
Japaul Dredging Services Ltd	Dredging and sand mining services	Nigeria	100%	31 December

#### 18.1. Japaul Shipping & Offshore Services Limited

Japaul Shipping And Offshore Services Limited is an indigenous company, Incorporated in 2012 under the Nigerian Companies and Allied Matters Decree of 1990. The company was formed from the Offshore and Marine Division of Japaul Oil and Maritime Services Plc to be a self-sustained company with the focus on carrying out Marine and Offshore Operations.

#### 18.2. Japaul Mines & Products Limited

Japaul Mines & Products Limited is a company incorporated in June 2007. It is domiciled in Nigeria and its principal operations are provision of quarry services, crushing and haulage of materials for construction companies and other end users of crushed granite. It is a wholly owned subsidiary of Japaul Oil & Maritime Services Plc.

#### 18.3. Japaul Dredging Services

Japaul Dredging Services Limited is formerly a division of Japaul Oil & Maritime Services Plc but became a company incorporated in May 2011. It is domiciled in Nigeria and its principal operations are provision of dredging services to the oil majors, equipment fabrications, sand mining and reclamation activities. It is a wholly owned subsidiary of Japaul Oil & Maritime Services Plc.

#### 18.4. Condensed financial statements of consolidated entities

The consolidated results of the consolidated entities of Japaul Oil & Maritime Plc are shown in Note 18.4.1a.

The Japaul Oil & Maritime Group in the condensed results includes the results of the underlisted entities:

- Japaul Shipping & Offshore Services Ltd
- Japaul Mine & Products Ltd
- Japaul Dredging Services Ltd

## JAPPAUL GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### 18.4.1a. Condensed result of consolidated entities-2024 Summarised consolidated financial position

	Parent- Japaul Gold & Ventures Plc N'000	Japaul Shipping & Offshore Services Ltd N'000	Japaul Dredging Services Ltd N'000	Japaul Mines & Products Ltd N'000	Total N'000	Elimination N'000	Japaul Gold & Ventures Plc - Group N'000
<b>31 December 2024</b>							
<b>Assets</b>							
Property, plant and equipment	2,707,333	1,162,378	-	362,540	4,232,251	2	4,232,253
Assets under finance lease	4,000,000	-	-	-	4,000,000	-	4,000,000
Investment in subsidiaries	40,000	-	-	-	40,000	(40,000)	-
Intangible assets	7,960,000	-	-	-	7,960,000	-	7,960,000
Inventories	-	782,606	-	-	782,606	-	782,606
Trade and other receivables	13,138,809	4,614,588	10,000	1,786,760	19,550,157	(3,134,197)	16,415,960
Cash and cash equivalents	9,920	15,090	-	696	25,706	16	25,722
<b>Total assets</b>	<b>27,856,062</b>	<b>6,574,662</b>	<b>10,000</b>	<b>2,149,996</b>	<b>36,590,720</b>	<b>(3,174,179)</b>	<b>33,416,541</b>
<b>Liabilities</b>							
Trade and other payables	5,877,849	4,965,726	-	4,977,595	15,821,170	(9,390,068)	6,431,099
Defined contribution pension plan	109,812	16,801	-	43,668	170,281	-	170,281
Loans and borrowings	2,292,452	-	-	-	2,292,452	-	2,292,452
Finance lease facilities	4,567,750	-	-	-	4,567,750	-	4,567,750
Current income tax liability	58,624	340,235	-	33,693	432,552	-	432,552
Defined benefit plan	42,516	16,579	-	13,526	72,621	-	72,621
Deferred tax liability	909,886	56,489	-	-	966,375	-	966,375
<b>Total liabilities</b>	<b>13,858,889</b>	<b>5,395,830</b>	<b>-</b>	<b>5,068,482</b>	<b>24,323,201</b>	<b>(9,390,068)</b>	<b>14,933,130</b>
<b>Net assets/(liabilities)</b>	<b>13,997,174</b>	<b>1,178,831</b>	<b>10,000</b>	<b>(2,918,486)</b>	<b>12,267,519</b>	<b>6,215,886</b>	<b>18,483,405</b>
<b>Equity</b>							
Share capital	7,131,350	25,000	10,000	5,000	7,171,350	(40,000)	7,131,350
Share premium	30,044,111	-	-	-	30,044,111	-	30,044,111
Net loss sustained	(23,178,265)	1,174,210	-	(2,943,694)	(24,947,749)	6,255,888	(18,691,861)
Remeasurement reserve	(22)	(20,379)	-	20,208	(193)	(2)	(195)
<b>Total equity</b>	<b>13,997,174</b>	<b>1,178,831</b>	<b>10,000</b>	<b>(2,918,486)</b>	<b>12,267,519</b>	<b>6,215,886</b>	<b>18,483,405</b>
<b>Total equity and liabilities</b>							

## JAPPAUL GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### Condensed result of consolidated entities-2024

	Parent- Japaul Gold & Ventures Plc N'000	Japaul Shipping & Offshore Services Ltd N'000	Japaul Dredging Services Ltd N'000	Japaul Mines & Products Ltd N'000	Total N'000	Elimination N'000	Japaul Gold & Ventures Plc - Group N'000
<b>31 December 2024</b>							
<b>Summarised statement profit or loss and other comprehensive income</b>							
Revenue	527,288	3,430,158	-	145,767	4,103,213	1	4,103,214
Direct cost	(618,448)	(1,175,572)	-	(167,367)	(1,961,387)	1	(1,961,386)
<b>Gross profit/(loss)</b>	<b>(91,160)</b>	<b>2,254,586</b>	<b>-</b>	<b>(21,600)</b>	<b>2,141,826</b>	<b>2</b>	<b>2,141,828</b>
Other income	183,766	997	-	58,103	242,866	(3,300)	239,566
Administrative expenses	(479,955)	(34,584)	-	(65,916)	(580,455)	278,424	(302,031)
<b>Operating profit/(loss)</b>	<b>(387,349)</b>	<b>2,220,999</b>	<b>-</b>	<b>(29,413)</b>	<b>1,804,237</b>	<b>275,126</b>	<b>2,079,363</b>
Net finance (costs)/income	-	-	-	-	-	-	-
<b>(Loss)/Profit before taxation</b>	<b>(387,349)</b>	<b>2,220,999</b>	<b>-</b>	<b>(29,413)</b>	<b>1,804,237</b>	<b>275,126</b>	<b>2,079,363</b>
Income tax expense	(3,555)	(119,208)	-	(1,019)	(123,783)	-	(123,783)
<b>(Loss)/profit/ for the year</b>	<b>(390,904)</b>	<b>2,101,791</b>	<b>-</b>	<b>(30,432)</b>	<b>1,680,454</b>	<b>275,126</b>	<b>1,955,580</b>
<b>31 December 2024</b>							
<b>Summarised statement of cash flows</b>							
Net cash from operating activities	(6,674,172)	131,401	-	(3,858)	(6,546,629)	-	(6,546,629)
Net cash from investing activities	(7,884,542)	-	-	3,300	(7,881,242)	-	(7,881,242)
Net cash used in financing activities	14,552,400	-	-	-	14,552,400	(11,561)	14,540,839
Net cash and cash equivalents	(6,314)	131,401	-	(558)	124,529	(11,561)	112,968
Cash and cash equivalents at 1 January	16,234	(11,509)	-	567	5,292	11,575	16,867
<b>Cash and cash equivalents at 31 December</b>	<b>9,920</b>	<b>119,892</b>	<b>-</b>	<b>9</b>	<b>129,821</b>	<b>14</b>	<b>129,835</b>

## JAPPAUL GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### 18.4.1b. Condensed result of consolidated entities-2023 Summarised consolidated financial position

	Parent- Japaul Gold & Ventures Plc N'000	Japaul Shipping & Offshore Services Ltd N'000	Japaul Dredging Services Ltd N'000	Japaul Mines & Products Ltd N'000	Total N'000	Elimination N'000	Japaul Gold & Ventures Plc - Group N'000
<b>31 December 2023</b>							
<b>Assets</b>							
Property, plant and equipment	2,652,151	1,233,168	-	573,321	4,458,640	2	4,458,642
Right-of-use Assets	4,250,000	-	-	-	4,250,000	-	4,250,000
Investment in subsidiaries	40,000	-	-	-	40,000	(40,000)	-
Trade and other receivables	2,932,459	2,131,000	10,000	1,573,761	6,647,220	(1,175,876)	5,471,344
Cash and bank balances	16,234	119,891	-	9	136,134	16	136,150
<b>Total assets</b>	<b>9,890,844</b>	<b>3,484,059</b>	<b>10,000</b>	<b>2,147,091</b>	<b>15,531,994</b>	<b>(1,215,858)</b>	<b>14,316,136</b>
<b>Liabilities</b>							
Bank overdrafts	-	-	-	-	-	-	-
Trade and other payables	4,285,716	4,096,128	-	4,945,822	13,327,666	(7,431,747)	5,895,919
Defined contribution pension plan	129,275	16,776	-	40,293	186,344	-	186,344
Loans and borrowings	3,096,726	-	-	-	3,096,726	-	3,096,726
Finance lease facilities	4,567,750	-	-	-	4,567,750	-	4,567,750
Current income tax liability	74,330	221,047	-	35,504	330,881	-	330,881
Defined benefit plan	42,516	16,579	-	13,526	72,621	-	72,621
Deferred tax liability	909,886	56,489	-	-	966,375	-	966,375
<b>Total liabilities</b>	<b>13,106,199</b>	<b>4,407,019</b>	<b>-</b>	<b>5,035,145</b>	<b>22,548,363</b>	<b>(7,431,747)</b>	<b>15,116,616</b>
<b>Net (liabilities)/assets</b>	<b>(3,215,355)</b>	<b>(922,960)</b>	<b>10,000</b>	<b>(2,888,054)</b>	<b>(7,016,369)</b>	<b>6,215,889</b>	<b>(800,480)</b>
<b>Equity</b>							
Share capital	3,131,350	25,000	10,000	5,000	3,171,350	(40,000)	3,131,350
Share premium	16,440,679	-	-	-	16,440,679	-	16,440,679
Net loss sustained	(22,787,361)	(927,580)	-	(2,913,262)	(26,628,203)	6,255,888	(20,372,315)
Remeasurement reserve	(22)	(20,379)	-	20,208	(193)	(2)	(195)
<b>Total equity</b>	<b>(3,215,354)</b>	<b>(922,959)</b>	<b>10,000</b>	<b>(2,888,054)</b>	<b>(7,016,367)</b>	<b>6,215,886</b>	<b>(800,481)</b>

## JAPAU GOLD & VENTURES PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Parent- Japaul Gold & Ventures Plc N'000	Japaul Shipping & Offshore Services Ltd N'000	Japaul Mines & Products Ltd N'000	Total N'000	Elimination N'000	Japaul Gold & Ventures Plc - Group N'000
<b>31 December 2023</b>						
<b>Summarised statement profit or loss and other comprehensive income</b>						
Revenue	2,346,439	-	231,526	2,809,491	1	2,809,492
Cost of sales	(1,123,034)	(236,457)	(159,493)	(1,678,477)	1	(1,678,476)
<b>Gross profit/(loss)</b>	<b>1,223,405</b>	<b>(236,457)</b>	<b>72,033</b>	<b>1,131,014</b>	<b>2</b>	<b>1,131,016</b>
Other income	127,711	3,267	8,678	139,656	(3,300)	136,356
Administrative expenses	(461,595)	(339,442)	(53,356)	(854,393)	278,424	(575,969)
<b>Operating (loss)/profit</b>	<b>889,521</b>	<b>(572,632)</b>	<b>27,355</b>	<b>416,277</b>	<b>275,126</b>	<b>691,403</b>
Net finance costs	(1,241,391)	-	-	(1,241,391)	-	(1,241,391)
<b>(Loss)/ profit before taxation</b>	<b>(351,870)</b>	<b>(572,632)</b>	<b>27,355</b>	<b>(825,114)</b>	<b>275,126</b>	<b>(549,988)</b>
Income tax expense	(48,055)	(20)	(3,947)	(52,022)	-	(52,022)
<b>(Loss)/profit for the year</b>	<b>(399,925)</b>	<b>(572,652)</b>	<b>23,408</b>	<b>(877,136)</b>	<b>275,126</b>	<b>(602,010)</b>
<b>31 December 2023</b>						
<b>Summarised statement of cash flows</b>						
Net cash from operating activities	74,568	131,401	(3,858)	202,111	-	202,111
Net cash used in investing activities	(449,257)	-	3,300	(445,957)	-	(445,957)
Net cash used in financing activities	385,673	-	-	385,673	(11,561)	374,112
Net cash and cash equivalents	10,984	131,401	(558)	141,827	(11,561)	130,266
Cash and cash equivalents at 1 January	5,250	(11,509)	567	(5,692)	11,575	5,883
Effect of foreign exchange on foreign operation	-	-	-	-	-	-
<b>Cash and cash equivalents at 31 December</b>	<b>16,234</b>	<b>119,892</b>	<b>9</b>	<b>136,135</b>	<b>14</b>	<b>136,149</b>

# JAPPAUL GOLD & VENTURES PLC

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Group		Company	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>19. Investment in associates</b>				
Japaul Infrastructure Limited (Note 19.1)	-	-	1,000	1,000
Japaul Energy Limited (Note 19.2)	-	-	4,300	4,300
	-	-	5,300	5,300
Impairment on investment in associates (Note 19.4)	-	-	(5,300)	(5,300)
	-	-	-	-
<b>Japaul Infrastructure Limited</b>				
At 1 January	-	-	1,000	1,000
Share of loss in associate	-	-	-	-
<b>At 31 December</b>	-	-	1,000	1,000
<b>Japaul Energy Limited</b>				
At 1 January	-	-	4,300	4,300
Share of loss in associate	-	-	-	-
<b>At 31 December</b>	-	-	4,300	4,300

### 19.1. Japaul Infrastructure Limited

Japaul Infrastructures Limited is a company incorporated in July 2012. It is domiciled in Nigeria and its principal operations is road and building construction. It is an associate of Japaul Oil & Maritime Services Plc as the company has 10% of its shareholding and controls its finance and operational policies therefore has significant influence in it.

### 19.2. Japaul Energy Limited

Japaul Energy Limited is a company incorporated in April 2011. It is domiciled in Nigeria and its principal operations are downstream operations of petroleum products and allied products. It is an associate of Japaul Oil & Maritime Services Plc as the company has 43% of its shareholding and therefore has significant influence in it.

### 19.3. Associates undertakings

Summarised financial information of the Group's principal associates are as follows:

	Total assets N'000	Total liabilities N'000	Gross profit/(loss) N'000	Profit /(Loss) before tax N'000
<b>31 December 2024</b>				
Japaul Infrastructure Limited	-	10,021	-	-
Japaul Energy Limited	-	3,284,503	-	-
<b>31 December 2023</b>				
Japaul Infrastructure Limited	-	10,021	-	-
Japaul Energy Limited	-	3,284,503	-	-

19.4. The investment in the two associate companies have been defunct. Thus, no operations in the year.



# JAPPAUL GOLD & VENTURES PLC

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Group		Company	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>22.2. Other debit balances</b>				
Investment- Bsmec Offshore Nig Ltd	8,880	8,880	8,880	8,880
Access Bank Working Capital	1,500,000	1,500,000	1,500,000	1,500,000
Other Non Trade Debtors	12,939	107,895	12,939	107,895
	<b>1,521,819</b>	<b>1,616,775</b>	<b>1,521,819</b>	<b>1,616,775</b>
<b>23. Cash and cash equivalents</b>				
Cash in hand	949	1,047	229	1,014
Cash at banks	62,452	172,782	41,002	46,531
	<b>63,401</b>	<b>173,829</b>	<b>41,231</b>	<b>47,545</b>
Impairment on dormant current accounts	(37,680)	(37,680)	(31,311)	(31,311)
	<b>25,721</b>	<b>136,149</b>	<b>9,920</b>	<b>16,234</b>
<b>At 31 December</b>	<b>37,680</b>	<b>37,680</b>	<b>31,311</b>	<b>31,311</b>
<b>24. Trade and other payables</b>				
Trade payables	927,048	679,124	490,534	517,911
Payables to related parties (Note 30.2)	1,444,744	1,382,463	4,540,006	3,069,476
Other payables	3,573,247	3,405,751	514,372	355,486
Withholding tax, VAT, PAYE, etc.	392,130	330,412	239,007	244,677
Accruals	10,702	2,102	10,702	2,102
Advance rent received	83,228	96,064	83,228	96,064
	<b>6,431,099</b>	<b>5,895,916</b>	<b>5,877,849</b>	<b>4,285,716</b>
<b>Breakdown of other payables:</b>				
Japaul Gold & Coin Limited	9,965	9,965	9,965	9,965
Directors Current Account	311,220	111,119	311,220	111,119
Salaries Payables	68,265	87,807	42,006	66,792
Floodgate	-	-	3,652	3,652
Unclaimed dividend	63,870	63,870	63,870	63,870
Wakanow	2,795	2,795	-	-
Kings Marine Nigeria Enterprises	5,110	5,110	-	-
LAIS Marine	3,335	3,335	3,335	3,335
Retention - Gessolf	3,652	3,652	-	-
Others	3,105,035	3,118,098	80,324	96,753
	<b>3,573,247</b>	<b>3,405,751</b>	<b>514,372</b>	<b>355,486</b>

# JAPPAUL GOLD & VENTURES PLC

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>25. Long term employee benefits</b>				
Defined contribution plan (Note 25.1)	<b>170,281</b>	186,344	<b>109,812</b>	129,275
Defined benefit plan (Note 25.2)	<b>72,621</b>	72,621	<b>42,516</b>	42,516
	<b>242,902</b>	258,965	<b>152,328</b>	171,791
<b>25.1. Movement in defined contribution pension plan:</b>				
At 1 January	<b>186,344</b>	197,047	<b>129,275</b>	147,753
Deductions (Note 12.1)	<b>11,767</b>	14,069	<b>9,727</b>	11,407
Remittances	<b>(27,830)</b>	(24,772)	<b>(29,190)</b>	(29,885)
<b>At 31 December</b>	<b>170,281</b>	186,344	<b>109,812</b>	129,275
<b>25.2. Movement in defined benefit plan:</b>				
At 1 January	<b>72,621</b>	73,395	<b>42,516</b>	43,289
Payment during the year	-	-	-	-
Re-measurement (loss)/gain	-	(774)	-	(773)
<b>At 31 December</b>	<b>72,621</b>	72,621	<b>42,516</b>	42,516

# JAPAU GOLD & VENTURES PLC

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 26. Borrowings

This note provides information about the contractual terms of the Group's interest-bearing borrowings, which are measured at amortised cost. For more information about the Group's exposure to interest rate, foreign currency and liquidity risks, see note 5.

	Group		Company	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>Borrowings (Note 26.2)</b>	<b>2,292,452</b>	<b>3,096,726</b>	<b>2,292,452</b>	<b>3,096,726</b>
<b>26.1. Analysis of borrowings:</b>				
Quin Mcgrath Limited	2,286,758	2,286,758	2,286,758	2,286,758
GTI Capital Limited	(100,000)	704,273	(100,000)	704,273
Others	105,695	105,695	105,695	105,695
	<b>2,292,453</b>	<b>3,096,726</b>	<b>2,292,453</b>	<b>3,096,726</b>

#### 26.1.1 Heritage Bank Limited

Japaul Gold & Ventures Plc and Heritage Bank Limited entered into a partnership in 2021 to trade in the sale of commodity (Gold Dore Bars) worth \$2.16 million. Unfortunately, the business incurred losses. A dispute has arisen regarding the treatment of the loss, with Heritage Bank Limited seeking to convert the amount to a loan, which Japaul contests. As of 31 December, 2024, the matter is yet to be determined by the court of competent jurisdiction, and as such, it is regarded as a contingent liability.

#### 26.1.2. GTI Capital Limited

During the financial year, Japaul Gold & Ventures Plc obtained consolidated loans totalling N750 million from GTI Capital Limited. The loans, including interest, were fully settled during the year. As of 31 December, 2024, Japaul Gold & Ventures Plc has a credit balance of N100 million with GTI Capital Limited.

	Group		Company	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>26.2 Movement in borrowings</b>				
At 1 January	3,096,726	-	3,096,726	-
(Repayment)/Additions	(3,051,032)	2,866,759	(3,051,032)	2,866,759
Effective interest/translation adjustment	2,246,758	229,967	2,246,758	229,967
<b>At 31 December</b>	<b>2,292,452</b>	<b>3,096,726</b>	<b>2,292,452</b>	<b>3,096,726</b>
<b>26.2.1. Analysis of borrowings</b>				
Current portion	2,292,452	3,096,726	2,292,452	3,096,726
Non-current	-	-	-	-
	<b>2,292,452</b>	<b>3,096,726</b>	<b>2,292,452</b>	<b>3,096,726</b>
<b>27. Lease liability</b>				
Access Bank Plc. (Note 27.2)	4,567,750	4,567,750	4,567,750	4,567,750

# JAPPAUL GOLD & VENTURES PLC

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 27.1. Access Bank Plc.

As part of the settlement agreement entered into by the Company with Access bank in 2019, two dredgers JD XII & JD X III with registration numbers SR 2525 & SR 2526 respectively taken over by the bank were released back to the Company for 6 years with 1 year moratorium on rental payment on or before 31 January 2021 to 30 January 2026 with equal annual repayment of N1 billion each.

	Group		Company	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>27.2. Movement in finance lease facilities At 31 December</b>	<b>4,567,750</b>	4,567,750	<b>4,567,750</b>	4,567,750
<b>27.3. Analysis of finance lease facilities</b>				
Current portion	1,000,000	-	-	-
Non-current	<b>3,567,750</b>	4,567,750	<b>4,567,750</b>	4,567,750
	<b>4,567,750</b>	4,567,750	<b>4,567,750</b>	4,567,750

### 28. Share capital and reserves

#### Ordinary shares

##### 28.1. Authorised:

7,000,000,000 ordinary shares of 50k each	<b>3,500,000</b>	3,500,000	<b>3,500,000</b>	3,500,000
8,000,000,000 ordinary shares of 50k each	<b>4,000,000</b>	-	<b>4,000,000</b>	-
	<b>7,500,000</b>	<b>3,500,000</b>	<b>7,500,000</b>	<b>3,500,000</b>

The Board of Directors approved the issuance of 8,000,000,000 units of ordinary shares of the Company at N2.50k per share to be offered through a special placement to Gem Global emerging markets.

The shares were approved at the physical meeting held at JAPPAUL HOUSE, Plot 28 Dr. Nurudeen Olowopopo Avenue, Ikeja Central Business District (CBD), Agidingbi, Ikeja, Lagos, on the 14th day of September, 2023.

##### 28.2. Issued and fully paid:

###### At 1 January:

6,262,701,716 ordinary shares of 50k each	3,131,350	3,131,350	3,131,350	3,131,350
<b>Additions during the year:</b>				
8,000,000 ordinary shares of 50k each	4,000,000	-	4,000,000	-
<b>At 31 December</b>	<b>7,131,350</b>	<b>3,131,350</b>	<b>7,131,350</b>	<b>3,131,350</b>

# JAPPAUL GOLD & VENTURES PLC

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Group		Company	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>28.3. Share premium</b>				
At January	16,440,679	16,440,679	16,440,679	16,440,679
Addition	13,960,000	-	13,960,000	-
Issued expenses	(356,568)	-	(356,568)	-
<b>At 31 December</b>	<b>30,044,111</b>	16,440,679	<b>30,044,111</b>	16,440,679

The share premium arises from the additional shares issued of 8 billion, 4 billion investment for H&H Mines at share price of N1.99k and 4 billion for Nationwide Exploration Production of share price of N2.50k which is above the nominal price 50k. The excess amount after deducting all charges is stated as share premium.

<b>28.4. Loss sustained</b>				
At 1 January	(20,372,312)	(19,698,268)	(22,787,361)	(22,387,436)
Transfer of fair value reserve of equity investment at fair value through other comprehensive income	-	-	-	-
Profit/(loss) for the year	1,680,454	(674,044)	(390,904)	(399,925)
<b>At 31 December</b>	<b>(18,691,858)</b>	(20,372,312)	<b>(23,178,265)</b>	(22,787,361)

Loss sustained represents the carried forward recognised loss net of expenses plus current year loss attributable to shareholders.

<b>28.5. Remeasurement reserve</b>				
At 31 December	(195)	(195)	(22)	(22)

Remeasurement reserves represent the carried forward recognised in other comprehensive income/(loss) on actuarial gain/(loss) plus current year .

<b>28.6. Fair value reserve</b>				
At 1 January	-	-	-	-
Fair value loss for the year(Note 20.1)	-	-	-	-
Transfer to retained earnings	-	-	-	-
<b>At 31 December</b>	<b>-</b>	-	-	-

# JAPPAUL GOLD & VENTURES PLC

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Group		Company	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>29. Reconciliation of net cash from operating activities</b>				
<b>Net profit/(loss) after tax</b>	<b>1,680,454</b>	<b>(674,044)</b>	<b>(390,904)</b>	<b>(399,925)</b>
<b>Adjustments to reconcile net loss to net cash provided by operating activities:</b>				
Finance costs	-	-	-	-
Finance income	-	-	-	-
Depreciation of property, plant and equipment	70,540	278,338	7,451	107,370
Depreciation of leased assets	250,000	250,000	250,000	250,000
Fair value gain	(782,606)	-	-	-
Adjustment to property, plant and equipment	-	(146,983)	-	441,438
Exchange loss on revaluation of foreign loan	-	-	-	-
Defined contribution charged	(16,063)	(12,463)	(19,463)	(15,690)
Current service costs	-	-	-	-
Interest costs	-	-	-	-
equipment	-	(110,967)	-	(42,865)
Provision no longer required	-	(318,941)	-	(336,880)
<b>Changes in assets and liabilities:</b>				
Changes in trade and other receivables	(10,944,617)	-	(10,206,349)	8,464,334
Changes in trade and other payables	535,183	(75,086)	1,592,133	(1,892)
Changes in current income tax liability	101,673	27,858	(15,706)	5,505
<b>Total adjustments</b>	<b>(10,785,890)</b>	<b>(108,244)</b>	<b>(8,391,934)</b>	<b>8,871,320</b>
<b>Cash flows from operating activities</b>	<b>(9,105,436)</b>	<b>(782,288)</b>	<b>(8,782,838)</b>	<b>8,471,395</b>

### 30. Related party transactions/balances

During the year, the Group had significant business dealings with other companies that have common directors with the Company and those that are members of the Group. Details of these are described below:

	Group		Company	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>30.1. Amount due from related companies:</b>				
<b>30.1.1. Amount due from subsidiary companies</b>				
Japaul Shipping & Offshore Services Ltd	728,465	577,673	4,144,361	4,144,361
Japaul Mines & Products Limited	240,264	14,073	4,767,252	4,659,795
Japaul Dredging	134,434	134,434	-	-
	<b>1,103,163</b>	<b>726,180</b>	<b>8,911,613</b>	<b>8,804,156</b>

Amount due from subsidiaries companies have been eliminated at group level.

# JAPPAUL GOLD & VENTURES PLC

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Group		Company	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>30.1.2 Amount due from associate companies</b>				
Japaul Infrastructure Limited	897,290	897,290	-	-
Japaul Energy Limited	417,758	732,459	173,981	173,981
	<u>1,315,048</u>	<u>1,629,749</u>	<u>173,981</u>	<u>173,981</u>
<b>Total amount due from related companies</b>	<u><u>2,418,211</u></u>	<u><u>2,355,929</u></u>	<u><u>9,085,594</u></u>	<u><u>8,978,137</u></u>

### 30.2 Amount due to related companies:

#### 30.2.1 Amount due to subsidiary companies

Japaul Shipping & Offshore Services Ltd	107,457	107,457	3,585,123	2,222,049
Japaul Mines & Products Limited	135,063	409,827	268,721	161,264
Japaul Dredging	1,078,363	741,318	582,274	582,302
	<u>1,320,883</u>	<u>1,258,602</u>	<u>4,436,118</u>	<u>2,965,615</u>

#### 30.2.2 Amount due to associate companies

Japaul Energy Limited	123,861	123,861	103,888	103,861
<b>Total amount due to related companies</b>	<u><u>1,444,744</u></u>	<u><u>1,382,463</u></u>	<u><u>4,540,006</u></u>	<u><u>3,069,476</u></u>

### 30.3 Analysis of related party transactions Company only

Name	Nature of transaction	2024 N'000	2023 N'000
Japal Offshore & Shipping Ltd	Intercompany receivables	559,238	1,922,312
Japaul Mines & Products Ltd	Intercompany receivables	4,498,531	4,498,531
Japaul Energy Ltd	Intercompany receivables	70,093	70,120

	Group		Company	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
<b>31 Information regarding directors and employees</b>				
<b>31.1 Directors' emoluments comprise:</b>				
Fees:				
- Chairman	3,000	3,000	3,000	3,000
- Other Directors	8,075	6,195	8,075	6,195
Other emoluments as executives	19,248	23,911	18,916	23,911
	<u>30,323</u>	<u>33,106</u>	<u>29,991</u>	<u>33,106</u>
Chairman	3,000	3,000	3,000	3,000
Highest paid director	-	-	-	-

# JAPPAUL GOLD & VENTURES PLC

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	<b>Group</b>		<b>Company</b>		
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	
	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>	
<b>31.2 Employees</b>					
Average number of persons employed during the year:					
Management	<b>9</b>	7	<b>8</b>	5	
Administration	<b>21</b>	41	<b>17</b>	36	
Others	<b>56</b>	56	<b>40</b>	30	
	<b>86</b>	104	<b>65</b>	71	
<b>31.3 The number of employees with gross emoluments within the following bands were:</b>					
<b>N</b>	<b>N</b>				
Up to - 1,000,000		<b>36</b>	63	<b>19</b>	39
1,000,001 - 2,000,000		<b>22</b>	24	<b>16</b>	20
2,000,001 - 3,000,000		<b>24</b>	6	<b>19</b>	3
3,000,001 - 4,000,000		<b>3</b>	5	<b>3</b>	5
4,000,001 - 5,000,000		<b>2</b>	4	<b>2</b>	2
5,000,001 - 6,000,000		<b>2</b>	1	<b>2</b>	1
6,000,001 and above		<b>5</b>	1	<b>4</b>	1
		<b>94</b>	104	<b>65</b>	71
		<b>N'000</b>	N'000	<b>N'000</b>	N'000
<b>31.4 Employees' costs:</b>					
Salaries, wages and allowances	<b>196,191</b>	201,627	<b>162,315</b>	170,425	
Contributions to pension fund scheme	<b>11,767</b>	14,069	<b>9,727</b>	11,407	
Training, recruitment and canteen expenses	<b>1,421</b>	1,637	<b>1,215</b>	1,381	
Medical expenses	<b>3,464</b>	522	<b>3,331</b>	344	
Other personnel expenses	<b>22,498</b>	18,932	<b>22,498</b>	18,132	
	<b>235,341</b>	236,787	<b>199,086</b>	201,689	

### 32 Events after statement of financial position date

The Directors are of the opinion that no other events or transactions have occurred since the reporting date, which would have had a material effect on the financial statements as at that date or which needs to be mentioned in the financial statements in the interests of fair presentation of the company's financial position as at the reporting date or its result for the year then ended.

# **JAPPAUL GOLD & VENTURES PLC**

## **NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024**

### **33. Contingent liabilities**

There were no contingent liabilities at 31 December 2024 (2023: **N338m** and **\$143,865** in respect of legal claims made against the group). The Board of Directors is of the opinion that no liabilities will crystallise, and therefore no provision is made in these consolidated and separate financial statements.

### **34. Comparative figures**

Certain comparative figures in these financial statements have been restated to give a more meaningful comparison.

# **JAPPAUL GOLD & VENTURES PLC**

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**Other National Disclosures**

# JAPPAUL GOLD & VENTURES PLC

## CONSOLIDATED AND SEPARATE STATEMENT OF VALUE ADDED FOR THE YEAR ENDED 31 DECEMBER 2024

	The Group				The Company			
	31-Dec-24 N'000	%	31-Dec-23 N'000	%	31-Dec-24 N'000	%	31-Dec-23 N'000	%
Turnover	4,103,213		2,577,965		527,288		2,346,439	
Other income	242,869		136,356		183,766		127,711	
	<u>4,346,082</u>		<u>2,714,321</u>		<u>711,054</u>		<u>2,474,150</u>	
Bought-in-material and services:								
- Local	(2,235,963)		(2,825,755)		(771,637)		(2,520,121)	
- Imported	-		-		-		-	
<b>Value added/(eroded)</b>	<u>2,110,119</u>	<u>(100)</u>	<u>(111,434)</u>	<u>(100)</u>	<u>(60,583)</u>	<u>(100)</u>	<u>(45,971)</u>	<u>(100)</u>
<b>Applied as follows:-</b>								
<b>To pay employees:</b>								
- Salaries, wages and other staff costs	235,341	(11)	236,787	212	199,086	330	201,689	440
<b>To pay Government:</b>								
- Corporate income tax	123,784	(6)	52,022	47	123,784	204	48,055	105
<b>To pay providers of capital:</b>								
- Interest on borrowings	-	-	-	-	-	-	-	-
<b>To provide for replacement of assets dividend to shareholders and development of business</b>								
- Depreciation of property, plant and equipment	70,540	(3)	273,801	246	7,451	10	104,210	225
- Depreciation of assets under finance lease	-	-	-	-	-	-	-	-
- Deferred tax on property, plant and equipment	-	-	-	-	-	-	-	-
- Profit/ (loss) for the year	1,680,454	(80)	(674,044)	(605)	(390,904)	(645)	(399,925)	(870)
<b>Value added/(eroded)</b>	<u>2,110,119</u>	<u>(100)</u>	<u>(111,434)</u>	<u>(100)</u>	<u>(60,583)</u>	<u>(101)</u>	<u>(45,971)</u>	<u>(100)</u>

Value added/(eroded) represents the additional wealth which the Group and the company have been able to (utilise)/create by its own and its employees effort. The statements shows the allocation of that wealth among the employees, capital providers, Government and that retained for creation of more wealth.

# JAPPAUL GOLD & VENTURES PLC

## FINANCIAL SUMMARY - COMPANY

31 DECEMBER

	2024 N'000	2023 N'000	2022 N'000	2021 N'000	2020 N'000
<b>Statement of financial position</b>					
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	2,707,333	2,652,151	2,311,071	2,236,770	3,211,153
Assets under finance lease	4,000,000	4,250,000	4,500,000	4,750,000	5,000,000
Investment in subsidiaries	40,000	40,000	40,000	40,000	40,000
Intangible assets	7,960,000	-	-	-	-
Financial assets fair value through other comprehensive income	-	-	-	-	22,563
<b>Total non-current assets</b>	<b>14,707,333</b>	<b>6,942,151</b>	<b>6,851,071</b>	<b>7,026,770</b>	<b>8,273,716</b>
<b>Current assets</b>					
Inventories	-	-	-	-	-
Trade and other receivables	13,138,809	2,932,459	1,915,975	10,484,869	10,486,959
Cash and bank balances	9,920	16,234	5,249	5,776	16,082
<b>Total current assets</b>	<b>13,148,729</b>	<b>2,948,693</b>	<b>1,921,224</b>	<b>10,490,645</b>	<b>10,503,041</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	5,877,849	4,285,716	4,435,626	4,437,518	4,166,977
Current portion of long term borrowings	2,292,452	3,096,726	1,469,662	1,469,662	-
Defined contribution pension plan	109,812	129,275	132,272	147,962	147,753
Current income tax liability	58,624	74,330	29,125	23,620	22,852
<b>Total current liabilities</b>	<b>8,338,737</b>	<b>7,586,047</b>	<b>6,066,685</b>	<b>6,078,762</b>	<b>4,337,582</b>
<b>Net current assets/(liabilities)</b>	<b>4,809,992</b>	<b>(4,637,354)</b>	<b>(4,145,461)</b>	<b>4,411,883</b>	<b>6,165,459</b>
<b>Non-current liabilities</b>					
Defined benefit pension plan	42,516	42,516	43,402	43,402	43,289
Finance lease facility	4,567,750	4,567,750	4,567,750	4,567,750	4,567,750
Long term borrowings	-	-	-	-	-
Deferred income tax liability	909,886	909,886	909,886	909,886	909,886
<b>Total non-current liabilities</b>	<b>5,520,152</b>	<b>5,520,152</b>	<b>5,521,038</b>	<b>5,521,038</b>	<b>5,520,925</b>
<b>Net assets/(liabilities)</b>	<b>13,997,173</b>	<b>(3,215,355)</b>	<b>(2,815,428)</b>	<b>5,917,615</b>	<b>8,918,250</b>
<b>Equity</b>					
Share capital	7,131,350	3,131,350	3,131,350	3,131,350	3,131,350
Share premium	30,044,111	16,440,679	16,440,679	16,440,679	16,440,679
Loss sustained	(23,178,265)	(22,787,361)	(22,387,435)	(13,654,392)	(10,662,367)
Remeasurement reserve	(22)	(22)	(22)	(22)	(22)
AFS fair value reserve	-	-	-	-	8,610
Foreign exchange reserve	-	-	-	-	-
<b>Shareholders' fund</b>	<b>13,997,173</b>	<b>(3,215,355)</b>	<b>(2,815,428)</b>	<b>5,917,615</b>	<b>8,918,250</b>
<b>Statement of profit or loss and other comprehensive income</b>					
<b>Turnover</b>	<b>527,288</b>	<b>2,346,439</b>	<b>1,186,676</b>	<b>226,439</b>	<b>185,203</b>
<b>Gross (loss)/profit</b>	<b>(91,160)</b>	<b>1,223,405</b>	<b>160,756</b>	<b>(399,463)</b>	<b>(274,637)</b>
Other income	183,766	127,711	454,447	89,910	330,905
Administrative expenses	(479,955)	(461,595)	(9,335,541)	(2,458,449)	(488,665)
<b>Operating (loss)/profit</b>	<b>(387,349)</b>	<b>889,521</b>	<b>(8,720,338)</b>	<b>(2,768,002)</b>	<b>(432,397)</b>
Net finance costs	-	(1,241,391)	(229,944)	(229,944)	(3,261)
<b>(loss)/profit before taxation</b>	<b>(387,349)</b>	<b>(351,870)</b>	<b>(8,950,282)</b>	<b>(2,997,946)</b>	<b>(435,658)</b>
Income tax expense	(3,555)	(48,055)	(12,704)	(768)	(1,337)
<b>(Loss)/profit for the year</b>	<b>(390,904)</b>	<b>(399,925)</b>	<b>(8,962,986)</b>	<b>(2,998,714)</b>	<b>(436,995)</b>
<b>Per share data:</b>					
Basic (loss)	(3)	(6)	(139)	(48)	(18)
Net assets/(liabilities)	224	(51)	(45)	94	142

(Loss)/earning per share are based on (loss)/profit after tax attributable to ordinary shareholders divided by the issued and fully paid ordinary shares at the end of each financial year.

Net (liabilities)/assets per share are based on net (liabilities)/assets divided by the issued and fully paid ordinary shares at the end of each financial year.

# JAPPAUL GOLD & VENTURES PLC

## FINANCIAL SUMMARY - GROUP

31 DECEMBER

	2024 N'000	2023 N'000	2022 N'000	2021 N'000	2020 N'000
<b>Statement of financial position</b>					
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	4,232,252	4,458,641	4,287,151	4,491,851	5,653,473
Assets under finance lease	4,000,000	4,250,000	4,500,000	4,750,000	5,000,000
Intangible assets	7,960,000	-	-	-	-
Investment property	782,606	-	-	-	-
Financial assets fair value through other comprehensive income	-	-	-	-	22,563
<b>Total non-current assets</b>	<b>16,974,858</b>	<b>8,708,641</b>	<b>8,787,151</b>	<b>9,241,851</b>	<b>10,676,036</b>
<b>Current assets</b>					
Inventories	-	-	-	-	-
Trade and other receivables	16,415,962	5,471,345	4,404,035	3,830,079	4,878,841
Cash and bank balances	25,721	136,149	5,883	17,287	51,493
<b>Total current assets</b>	<b>16,441,683</b>	<b>5,607,494</b>	<b>4,409,918</b>	<b>3,847,366</b>	<b>4,930,334</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Bank overdrafts	-	-	11,561	-	-
Trade and other payables	6,431,099	5,895,916	5,762,425	5,837,511	6,736,906
Loans and borrowings	2,292,452	3,096,726	1,469,662	200,326	197,047
Finance lease facility	1,000,000	-	-	1,469,662	-
Defined contribution pension plan	170,281	186,344	187,863	1,000,000	-
Current income tax liability	432,553	330,880	284,359	256,501	239,710
<b>Total current liabilities</b>	<b>10,326,385</b>	<b>9,509,866</b>	<b>7,715,870</b>	<b>8,764,000</b>	<b>7,173,663</b>
<b>Net current assets/ (liabilities)</b>	<b>6,115,298</b>	<b>(3,902,372)</b>	<b>(3,305,952)</b>	<b>(4,916,634)</b>	<b>(2,243,329)</b>
<b>Non-current liabilities</b>					
Defined benefit plan	72,621	72,621	73,507	73,507	73,395
Finance lease facility	3,567,750	4,567,750	4,567,750	-	-
Loans and borrowings	-	-	-	3,567,750	4,567,750
Deferred income tax liability	966,376	966,376	966,376	966,376	966,376
<b>Total non-current liabilities</b>	<b>4,606,747</b>	<b>5,606,747</b>	<b>5,607,633</b>	<b>4,607,633</b>	<b>5,607,521</b>
<b>Net assets/(liabilities)</b>	<b>18,483,409</b>	<b>(800,478)</b>	<b>(126,434)</b>	<b>(282,416)</b>	<b>2,825,186</b>
<b>Equity</b>					
Share capital	7,131,350	3,131,350	3,131,350	3,131,350	3,131,350
Share premium	30,044,111	16,440,679	16,440,679	16,440,679	16,440,679
Loss sustained	(18,691,858)	(20,372,312)	(19,698,268)	(19,854,250)	(16,755,258)
Re-measurement reserve	(195)	(195)	(195)	(195)	(195)
AFS fair value reserve	-	-	-	-	8,610
<b>Shareholders fund</b>	<b>18,483,409</b>	<b>(800,478)</b>	<b>(126,434)</b>	<b>(282,416)</b>	<b>2,825,186</b>
<b>Statement of profit or loss and other comprehensive income</b>					
<b>Turnover</b>	<b>4,103,213</b>	<b>2,577,965</b>	<b>1,360,538</b>	<b>434,052</b>	<b>689,643</b>
<b>Gross profit/(loss)</b>	<b>2,141,827</b>	<b>1,058,982</b>	<b>74,664</b>	<b>(505,801)</b>	<b>(318,089)</b>
Other income	242,869	136,356	530,706	152,231	610,401
Administrative expenses	(580,458)	(575,969)	(413,806)	(2,505,114)	(1,118,749)
<b>Operating profit/(loss)</b>	<b>1,804,238</b>	<b>619,369</b>	<b>191,564</b>	<b>(2,858,684)</b>	<b>(826,437)</b>
Net finance costs	-	(1,241,391)	-	(229,869)	(3,249)
<b>Profit/(loss) before taxation</b>	<b>1,804,238</b>	<b>(622,022)</b>	<b>191,564</b>	<b>(3,088,553)</b>	<b>(829,686)</b>
Income tax expense	(123,784)	(52,022)	(35,581)	(17,128)	(167,059)
<b>Profit/(loss) for the year</b>	<b>1,680,454</b>	<b>(674,044)</b>	<b>155,983</b>	<b>(3,105,681)</b>	<b>(996,745)</b>
<b>Per share data:</b>					
Basic earning/(loss)	12	(11)	2	(16)	653
Net assets/(liabilities)	295	(13)	(2)	(5)	45

Earning/(loss) per share are based on profit/(loss) after tax attributable to ordinary shareholders divided by the issued and fully paid ordinary shares at the end of each financial year.

Net assets/(liabilities) per share are based on net assets/(liabilities) divided by the issued and fully paid ordinary shares at the end of each financial year.