

**GLOBAL SPECTRUM ENERGY SERVICES PLC.**

**UNAUDITED FINANCIAL STATEMENT**

**&**

**2ND QUARTER REPORT**

**FOR**

**THE PERIOD ENDED 30TH JUNE, 2022**



**Global Spectrum Energy Services Plc**

# **GLOBAL SPECTRUM ENERGY SERVICES PLC**

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**GLOBAL SPECTRUM ENERGY SERVICES PLC**  
**STATEMENT OF FINANCIAL POSITION**  
**PERIOD ENDED 30TH**

	<u>NOTES</u>	Jan- Jun 2022	Jan-Dec 2021
<u>Assets</u>		N	N
<b><u>NON CURRENT ASSETS</u></b>			
Property, Plant and Equipment	1	1,220,414,497	1,268,448,437
Investment Property	23	2,514,155,000	2,514,155,000
<b><u>CURRENT ASSETS</u></b>			
Bank and cash balances	7	570,425,122	605,872,540
Intangible Assets	2		
Inventory	3	0	0
Trade Receivables	4	1,387,031,985	825,859,582
Other Receivables	5	379,751,699	402,379,200
Prepayments	6	8,124,112	3,416,667
Other Assets	8	318,475,666	250,206,126
<b>Total Assets (A)</b>		<b><u>6,398,378,081</u></b>	<b><u>5,870,337,552</u></b>
<b><u>LONG-TERM LIABILITIES</u></b>			
Borrowings	9	230,640,317	0
Trade payables	10	694,734,083	550,016,653
Other Payables	11	18,183,599	25,379,000
Tax payable	12	133,753,303	91,636,139
Deferred Tax	13	141,066,000	141,066,000
<b>Total Liabilities (B)</b>		<b><u>1,218,377,303</u></b>	<b><u>808,103,045</u></b>
<b>Net Assets (A-B)</b>		<b><u>5,180,000,779</u></b>	<b><u>5,062,234,506</u></b>
<b><u>Equity</u></b>			
Share Capital	15	400,000,000	400,000,000
Deposit for Shares	14	2,486,440,000	2,486,440,000
Retained earnings	16	2,293,560,778	2,175,794,506
Revaluation Reserves	17	0	0
<b>Total Equity</b>		<b><u>5,180,000,779</u></b>	<b><u>5,062,234,506</u></b>



AKINDELE WASIU FRC/2018/ICAN/00000018056

Managing Director



CLEMENT AKANIBO FRC/2014/ICAN/00000008266

Director



IWUJI AUGUSTINE FRC/2021/001/00000024230

Chief Financial Officer

**GLOBAL SPECTRUM ENERGY SERVICES PLC**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**PERIOD ENDED 30TH**

	<u>NOTES</u>	Apr- Jun 2022 N	Apr-Jun 2021 N	Jan-Jun 2022 N	Jan-Jun 2021 N
<b>Revenue</b>	18	699,194,431	445,681,976	1,369,940,825	786,271,198
Direct cost	19	548,552,704	302,467,807	1,030,069,330	544,348,096
<b>Gross profit</b>		<b>150,641,727</b>	<b>143,214,169</b>	<b>339,871,495</b>	<b>241,923,101</b>
Other Income		3,347,874	-	3,351,843	5,796,234
Administrative expenses	20	81,494,691	64,309,602	149,290,777	135,130,389
Other operating expenses	21	-	0		
<b>Operating profit</b>		<b>72,494,910</b>	<b>78,904,568</b>	<b>193,932,561</b>	<b>112,588,946</b>
Finance costs	22	3,853,475	1,658,752	5,463,904	3,000,128
<b>Profit before taxation</b>		<b>68,641,435</b>	<b>77,245,816</b>	<b>188,468,657</b>	<b>109,588,818</b>
Taxation	12	12,160,359	11,586,869	42,117,164	18,734,785
Other comprehensive income		-	-		
Exchange differences on translation of foreign oper		-	-		
Income tax effect		-	-		
Other comprehensive income for the quarter, net of		-	-		
<b>Total comprehensive income for the quarter</b>		<b>56,481,077</b>	<b>65,658,946</b>	<b>146,351,492</b>	<b>90,854,033</b>

**GLOBAL SPECTRUM ENERGY SERVICES PLC**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED 30TH JUNE 2022**

	<b>Issued Share Capital</b>	<b>Retained Earnings</b>	<b>Deposit for Shares</b>	<b>Total Equity</b>
	<b>N'000</b>	<b>N'000</b>		<b>N'000</b>
<b>As at 1 January 2021</b>	400,000	2,048,771	2,486,440	<b>4,935,211</b>
<b><u>Changes in 2021</u></b>				
Adjustment in Retained Earning	0	-2,553	0	<b>-2,553</b>
Profit for the Quarter	0	90,854	-	<b>90,854</b>
<b>As at 30 Jun, 2021</b>	<b>400,000</b>	<b>2,137,072</b>	<b>2,486,440</b>	<b>5,023,512</b>
<b><u>Changes in 2022</u></b>				
<b>As at 1 January 2022</b>	400,000	2,175,799	2,486,440	<b>5,062,239</b>
Adjustment in Retained Earning		-5		-5
Profit for the period		117,766	0	<b>117,766</b>
<b>As at 30th Jun 2022</b>	<b>400,000</b>	<b>2,293,560</b>	<b>2,486,440 0</b>	<b>5,180,000</b>

**GLOBAL SPECTRUM ENERGY SERVICES PLC**  
**STATEMENT OF CASHFLOW**

**PERIOD ENDED 30 JUNE 2022**

**Jan - Jun 2022**

**Jan-Jun 2021**

N'000

N'000

**CASH FLOWS FROM OPERATING ACTIVITIES**

Profit before Taxation	188,469	109,589
Adjustment for:		
- Depreciation	48,034	47,763

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	<b>236,503</b>	<b>157,352</b>
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Changes in trade & Other receivables	-538,545	172,539
Changes in prepayments	-4,707	-4,256
Changes in other assets	-68,270	
Changes in Inventory	0	20,087
Changes in trade & Other payables	137,522	-184,597

	<b>-474,000</b>	<b>3,774</b>
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Prior Yr PAYE tax paid/Income tax paid	0	10,478
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Prior Yr Reserves Adjustment	28,588	88,132
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<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>-266,085</b>	<b>62,516</b>
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**CASHFLOWS FROM INVESTMENT ACTIVITIES**

Acquisition of property,plant and equipment	0	
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WIP ADJUSTED		-27783
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Proceeds from sale of property and equipment		-
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<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>0</b>	<b>-27,783</b>
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**CASHFLOWS FROM FINANCING ACTIVITIES**

Proceeds from Issue of Shares		0
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Deposit for Shares		0
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Loan	230,640	0
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Dividend Paid		-
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<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>230,640</b>	<b>0</b>
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<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>-35,445</b>	<b>34,733</b>
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Cash and Cash Equivalents at beginning of quarter	605,870	325,227
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<b>Cash and Cash Equivalents at end of quarter</b>	<b><u>570,425</u></b>	<b><u>359,960</u></b>
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**GLOBAL SPECTRUM ENERGY SERVICES PLC**  
**NOTES TO THE ACCOUNTS**  
**PERIOD ENDED 30TH JUNE 2022**  
**1. PROPERTY, PLANT & EQUIPMENT**

	LAND & BUILDING N	MARINE EQUIPMENT N	PLANT & MACH N	MOTOR VEHICLES N	WIP	FURNITURE & FITTINGS & OFFICE EQUIPMENT N	TOTAL
<b>Cost</b>							
Balance as at Jan 01, 2022	350,000,000	1,485,470,200	15,997,199	10,932,000	0	13,697,875	1,876,097,274
Additions						0	
Disposals							
<b>Balance as at end of quarter</b>	<b>350,000,000</b>	<b>1,485,470,200</b>	<b>15,997,199</b>	<b>10,932,000</b>	<b>0</b>	<b>13,697,875</b>	<b>1,876,097,274</b>
<b>Depreciation and impairment losses</b>							
Balance as at previous quarter	123,200,000	476,294,604	12,304,740	10,566,375	0	9,300,088	631,665,807
Depreciation for the quarter	4,375,000	18,568,391	444,860	121,875	0	506,844	24,016,970
impairment losses							
Disposals							
<b>Balance as at end of quarter</b>	<b>127,575,000</b>	<b>494,862,995</b>	<b>12,749,600</b>	<b>10,688,250</b>	<b>0</b>	<b>9,806,932</b>	<b>655,682,777</b>
<b>Carrying amounts</b>							
Balance as at end of quarter	<u>222,425,000</u>	<u>990,607,205</u>	<u>3,247,599</u>	<u>243,750</u>	<u>0</u>	<u>3,890,943</u>	<u>1,220,414,497</u>
Balance as at March 31, 2022	<u>226,800,000</u>	<u>1,009,175,596</u>	<u>3,692,459</u>	<u>365,625</u>	<u>0</u>	<u>4,397,787</u>	<u>1,244,431,467</u>

**2. INTANGIBLE ASSETS**

	GOODWILL N	PURCHASED SOFTWARE N	DEVELOPED SOFTWARE N
<b>Cost</b>			
Balance as at previous quarter		0	0
Acquisition			
Internal development			
<b>Balance as at end of quarter</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Depreciation and impairment losses</b>			
Balance as at previous quarter		0	0
Amortization for the quarter			
impairment losses			
<b>Balance as at end of quarter</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Carrying amounts</b>			
Balance as at end of quarter	<u>0</u>	<u>0</u>	<u>0</u>
Balance as at previous quarter	<u>0</u>	<u>0</u>	<u>0</u>

**GLOBAL SPECTRUM ENERGY SERVICES PLC**  
**NOTES TO THE ACCOUNTS**  
**PERIOD ENDED 30TH**

	<u>Jun-22</u>	<u>Dec-21</u>
	<u>N</u>	<u>N</u>
<b>3. INVENTORY</b>		
Sundries	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
<b>4. TRADE RECEIVABLES</b>		
Trade Receivables	1,387,031,985	825,859,582
Associated Companies		
	<b><u>1,387,031,985</u></b>	<b><u>825,859,582</u></b>
<b>5. OTHER RECEIVABLES</b>		
Other Receivables	374,430,499	397,258,000
Staff loan & Advances	5,321,200	<u>5,121,200</u>
	<b><u>379,751,699</u></b>	<b><u>402,379,200</u></b>
<b>6. PREPAYMENTS</b>		
Prepayment	6,874,113	
Prepaid - Rent	1,250,000	<u>3,416,667</u>
	<b><u>8,124,112</u></b>	<b><u>3,416,667</u></b>
<b>7. BANK AND CASH BALANCES</b>		
Access Bank Plc	861,272	861,272
United Bank for Africa Plc	608,421	608,421
Fidelity Bank Plc	15,422,050	334,203,617
Zenith Bank Plc	118,469,040	46,048,337
POLARIS BANK	175,514,455	156,013,424
Sterling Bank	240,315,179	64,748,760
Cash at hand	19,234,705	<u>3,388,709</u>
	<b><u>570,425,122</u></b>	<b><u>605,872,540</u></b>
<b>8. OTHER ASSETS</b>		
Quoted and Unquoted Investment		
Withholding Tax Receivables	318,475,666	<u>250,206,126</u>
	<b><u>318,475,666</u></b>	<b><u>250,206,126</u></b>
<b>9. BORROWINGS</b>		
Bank loan	<b>230,640,317.25</b>	<u>0</u>
<b>10. TRADE PAYABLES</b>		
Trade Payables	<u>694,734,083</u>	<u>550,016,653</u>
	<b><u>550,016,653</u></b>	<b><u>550,016,653</u></b>

**GLOBAL SPECTRUM ENERGY SERVICES PLC**  
**NOTES TO THE ACCOUNTS**  
**PERIOD ENDED 30TH**

	<u>Jun-22</u>	<u>Dec-21</u>
	<u>N</u>	<u>N</u>
<b>11. OTHER PAYABLES</b>		
Other Payables	12,878,553	15,949,355
Accruals	5,305,046	9,429,646
	<b><u>18,183,599</u></b>	<b><u>25,379,000</u></b>
<b>12. TAX PAYABLE</b>		
Balance as at previous quarter	121,592,944	95,984,644
Prior year tax provision		0
Charge for the Quarter	12,160,359	91,298,495
WHT Utilized during the Quarter	0	
Paid during the quarter	0	-95,647,000
Balance as at end of quarter	<b><u>133,753,303</u></b>	<b><u>91,636,139</u></b>
<b>Tax Expense</b>		
Company Income tax	-	84,155,824
Education tax	-	7,142,671
	<b><u>0</u></b>	<b><u>91,298,495</u></b>
<b>13. DEFERRED TAX</b>		
Balance brought forward	141,066,000	98,323,000
(Write back)/charged for the year		42,743,000
Asset/Liability carried forward	<b><u>141,066,000</u></b>	<b><u>141,066,000</u></b>
<b>14. DEPOSIT FOR SHARES</b>		
As at previous quarter	<u>2,486,440,000</u>	<u>2,486,440,000</u>
Transactions within the quarter		
Balance as at end of quarter	<b><u>2,486,440,000</u></b>	<b><u>2,486,440,000</u></b>
<b>15. SHARE CAPITAL</b>		
Authorised and fully issued share capital 800,000,000 ordinary shares of 50k each	<u>400,000,000</u>	<u>400,000,000</u>
	<b><u>400,000,000</u></b>	<b><u>400,000,000</u></b>
<b>16. RETAINED EARNINGS</b>		
Balance as at previous quarter	2,237,079,702	2,048,770,509
Profit and loss	56,481,077	127,024,000
Prior year Adjustment		0
Balance as at end of quarter	<b><u>2,293,560,778</u></b>	<b><u>2,175,794,509</u></b>
<b>17. OTHER RESERVES</b>		
Revaluation reserves	0	0
General reserves	<u>0</u>	<u>0</u>

**GLOBAL SPECTRUM ENERGY SERVICES PLC**  
**NOTES TO THE ACCOUNTS**  
**PERIOD ENDED 30TH**

	<b>Jun-22</b>	<b>Jun-21</b>
	<b>N</b>	<b>N</b>
<b>18. REVENUE</b>		
Revenue from services	699,194,431	439,885,742
Other Income	3,347,874	5,796,234
	<b><u>702,542,305</u></b>	<b><u>445,681,976</u></b>
<b>19. DIRECT COST</b>		
Direct Labour	32,207,000.00	20,874,700
Vessel Expenses	51,142,306.63	23,383,513
Berthing Expenses	-	
Overheads	18,568,391.00	18,568,391
Vessel and Boat Hiring	429,409,408.51	230,281,254
Carbotage Surcharge & Development Levy	17,225,597.55	9,359,969
	<b><u>548,552,704</u></b>	<b><u>302,467,807</u></b>
<b>20. ADMINISTRATIVE EXPENSES</b>		
Directors Remuneration	-	-
Salaries and Wages	29,502,007.25	19,527,674
Transport and Travelling	3,134,300.00	2,139,665
Rent and Rates	1,459,167.00	750,000
Electricity and water	2,274,650.00	2,428,100
Stationeries	727,200.00	684,090
Motor Running Expenses	1,550,400.00	865,700
Repairs and Maintenance	1,384,400.00	3,813,050
Office and General Expenses	1,522,110.00	3,269,543
Telephone ,Internet and Postages	489,000.00	644,100
Security expenses	4,941,890.00	4,215,200
Staff Training and Development	-	-
Insurance and Hse	-	348,300
Medical Expenses	46,250.00	236,000
Regulatory and Annual filing expenses	8,864,370.00	528,000
Business Development Expenses	15,674,964.98	9,343,070
Depreciation	5,448,578.95	5,313,122
Legal and Professional charges	156,000.00	-
Other professional Charges	2,400,000.00	5,265,000
Governance & Compliances	1,919,403.00	4,938,987
CSR	-	-
	<b><u>81,494,691</u></b>	<b><u>64,309,602</u></b>

**GLOBAL SPECTRUM ENERGY SERVICES PLC**  
**NOTES TO THE ACCOUNTS**  
**PERIOD ENDED 30TH**

	Jun-22 N	Jun-21 N
<b>21. OTHER OPERATING EXPENSES</b>		
other operating expenses	0	0
	<u>0</u>	<u>0</u>
<b>22. FINANCE COST</b>		
Bank charges	3,853,475	1,658,752
Exchange Loss		
	<u>3,853,475</u>	<u>1,658,752</u>
<b>23. INVESTMENT PROPERTY</b>		
As at January 1	2,514,155,000	2,486,342,000
Revaluation Surplus	-	-
Balance as at June 30	<u>2,514,155,000</u>	<u>2,486,342,000</u>

The company uses fair value model in accounting for investment property.  
The properties were revalued by Diya Fatimilehin & Co. on May 30, 2017.

Investment property is remeasured at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. [IAS 40.5] Gains or losses arising from changes in the fair value of investment property must be included in net profit or loss for the period in which it arises.

**24. FREE FLOAT RETURNS**

Global Spectrum Energy Services Plc  
Board Listed: Main Board  
Year End: December  
Reporting Period: Half-year end 30 June 2022  
Share price as at end of reporting period: N2.75k (2021: 4.19k)

**Shareholding Structure/Free Float Status**

Description	30-Jun-22		30-Jun-21	
	Unit	Percentage	Unit	Percentage
Issued Share Capital	800,000,000	100%	800,000,000	100%
<b>Substantial Shareholdings (5% and above)</b>				
Aspiral Sun Ltd	440,000,000	55.00%	440,000,000	55.00%
Mustapha Shuaibu (Rep: Criterion Nigeria Ltd)	120,000,000	15.00%	120,000,000	15.00%
Ocean 99 Limited	44,900,000	5.61%	44,900,000	5.61%
Total Substantial Shareholdings	604,900,000	75.61%	604,900,000	75.61%
<b>Directors' Shareholdings (direct and indirect), excluding directors with substantial interests</b>				
Mustapha Shuaibu (Indirect - Representing Criterion Nigeria Ltd)	--	--	--	--
Osahon Idemudia (Direct)	814,322	0.10%	814,322	0.10%
Wasiu Akindele (Direct)	6,000,000	0.75%	6,000,000	0.75%
Clement Akanibo (Direct)	500,000	0.06%	500,000	0.06%
Chidolou Okonkwo (Direct)	--	'--	231,804	0.03%
Comfort Otera Okey Chigbue	'--	'--	'--	'--
Dickson Ikechukwu Olisemenogor	--	--	--	--
Total Directors' Shareholdings	7,314,322	0.91%	7,546,126	0.94%
<b>Other Influential Shareholdings</b>				
	0	0.00%	0	0.00%
Total Other Influential Shareholdings	0	0.00%	0	0.00%
<b>Free Float in Units and Percentage</b>	187,785,678	23.47%	187,553,874	23.44%
<b>Free Float in Value</b>	N 516,410,614.50		N 785,850,732.06	

**Declaration:**

(A) Global Spectrum Energy Services Plc with a free float percentage of 23.47% as at 30 June 2022, is compliant with The Exchange's free float requirements for companies listed on the Main Board.

(B) Global Spectrum Energy Services Plc with a free float value of N516,410,614.50 as at 30 June 2022, is compliant with The Exchange's free float requirements for companies listed on the Main Board.