



**MULTIVERSE MINING
& EXPLORATION PLC**

RC. 454678

2022

ANNUAL REPORTS & ACCOUNTS



...reaping from the earth



| CONTENTS | PAGE |
|---|-------------|
| Mission | 2 |
| Notice of AGM | 3 |
| Financial Highlights | 5 |
| Corporate Information | 6 |
| Board of Directors | 7 |
| Chairman's Statement | 8 |
| Our Products | 10 |
| Report of Directors | 11 |
| Corporate Governance | 14 |
| Policies | 17 |
| Certification | 21 |
| Report of the Audit Committee | 22 |
| Statement of Compliance | 23 |
| Statement of Directors' Responsibilities | 24 |
| Report of Independent Auditors | 25 |
| Multiverse Mining & Exploration Plc. | 30 |
| Profit & Loss Account | 31 |
| Statement of Cash Flows | 35 |
| Notes of the Financial Statements | 36 |
| Shareholder's Information | 69 |



OUR MISSION

To be the market leader in the production of high quality granite Stones and other extractive minerals in Nigeria."

OUR VISION

"To be the most innovative, diversified and export oriented extractive Company in Nigeria."

OUR CORE VALUES

- Our God, Our People, Our Customers, and Our Investors are Our Strength
- Aggressiveness and Self Confidence
- Integrity and Ethical Business practices
- To "Eat, Breathe and Sleep the world of Solid Minerals"
- Corporate Social Responsibility
- Safety of Employees, Customers and Visitors at our locations



NOTICE OF ANNUAL GENERAL MEETING

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 20th Annual General Meeting of Multiverse Mining and Exploration Plc will hold at the VIRGINROSE RESORTS, Plot 1231A, Bishop Oluwole Street, Victoria Island, Lagos State at 11:00am on Thursday the 11th day of May,2023 to discuss the following business:

ORDINARY BUSINESS:

1. To present and consider the company's Audited Accounts for the financial year ended 31st December,2022, together with the Reports of the Directors, Auditors and Audit Committee thereon.
2. To approve the appointment of the following Directors:
 - (a) Wang Long as Non-Executive Director
 - (b) Mrs. Dolapo Usidame as Non-Executive Director
 - (c) Prof. Abel Idowu Olayinka as independent Non-Executive Director

The profile of the aforementioned Directors are available on the company's website at www.multiverseplc.com

3. To re-elect the following Director who retires by rotation at this meeting
 - (1) Mr. Mamman Bukar Zargana
4. To authorize the Directors to fix the remuneration of the Auditors
5. To disclose the remuneration of the managers of the company in line with the provisions of the Companies & Allied Matters Act (CAMA) 2020.
6. To elect the members of the Audit Committee

SPECIAL BUSINESS

7. To fix the remuneration of Directors

NOTES

PROXY:

Any member of the Company entitled to attend and vote at the general meeting is entitled to appoint a proxy to attend and vote instead of him/her. A proxy form is enclosed herewith. For the appointment to be valid, a completed and duly stamped proxy form must be deposited at the office of the Company's Registrars, Carnation Registrars Ltd, 2A/2C, Gbagada Expressway, Anthony Village, Lagos or via e-mail to info@carnationregistrars.com, not later than 48 hours before the time of the meeting.



(b) CLOSURE OF REGISTER AND TRANSFER BOOKS:

Notice is hereby given that the Register of Members and Transfer Books of the Company will be closed from the commencement of business on the 17th day of April, 2023 to 21st day of April, 2023 both dates inclusive.

(c) NOMINATIONS FOR THE AUDIT COMMITTEE:

In accordance with section 404(6) of the Companies & Allied Matters Act 2020, any member may nominate a shareholder as a member of the Audit Committee by giving notice in writing of such nomination to the Company's secretary at least twenty-one (21) days before the Annual General Meeting. Section 404(5) of CAMA 2020 provides that all the members of the Audit Committee shall be Financially literate and at least one (1) member shall be a member of a professional accounting body in Nigeria established by an Act of the National Assembly. The Code of Corporate Governance issued by the Financial Reporting Council of Nigeria also provides that members of the Audit Committee should be financially literate and able to read and interpret financial statements. Consequently, detailed curriculum vitae containing the nominee's qualification should be submitted with each nomination.

(d) SHAREHOLDERS' RIGHT

In compliance with Rule 19 (12) of the Rulebook of the Nigerian Exchange Limited, shareholders and other holders of the company's securities reserve the rights to ask questions not only at the meeting but also in writing prior to the meeting. Such shareholders or holders of other securities of the company may submit to the office of the Company's Secretary written memoranda of their questions, observations or concerns arising from the Annual Reports and Accounts at least one week before the date of the Annual General Meeting.

(e) ELECTRONIC ANNUAL REPORT:

The soft copy of the 2022 Annual Report can be accessed on our website and will be sent to our shareholders who have provided their email addresses and WhatsApp numbers to the Registrars. Shareholders who are interested in receiving the soft copy of the 2022 Annual Report should request via email to: info@carnationregistrars.com



| AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST DECEMBER,2022 | | |
|---|----------------|----------------|
| | 2022 | 2021 |
| | =N='000 | =N='000 |
| Revenue | 602,325 | 289,239 |
| Profit/(Loss) Before Taxation | 196,537 | (1,840) |
| Taxation | (6,782) | 15,869 |
| Profit/(Loss) After Taxation | 189,755 | 14,028 |
| Total Comprehensive Income for the Year Net of Tax | 189,755 | 14,028 |
| Total Comprehensive Income for the Year Attributable to: | | |
| Owners of the Company | 189,755 | 14,028 |
| Basic and Diluted Earnings per Ordinary Share | 0.45 | 0.03 |

Dated this 3rd day of March,2023

BY ORDER OF THE BOARD
EQUITY UNION LIMITED
(Corporate Secretaries, Nominees)

Alabidun Mahmud Bayo A
FRC/2022/PRO/ICSAN/002/563803
Equity Union Limited
Company Secretaries
Lagos, Nigeria.
08023051311



- **Chairman**
John-Bede Anthonio
- **Managing Director/CEO**
Ayedun Fasina (FCA)
- **Executive Director**
Ayodele Oluwasusi
- **Non Executive Director**
HRH (Dr) Kabiru Musa Ibrahim II
- **Non Executive Director**
Mamman Bukar Zargana
- **Company Secretary**
Equity Union Limited
- **Registered Business Office**
195A Corporation Drive Dolphin Estate Ikoyi-Lagos
- **Independent Auditors**
Olukayode Aina & Co.
(CHARTERED ACCOUNTANTS)
Plot 5 Olusola Harris Way, Lekki Scheme II, Lagos.
- **Bankers**
Nexim Bank
Unity Bank Plc
Union Bank Plc
Access Bank Plc
Keystone Bank Ltd.
- **Registrar**
Carnation Registrars Ltd.
2A/2C, Gbagada Expressway
Anthony Village, Lagos.



BOARD OF DIRECTORS

Mr. John Bede Anthonio

Chairman

Appointed as a Non-Executive Director in June 2008. He is an Architect and an alumnus of the Lagos Business School. He is a former Chief Executive of Lagos State Development and Property Corporation (LSDPC).

Mr. Ayedun Fasina FCA

Managing Director/Chief Executive Officer

Appointed Managing Director/Chief Executive Officer in May 2005. He is a fellow of the Institute of Chartered Accountants of Nigeria and an Alumnus of the Lagos Business School. He has over 18 years of Banking experience majority of which was in Executive position before joining the Company.

Mr. Ayodele Oluwasusi

Executive Director, Business Development

Appointed an Executive Director, Business Development in October 2008. He is an Economist and an Alumnus of the Lagos Business School. Before joining the Company he was the Chief Executive Officer of Treasuremix Ltd.

HRH (Dr) Kabiru Musa Ibrahim II

Non-Executive Director

Appointed as Non-Executive Director in April 2012. He is a Medical Doctor and a First Class Emir in Nasarawa State. He has served in both Public and Private Sector. He also served as Special Adviser to Nasarawa State Government on Health. He is currently Chairman, Azara Traditional Council the home of quality Barite in Nigeria.

Mr Mamman Bukar Zargana

Non-Executive Director

Appointed as Non-Executive, Independent Director of the company in 2018. He is currently the Managing Director/Chief Executive Officer of Mainstreet Capital Limited with over 20 years in depth Corporate and Investment banking practice. He is also an Honourable member (Part Time) of the Investment and Securities Tribunal (IST). He is an Economist, Accountant, Banker and fellows of Chartered Institute of Capital Market Registrars and Institute of Chartered Economist.



CHAIRMAN STATEMENT

On behalf of the Board of Directors, I welcome you all to the 20th Annual General Meeting of our company, Multiverse Mining and Exploration Plc. I would like to express my heartfelt gratitude to our shareholders, clients, business partners, suppliers, government authorities and regulators for your steadfast cooperation and trust in our company over the years.

I wish to lay before our Shareholders and Stakeholders, our Company's Annual Reports and Financial Statements for the year ended 31st December, 2022 but before I do that, permit me to quickly highlight some of the major activities in the global and domestic environment that impacted on the performance of our company during the year under review.

GLOBAL ECONOMIC REVIEW

The global economy in the year 2022 was characterized by high global inflation rate, aggressive monetary tightening, and uncertainties occasioned by the Russia/Ukraine war which impacted on the world economy particularly soaring food and energy prices which eroded disposable incomes, triggering a global cost-of-living crisis, majorly for the most vulnerable groups. The huge capital outflow and rising cost of government borrowing affected negatively the fiscal and balance of payments in many developing countries. However, structural reforms and fiscal/ monetary policies amongst others were introduced to fight inflation, improve productivity and standard of living.

DOMESTIC ECONOMIC PERFORMANCE

The domestic economy in the year under review showed a fluctuation in the growth during the year. The major source of foreign exchange which is crude oil suffered a reduction in the daily production due to the unprecedented theft of the crude production from pipelines and fields. The unstable Fiscal and monetary policies of federal government which failed to address the level of inflation in the country also impacted the operations and performance of industries in the country. Despite all these economic challenges, our company was able to navigate through this murky water with a positive report.

FINANCIAL RESULTS

During the period under review, our company recorded about 108% increase in revenue growth from =N=289.239m in 2021 to =N=602.325m in 2022 while operating profit grew from =N=118.200m in 2021 to =N= 306.210m in 2022. Also, profit before tax improved from a loss



position of =N=1.840m in 2021 to a profit of =N= 196.537m in 2022. The profit after tax grew from =N=14.029m in 2021 to =N=189.755m in 2022.

CORPORATE SOCIAL RESPONSIBILITY

In our tradition to improve the well-being of the host communities and in compliance with the Mining and Mineral Act 2007. We provided both direct and indirect employment opportunities to the indigenes of the host communities. In the year under review, we awarded scholarship to ten students in secondary school, ten University undergraduates and also awarded scholarship to five post graduate students of the host communities. We also sponsored a football competition at Abuni village Nasarawa state to promote sporting activities among the youth. We intend to extend to other sectors such as health and other basic amenities in the future.

APPRECIATION

I sincerely appreciate the support and cooperation of the shareholders without which it would have been difficult to achieve the result recorded. I also thank all my fellow Directors, management and staff of our company for their relentless efforts in making the company great. I want to implore you all to keep the flag flying in the coming years as we hope for a better result.

Thank you and God bless you all.

JOHN BEDE ANTHONIO

Chairman

FRC/2013/NIAECHI/00000004145



OUR PRODUCTS

| Type | Size | Uses |
|-------------------------------|---|--|
| (1) Mining Site LEAD/ZINC | | Industrial Mineral |
| (2) Quarry Site Stone Dust | 0mm – 5mm | Production of Asphalt, Interlocking paving stones and blocks. |
| 3/8inch | 5mm – 10mm | Asphalt Production |
| 1/2 inch 3/4 inch Other | 10mm – 19mm 19mm – 25mm 25mm – 35mm | Concrete works in houses, road, bridges and embankments |
| Stone Base | 0mm – 50mm | Road Constructions |
| Hard Core | | Base works of road, earth Solidification and vibroflotation. |
| Big Lump | | Building barriers. |

**REPORT OF THE DIRECTORS****FOR THE YEAR ENDED 31ST DECEMBER 2022**

The Board of Directors has the pleasure in submitting to members the Annual Reports along with the Financial Statements for the year ended 31st December, 2022 .

1. LEGAL FORM

The Company was incorporated as a Private Limited Liability Company on 20th June, 2002, commenced business on 1st April, 2005 and was converted to Public Limited Liability Company on 18th April, 2008. The company's Shares was listed on the Nigerian Stock Exchange on the 8th October, 2008.

2. PRINCIPAL ACTIVITIES

The company is engaged in the business of exploring, extracting, prospecting, boring, refining and drilling for, producing, and quarry mining of stones, rocks and other extractive solid minerals into different configuration and classification.

3. SUMMARY OF FINANCIALS

The following is a summary of the operating result

| | 31st December 2022 =N='000 | 31st December 2021 =N='000 |
|---------------------------------|---|---|
| Turnover | 602,325 | 289,239 |
| Profit / (Loss) Before Taxation | 196,537 | (1,841) |
| Taxation | (6,782) | 15,869 |
| Profit / (Loss) After Taxation | 189,755 | 14,028 |
| Other Comprehensive income | - | - |
| Total Comprehensive income | 189,755 | 14,028 |
| Ordinary items | - | - |

4. RETIREMENT BY ROTATION

In accordance with the Provisions of SS 259(2) of the Companies and Allied Matters Act 2020. During the year, the following Director, Mr. John Bede Anthonio will retire by rotation and being eligible offer himself for re-election.

5. RESPONSIBILITIES OF DIRECTOR

The Directors are responsible for the preparation of Financial Statements which give a



REPORT OF THE DIRECTORS

true and fair view of the state of affairs of the company at the end of each Financial Year and of the profit and loss for that period, and comply with the provisions of Companies and Allied Matters Act (Cap C20 Laws of the Federation of Nigerian, 2004). In doing so, t h e y ensure that:

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

6. INTEREST OF DIRECTORS

The names of the Directors who served during the year are listed on page 7

The interest of Directors in the paid up share capital of the company as at 31st December, 2022 are as follows:

| | NAME | Ordinary shares of 50k Each 2022 | | Ordinary shares of 50k each 2021 | |
|----|---------------------------|----------------------------------|--|----------------------------------|--|
| | | Direct Interest (N) | | Direct Interest (N) | |
| 1. | MR. AYEDUN FASINA FCA | 706,233, 200 | | 706,233, 200 | |
| 2. | MR. ANTHONIA JOHN-BEDE | 13,650,000 | | 13,650,000 | |
| 3. | HRH (DR.) MUSA IBRAHIM II | 3,000,000 | | 3,000,000 | |
| 4. | MR. AYODELE OLWASUSI | 131,767,434 | | 131,767,434 | |
| 5. | MR. MAMMAN BUKAR ZARGANA | - | | | |

NO DIRECTOR HAS INDIRECT SHARE IN THE COMPANY

7. ACQUISITION OF SHARES

The Company is 100% Nigerian owned.

8. DONATIONS AND CHARITABLE GIFTS

The company did not make any contribution to charitable, political and non-political organisations during the year under review.

9. EMPLOYMENT AND EMPLOYEES

- i) Employment of disabled persons
It is the policy of the company that there should be no discrimination in considering application for employment including those from disabled persons. All employees are given equal opportunities for self-development.



- ii) Health, safety and welfare at work of employees
Health and safety regulations are in force within the Company's premises. The company subsidizes transportation to all categories of employees. There is also an arrangement with hospitals to cater for the medical requirements of staff.

- iii) Employee involvement and training
The Company is committed to keeping employees fully informed as much as possible regarding the company's performance and progress and seeking their views whenever practicable on matters which particularly affect them as employees.

Management's professional and technical expertise is the company's major assets and investment in developing such skills. The company's expanding skill-base has been extended to a range of training provided and has broadened for career development within the organisation.

10. AUDIT COMMITTEE

The Committee comprises five members, three of whom are shareholders representatives, including the Chairman of the Committee. In accordance with section 359(5) of the Companies and Allied Matters Act 2020, the Committee has oversight responsibility for the Company's accounts.

11. AUDITORS

In accordance with section 357(2) of the Companies and Allied Matters Act 2020 Messrs, Olukayode Aina & Co. (Chartered Accountants) have indicated their willingness to continue in office and pursuant to Section 361 (1) (b) of that Act, a resolution will be proposed at the Annual General Meeting to empower the Directors to determine their remuneration.



CORPORATE GOVERNANCE STRUCTURE

CORPORATE GOVERNANCE

We adhere strictly to the Code of Corporate Governance issued by the Securities and Exchange Commission. This ensures highest standards of transparency, accountability and good governance. We have also taken several initiatives to benchmark our governance system with best practice globally.

The Company is governed by a framework that defines the rights, roles and responsibilities of all stakeholders. This will facilitate all necessary checks, balances and incentives a company needs to manage the various stakeholders.

BOARD OF DIRECTORS

The Board of Multiverse Mining and Exploration Plc comprises of five (5) members, which includes the Chairman, Managing Director, one Executive Director and two (2) Non-Executive Directors. The Board is made up of highly qualified professionals with diverse skills and experience in various fields. The Non-Executive Board members have the capacity to make unbiased judgement without influence by management.

THE ROLE OF THE BOARD

The Board is responsible to shareholders for creating and sustaining shareholder value through the management of the business. They are expected to make decisions that are in the best interest of the stakeholders in the long term. The Board is also responsible for ensuring that management maintains a system of internal control which provides assurance of effective operations, internal financial controls and compliance with law and regulation for the Company.

The strategic objectives and the policies of the Company are set by the Board. It ensures that both the long term goal and short term objectives that management pursues are consistent and are in the best interest of all stakeholders. The Board is aware of the importance of adhering to the governance principles, so it ensures the business of the Company are in conformity with governance principles.

The Board has the statutory power to deliberate and approve decisions that are material to the company, including the periodic financial statements, changes in accounting policies and practices, risk management policies, appointment or removal of a Director, mergers and acquisitions.

The responsibility for the day to day management of the company is delegated to the Managing Director/Chief Executive Officer (CEO), supported by the Executive Director, Business Development.



CORPORATE GOVERNANCE STRUCTURE

1. MEETING OF THE BOARD OF DIRECTORS

The Board of Directors meets quarterly. In the last financial year, the Board met on 24th March, 2022, 2nd June, 2022, 12th August, 2022, 16th November, 2022

Details of attendance by the Directors at Board Meetings are as follows:

| Name | Number of Meetings Held | Number of Meetings Attended |
|---------------------------------|-------------------------|-----------------------------|
| Mr. John-Bede Anthonio | 4 | 4 |
| Mr. Ayedun Fasina | 4 | 4 |
| HRH (Dr) Kabiru Musa Ibrahim II | 4 | 2 |
| Mr. Ayo Oluwasusi | 4 | 4 |
| Mr. Mamman Buker Zargena | 4 | 3 |

2. BOARD COMMITTEES

In accordance with statutory and regulatory requirements, members of the Board are divided into different committees to assist the Board in its management and oversight functions. The standing committees of the Board are as follows:

Executive Management Committee:

The Committee met on the Following dates: January 5th 2022, February 2nd 2022, March 2nd 2022, April 4th 2022, May 3rd 2022, June 3rd 2022, July 4th 2022, August 2nd 2022, September 5th 2021, October 3rd 2022, November 2nd 2022

| Name | Number of Meetings Held | Number of Meetings Attended |
|--|-------------------------|-----------------------------|
| Mr. Ayedun Fasina (Managing Director) | 11 | 11 |
| Mr. Ayo Oluwasusi (Executive Director) | 11 | 11 |
| Mr. Solomon Fasinu (Chief Financial Officer) | 11 | 11 |

Board Remuneration Committee: The Committee met on the following dates: March 29th 2022, 22nd June 2022, 3rd November, 2022

| Name | Number of Meetings Held | Number of Meetings Attended |
|----------------------------------|-------------------------|-----------------------------|
| Mr John-Bede Anthonio (Chairman) | 3 | 3 |
| Mr. Ayedun Fasina (Member) | 3 | 3 |
| Mr. Solomon Fasinu (Secretary) | 3 | 3 |



Board Establishment & Disciplinary Committee:

The committee met on the following dates: 24th March, 2022, 7th June 2022, 16th November, 2022

| Name | Number of Meetings Held | Number of Meetings Attended |
|--|-------------------------|-----------------------------|
| HRH (Dr) Kabiru Musa Ibrahim II (Chairman) | 3 | 2 |
| Mr. Ayedun Fasina (Member) | 3 | 3 |
| Mr. Ayo Oluwasusi (Member) | 3 | 3 |

Audit Committee

The internal and external auditors have unrestricted access to the Audit Committee which ensures its independence. The committee held 4 meetings during the financial year and complied with its terms reference particularly on the review of the report of the internal auditor and met with the external auditors to review the financial statements for the year before submission to the Board.

The committee met on the following dates:

30th March, 2022, 26th April, 2022, 19th July, 2022,
1st December, 2022

| Name | Number of Meetings Held | Number of Meetings Attended |
|--------------------------|-------------------------|-----------------------------|
| Mr. John Isesele | 4 | 4 |
| Mr. Peter Eyenuku | 4 | 4 |
| Mr. Ayodele Oluwasusi | 4 | 4 |
| Mr. Mamman Bukar Zagerna | 4 | 4 |
| Mr. Usdame Akhiome | 4 | 3 |

DATED THIS 3RD DAY OF MARCH 2023

ALABIDUN MAHMUD BAYO A
FRC/2022/PRO/ICSAN/002/563803
Equity Union Limited
Company Secretaries Lagos, Nigeria.
08023051311



POLICIES

COMMUNICATION POLICY

As a public company, Multiverse Mining And Exploration Plc. has an obligation to ensure that all communications of material information are, factual, accurate, credible, timely and in compliance with the applicable legal requirements of the various Regulatory Agencies which our Company is subject to including, without limitation, the requirements of the Securities and Exchange Commission (SEC), the Nigeria Stock Exchange (NSE) and other applicable laws and regulations in Nigeria. This policy establishes guidelines for communications by our Company. It covers the release of information about our Company to the general public, media, customers, authorities, investors, financial community and other stakeholders. Compliance with this policy is important both for business reasons and to meet the Company's legal and regulatory obligations.

Complaint Management Policy

Multiverse Mining And Exploration Plc in line with her vision and core values is committed to delivering high standard of service to all stakeholders of the company. Occasionally the company or our engaged service providers may not live up to stakeholders' expectations and promises and without an appropriate feedback mechanism to manage stakeholders complaints and expectations, this commitment could be undermines, resulting in loss of customer, erosion of public confidence and reputational damage to the Company.

The policy is aimed at ensuring prompt and efficient management of complaints brought to the attention of the Company. It is also intended to help improve the services offered by enabling the Company detect its weakness, remedy problematic or unfair situations, and enhance operating methods, while ensuring efficient, fair and prompt treatment of all complaint received.

This policy shall apply to:

- Employees of Multiverse Mining And Exploration Plc;
- All customers/clients both internal and external;
- Third parties working in association, partnership or in contractual arrangement with the Company;
- Third party auditors and services providers;
- External organizations providing customer representation such as advocacy and complaints services; and
- Other stakeholders not listed above.

CONFLICT OF INTEREST POLICY

The Board places great importance on making clear any existing or potential conflicts of



A Board member who believes another Board member has an undeclared conflict of interest should specify in writing the basis of this potential conflict.

Where a Board member has a conflict of interest, as defined by statute, that Board member shall not initiate or take part in any Board discussion on that topic (either in the meeting or with other Board members before or after the Board meetings), unless expressly invited to do so by unanimous agreement by all other members present.

Where a Board member has a conflict of interest, as defined by statute, that Board member shall not vote on that matter.

The Board may supplement the statutory definition of conflict of interest if it so wishes, in which case the same procedures shall apply.

Board members are not barred from engaging in business dealings with the organization, provided that these are negotiated at arm's length without the participation of the Board member concerned.

INTERNAL AUDIT POLICY

The purpose of the Audit Committee is to carry out the oversight responsibility on behalf of the shareholders in relation to the following:

- a) The integrity of the financial statements and financial reporting process;
- b) Independence and activities of the external and internal audit function;
- c) Ensuring compliance with legal and regulatory requirements.

The Committee is authorized to:

- a) Seek any information that it requires from any Director or employee;
- b) Have responsibility for endorsing the selection, evaluation and, where appropriate, replacement of the Head of Internal Audit; and
- c) Have full oversight of the Company's financial reporting, system of internal controls and internal and external audit procedure

The Committee shall have the following responsibilities:

- a) Ascertain that the accounting policies of the Company are in accordance with the Statement of Accounting Standards issued by the Nigerian Accounting Standards Board/Financial Reporting Council of Nigeria (FRCN)
- b) Ensure that all material information are presented within the financial statements and review the clarity and completeness of the disclosures in the financial statements;
- c) Obtain assurance and report annually in the financial report, on the operating effectiveness of the Company's internal control framework;



- e) Oversee management's process for the identification of significant fraud risks across the company and ensure that adequate prevention, detection and reporting mechanisms are in place;
- f) Review the processes for assessing and improving internal controls, accounting and operating procedures and financial reporting etc.

Securities Trading Policy

The Code of Business and Ethical Conduct of Multiverse Mining & Exploration Plc prohibits all Directors, Officers and Associates with knowledge of material non-public information from buying, selling, or otherwise trading in the Company's securities or from conveying material non-public information to other persons who may use it for trading purposes. This Securities Trading Policy Statement is intended to safeguard against such trading, and against the appearance of such trading, by (i) restricting access to and transmission of non-public corporate information, (ii) restricting the trading activities of Directors, Officers and Associates who may know, or be presumed to know, of material non-public information, and (iii) requiring Directors, Officers and Associates to comply with the reporting regulations applicable to certain trading activities.

The policy is also intended to ensure compliance with the amended Listing Rules of the Nigerian Stock Exchange (NSE) and the Consolidated Rules and Regulations of the Securities and Exchange Commission (SEC).

Shareholders who by virtue of having been connected with the Company during the preceding six months in any capacity below and have obtained Material or insider information.

SUCESSION PLANNING POLICY.

Succession Planning is the identification and development of potential successors for key positions in Multiverse Mining and Exploration Plc., through a systematic evaluation process and development. It is used to establish the present and potential talent in the Company in a systematic way with the view of filling future positions effectively and quickly.

It is an organizational priority that requires collaboration across the organization.

- ✍ To ensure high quality replacements for those individuals who currently hold positions that are key to **Multiverse** success.
- ✍ The positions targeted will be mainly at the management level but may also include those at other levels, which are equally key as identified by management.
- ✍ To identify individuals within **Multiverse** who hold the skills and potential to rise within the organization and to nurture their advancement.



- ✍ To provide continuity in leadership and avoid extended and costly vacancies in key positions.
- ✍ The desired results of the succession-planning program are to:
Identify high-potential employees capable of rapid advancement to positions of higher responsibility than those they presently occupy.
- ✍ Ensure the systematic and long-term development of individuals to replace key job incumbents as the need arises due to deaths, disabilities, retirements, and other unexpected losses.
- ✍ Provide a continuous flow of talented people to meet the organization's management needs.

WHISTLE-BLOWING POLICY

This Policy enables Multiverse Mining and Exploration Plc. to obtain early warning signals on what maybe going wrong in the organization, especially incases where it would be difficult to use formal communication channels. This is important where the issues involved are very sensitive and would require the confidentiality of the whistle-blower. In other words whistle blowing is a confidential channel open to all employees and customers of our company to report to Management and the Board of the company any Criminal activity.

The company will do its best to maintain as confidential the identity of the whistle blower. The company shall ensure that the whistle-blower is not victimized in anyway, even if it becomes necessary for him/her to come forward to give evidence.

In addition, the company undertakes to investigate all the whistle-blowing reports that are made and where necessary to provide feedback to the whistle-blower on the outcome of the investigation. The whistle-blower will still enjoy the protection he/she deserves even if the report turns out not to be true after investigation.



**CERTIFICATE PURSUANT TO SECTION 60(2)
OF INVESTMENT AND SECURITIES ACT NO. 29 of 2007**

We the undersigned hereby certify the following with regards to our Audited Financial Report for the year ended 31st December, 2022 that:

- a) We have reviewed the report;
- b) To the best of our knowledge, the report does not contain;
 - i. Any untrue statement of a material fact, or
 - ii. Omit to state a material fact, which would make the statement, misleading in light of the circumstances under which such statement were made;
- c) To the best of our knowledge, the financial statement and other financial information included in the report fairly present in all material respects the financial condition and results of operation of the company as of, and for the periods presented in the report.
- d) We:
 - i. are responsible for establishing and maintaining internal controls
 - ii. have designed such internal controls to ensure that material information relating to the company and its consolidated subsidiary is made known to such officers by others within those entities particularly during the period in which the period reports are being prepared;
 - iii. have evaluated the effectiveness of the company's internal controls based on our evaluation as of that date;
- e) We have disclosed to the auditors of the company and audit committee
 - i. all significant deficiencies in the design or operation of internal controls which would adversely affect the company's ability to record, process, summarize and report financial data and have identified for the company's auditors any material weakness in internal controls, and
 - ii. any fraud whether or not material, that involves management or other employees who have significant roles in the company's internal controls
- f) We have identified in the report whether or not there were significant deficiencies and material weaknesses.

Ayedun Fasina
MANAGING DIRECTOR/CEO
FRC/2013/1 CAN/00000004147

Solomon Fasina
CHIEF FINANCIAL OFFICER
FRC/2013/ICAN/00000004146



REPORT OF THE AUDIT COMMITTEE

REPORT OF THE AUDIT COMMITTEE TO THE MEMBERS OF MULTIVERSE MINING AND EXPLORATION PLC

In accordance with the provisions of Section 359(6) of the Companies and Allied Matter Act 2004, we have:

- a). Reviewed the scope and planning of the audit which were adequate in our opinion
- b). Reviewed the Auditors' Memorandum of Recommendations Accounting Policies and Internal Controls together with Management responses
- c). Ascertained that the accounting and reporting policies of the Company for year ended 31st December, 2022 is in accordance with legal requirements and agreed ethical practices
- d). Received the External Auditors' management letter and reply thereon from the Management is Satisfactory.

In our opinion, the scope and planning of the audit for the year ended 31st December, 2022 was adequate and the Management Responses to the Auditor's findings were satisfactory.

Mr. John Isesele
Chairman, Audit Committee
FRC/2014/ICAN/0000008988

Dated March 3, 2023

Members of the Audit Committee

- 1). Mr. John Isesele
- 2). Mr. Peter Eyanuku
- 3). Mr. Usdame Akhiome
- 4). Mr. Mamman Buka Zargana
- 5). Mr. Ayodele Oluwasusi



STATEMENT OF COMPLIANCE

For the year ended 31 December 2022

In accordance with section 405 of the Companies and Allied Act of Nigeria 2020, the Managing Director/ CEO and the Chief Financial Officer hereby certify that with regards to our Audited Financial Statements for the year ended 31 December 2022, that;

- a). We have reviewed the report;
To the best of our knowledge, the report does not;
- * Contain any untrue statement of a material fact, or
 - * Omit to state a material fact, which would make the statements misleading in the light of circumstances under which such statements were made.
- b). To the best of our knowledge, the financial statement and other financial information included in this report fairly present in all material respects the financial condition and results of operation of the Company as of, and for the periods presented in this report.
- c) We:
- * are responsible for establishing and maintaining internal controls;
 - * have designed such internal controls to ensure that material information relating to the Company is made known to such officers by others within the entity, particularly during the period in which the periodic reports are being prepared.
 - * have evaluated the effectiveness of the Company's internal controls as of date within 90 days prior to the report
 - * have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date

We have disclosed to the Auditor of the Company and Audit Committee:

- * All significant deficiencies in the design or operation of internal controls which would adversely affect the Company's ability to record, process, summarize and report financial data and have identified for the Company's auditors any material weakness in internal controls, and
- * Any fraud, whether or not material, that involves Management or other employees who have significant role " the company's internal controls.

We have identified in the report whether or not there were significant changes in internal controls or other factors That could significantly affect internal controls subsequent to the date of our evaluation, including any corrective -: with regard to significant deficiencies and material weaknesses

Ayedun Fasina
Managing Director/CEO

Solomon Fasina
Chief Financial Officer



STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Companies and Allied Matters Act, (CAP C20), Laws of the Federation of Nigeria 2020, requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the Company at the end of the year and of its profit or loss. The responsibilities include ensuring that the Company:

- (a) Keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company and comply with the requirements of the Companies and Allied Matters Act, (CAP C20), Laws of the Federation of Nigeria, 2020.
- (b) Establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and
- (c) Prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates, and are consistently applied.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in accordance with International Financial Reporting Standards and in the manner required by the Companies and Allied Matters Act, (CAP C20), Laws of the Federation of Nigeria, 2000 and the Financial Reporting Council of Nigeria Act, 2011.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of its profit or loss. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

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

Signed on behalf of the Board of Directors by:

Ayedun Fasina
MANAGING DIRECTOR/CEO
FRC/2013/1 CAN/00000004147

John Bede Anthonio
Director
FRC/2013/ICAN/00000004145



Olukayode Aina & Co.
Chartered Accountants

LAGOS

2, Sophie Kuye Street, Gbagada Phase 1,
P.O. Box 6133 Somolu, Lagos.

☎: +234 7745 173, 792 6945, 0802 306 1414.

IBADAN

Chapel 1, Trans Amusement Park Complex, Bodija,
P. O. Box 21480, U. I. Ibadan.

☎: 08055812928.

E-mail: oaaco@hotmail.com, info@oaaco.org

Website: www.oaaco.org

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF MULTIVERSE MINING AND EXPLORATION PLC

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of MULTIVERSE MINING AND EXPLORATION PLC which comprise statement of financial position as at 31 December 2022, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31 December 2022, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Companies and Allied Matters Act CAP C20 Laws of the Federation of Nigeria 2020, the Financial Reporting Council Act 2011, Investment and Security Act 2007 and Nigerian Exchange Limited Rules and Regulations.

Basis for Opinion

We conducted our audit in accordance with the Nigerian and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the requirements of the Institute of Chartered Accountants of Nigeria Professional Code of Conduct and Guide for Accountants (ICAN CODE) and other independence requirements applicable to performing audits of financial statements in Nigeria. We have fulfilled our other ethical responsibilities in accordance with the ICAN code and in accordance with other ethical requirements applicable to performing audits in Nigeria. The ICAN Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide the basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the financial statements of the current period. We have communicated the key



audit matters to the Audit Committee. The key audit matters do not necessarily reflect all matters discussed. These matters were addressed in the context of our audit of the financial statements and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matter is explained below:

The Company Operations

During the year the company and its technical partners on quarry operations (Unicontinental Engineering) have repositioned the Abeokuta quarry and operations on-going at full capacity. Also at the mine, operation has fully stabilised with continuous under ground mining operations and processing for export on regular basis.

Our Audit Procedures that addressed this Risk

We questioned management's assessment as to whether indicators of impairment exist for specific assets specifically in relation to the quarry in Alaguntan, Ogun State, and Abuni lead-zinc mines operations in Nassarawa State, both in Nigeria. Specific indicators were identified. We obtained and reviewed the valuation models including business plan used to determine the value in use for the mines operations and the fair value less costs of disposal of the relevant assets at the quarry operations.

We also analysed the assumptions made by management in relation to these models, including the discount and foreign exchange rates used, expected production plans, commitment of off-takers for the purchase of the lead-zinc, capital expenditure, and operating costs forecasts, prices of the zinc in the international market by comparison to recent analyst forecast commodity price data, reference to third party documentation where available, review of Ores and Mineral Resources reports, consultation with operational management and consideration of sensitivity analyses.

We concluded that the assumptions had been determined and applied on a consistent basis and in line with accepted market practice and no impairments were required from the work performed.

Other Information

The Directors are responsible for the other information, comprising the Chairman's Statement, Directors' Report, Statement of Directors' Responsibilities, Corporate Governance Report, Report of the Audit Committee, Corporate Profile and Strategy, Financial Highlights, Results at a glance, Board of Directors Pictures, Notice of Annual General Meeting, Corporate Social Responsibility, Report of the Committees of the Board, Share Capital History and other National Disclosures included in the annual report of the Company, which does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover other information, therefore we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements that give a true and fair view in accordance with IFRSs and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or cease operations, has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 financial statements.

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

- (1) identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; to design and perform audit procedures responsive to those risks; and to obtain audit evidence that is sufficient and appropriate to provide a basis for the auditor's 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.
- (2) 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 entity's internal control.
- (3) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- (4) conclude on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause an entity to cease to continue as a going concern.
- (5) evaluate the overall presentation, structure and content of the financial statements, including the disclosures in accordance with the International Financial Reporting Standards, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Furthermore, we communicated to the audit committee regarding, among other matters, our planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control that were identified during our audit.

We informed the audit committee that we complied with relevant ethical requirements regarding independence and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

We describe these matters in our audit report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our audit report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL REQUIREMENTS

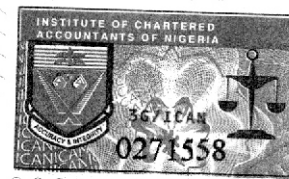
The Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2020 requires that in carrying out our audit we consider and report on the following matters. We confirm that:



- (1) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (2) In our opinion, proper books of account have been kept by the entity so far as appears from our examination of those books; and
- (3) The Statement of Financial Position, Statement of Comprehensive Income agreed with the books of account.

Julius Olukayode Aina
FRC2013/ICAN/00000004390
For: Olukayode Aina & Co
(Chartered Accountants)
Lagos, Nigeria

March 3, 2023





MULTIVERSE MINING & EXPLORATION PLC.

REPORT AT A GLANCE

| | 2022 =N='000 | 2021 =N='000 |
|--|-----------------|-----------------|
| Revenue | 602,325 | 289,239 |
| Profit/(Loss) Before Taxation | 196,537 | (1,840) |
| Taxation | (6,782) | 15,869 |
| Profit/(Loss) After Taxation | 189,755 | 14,029 |
| Total Comprehensive Income for the Year Net of Tax | 189,755 | 14,029 |
| Total Comprehensive Income for the Year Attributable to: | | |
| Owners of the Company | 189,755 | 14,029 |
| Basic and Diluted Earnings per Ordinary Share | 0.45 | 0.03 |

Dated this 10th day of March, 2023

BY ORDER OF THE BOARD

EQUITY UNION LIMITED
(Corporate Secretaries, Nominees)

ALABIDUN MAHMUD BAYO A
FRC/2022/PRO/ICSAN/002/563803
Equity Union Limited
Company Secretaries Lagos, Nigeria.
08023051311

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER, 2022**

| | NOTES | 2022 N'000 | 2021 N'000 |
|---|-------|-----------------------|-------------------------|
| Continuing Operations | | | |
| Revenue | 5 | 602,325 | 289,239 |
| Direct Cost | | <u>(121,728)</u> | <u>(34,944)</u> |
| Gross (Loss)/Profit | | 480,597 | 254,295 |
| Impairment on Exploration & Evaluation Assets | 7 | - | - |
| Other Income | 6 | - | - |
| Administrative & Operating Expenses | 8a | <u>(174,387)</u> | <u>(136,095)</u> |
| Operating Profit/ (Loss) | | 306,210 | 118,200 |
| Finance Cost | 8b | <u>(109,673)</u> | <u>(120,039)</u> |
| Profit/(Loss) Before Income Tax | | 196,537 | (1,840) |
| Taxation | 9.1 | <u>(6,782)</u> | <u>15,869</u> |
| Profit/Loss After Tax for the Year | 10 | 189,755 | 14,029 |
| Other Comprehensive Income | | - | - |
| Total Comprehensive Income for the Year, Net of Tax | | <u>189,755</u> | <u>(197,505)</u> |
| Profit/Loss for the Year Attributable to: | | | |
| Owners of the Company | | <u>189,755</u> | <u>14,029</u> |
| Total Comprehensive Income for the Year Attributable to: | | <u>189,755</u> | <u>14,029</u> |
| Owners of the Company | | <u>189,755</u> | <u>14,029</u> |
| | | <u>189,755</u> | <u>14,029</u> |
| Basic and Dilluted Earnings per Ordinary Share (kobo) | 11.1 | 0.45 | 0.03 |

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



| | NOTE | 2022 N'000 | 2021 N'000 |
|--------------------------------------|------|------------------|------------------|
| ASSETS | | | |
| Non-current Assets | | | |
| Mine Properties | 12 | 1,893,283 | 1,849,096 |
| Property, Plant & Equipment | 13 | 2,339,499 | 2,420,981 |
| Deferred Tax | 9.2 | 21,862 | 18,384 |
| Total Non-current Assets | | 4,254,644 | 4,288,461 |
| Current Assets | | | |
| Inventories | 14 | - | - |
| Trade and Other Receivables | 15 | 11,781 | 15,012 |
| Cash & Cash Equivalents | 16 | 2,113 | 14,756 |
| Total Current Assets | | 13,894 | 29,769 |
| Total Assets | | 4,268,538 | 4,318,230 |
| EQUITY AND LIABILITIES | | | |
| Shareholder's Equity | | | |
| Issued Capital | 17 | 213,097 | 213,097 |
| Share Premium | 18 | 337,806 | 337,806 |
| Retained Profit / (Loss) | 19 | 6,278 | (183,477) |
| Total Shareholders' Equity | | 557,181 | 367,426 |
| Non-current Liabilities | | | |
| Loans | 21 | 1,100,884 | 888,443 |
| Provisions | 22 | 524,485 | 3,919 |
| Deferred Tax | 9.2 | - | - |
| Total Non-current Liabilities | | 1,625,369 | 892,362 |

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



**STATEMENT OF FINANCIAL POSITION (Cont'd) AS
AT 31 DECEMBER, 2021**

| | NOTE | 2022 N'000 | 2021 N'000 |
|---|------|------------------|------------------|
| Current Liabilities | | | |
| Interest-bearing Loans and Borrowings | 21 | 1,372,556 | 2,286,923 |
| Trade Payables and Other Payables | 23 | 695,666 | 750,685 |
| Income Tax Payable | 9.2 | 17,766 | 20,835 |
| Total Current Liabilities | | 2,085,988 | 3,058,443 |
| Total Liabilities | | 3,711,357 | 3,950,805 |
| Total Liabilities and Shareholder's Equity | | 4,268,538 | 4,318,230 |

The financial statements were approved by the Board of Directors on March 3rd, 2023

Signed on its behalf by:

Ayedun Fasina
Managing Director
FRC/2013/ICAN/00000004147

John Bede Anthonio
Chairman
FRC/2013/NIAECHI/00000004145

Solomon Fasinu
Chief Financial Officer
FRC/2013/ICAN/00000004146

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



STATEMENT OF CHANGES IN EQUITY AS AT 31ST DECEMBER, 2021

| | Share Capital | Share Premium | Retained Losses | Total Equity |
|--|----------------|----------------|------------------|----------------|
| | N'000 | N'000 | N'000 | N'000 |
| Opening Balance | 2,130,969 | 1,242,082 | (3,019,654) | 353,397 |
| Share of Capital Reserve from Joint Operations | (1,917,872) | (904,276) | 2,822,148 | - |
| Profit for the Year | - | - | 14,028 | 14,028 |
| Balance at 31 December 2021 | 213,097 | 337,806 | (183,477) | 367,426 |
| | - | - | - | - |
| Balance | 213,097 | 337,806 | (183,477) | 367,426 |
| Share reconstruction | - | - | - | - |
| Profit for the Year | - | - | 189,755 | 189,755 |
| Balance at 31 December 2022 | 213,097 | 337,806 | 6,278 | 557,181 |

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

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2022**

| | NOTES | 2022 N'000 | 2021 N'000 |
|---|-------|------------------|-----------------|
| Cash Receipt from Customers | | 602,325 | 289,239 |
| Cash Movement in Supplier, Employees and Operating Expenses | | 102,165 | (227,528) |
| Net Cash Flows from Operating Activities | 24 | 704,490 | 61,711 |
| Cash Flows from Investing Activities | | | |
| Expenditures on Mine Properties | 12 | (48,260) | (4,073) |
| Expenditures on Property, Plant and Equipment | | (8,606) | (1,404) |
| Proceeds on Disposal of Property, Plant and Equipment | | - | - |
| Proceeds from Quarry Operations | | - | - |
| Net Cash Flows from Investing Activities | | (56,866) | (5,477) |
| Cash Flows from Financing Activities | | | |
| Interest Paid | | - | - |
| Loan restructured effect | | (660,269) | (45,590) |
| Net Cash (used in)/from Financing Activities | | (660,269) | (45,590) |
| Net Cash Flows from Operations | | (12,644) | 10,645 |
| Bank Balance at 1 January | | 14,757 | 4,112 |
| Bank Balance at 31 December | 17 | 2,113 | 14,757 |
| Represented By: | | | |
| Cash and Cash Equivalents | | 2,113 | 14,757 |



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022**

1. REPORTING ENTITY

Multiverse Mining & Exploration Plc was incorporated as a Private Limited Liability Company, on 20th June 2002. It commenced business on 1st April 2005 and was converted to a Public Limited Liability Company on 18th April 2008. The Company's share was listed on the Nigerian Stock Exchange on 8th October, 2008.

The Company is engaged in the business of exploring, extracting, prospecting, boring, refining, drilling for, producing, and quarry mining of stones and other extractive solid minerals (mainly Lead and Zinc) into different configuration and classification.

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB"). The financial statements is also prepared in the manner required by the Company and Allied Matters Act, and Financial Reporting Council of Nigeria Act and Investment and Security Act 2007.

The Company's functional and presentation currency is the Nigerian Naira. Except as indicated, the financial information presented in Naira has been rounded to the nearest thousand.

These financial statements comprise:

- Statement of comprehensive Income
- Statement of financial position
- Statement of changes in equity
- Statement of cash flows
- Notes to the financial statements.

2.1 Use of Estimates and Judgements

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

ANNUAL REPORT & ACCOUNT

In particular, the Company has identified the following areas where significant judgements, estimates and assumptions are required. Changes in these assumptions may materially affect the financial position or financial results reported in future periods. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)

(a) Exploration and Evaluation Expenditure

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgement to determine whether it is likely that future economic benefits are likely, from either future exploitation or sale, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves. The determination of resource is itself an estimation process that involves varying degrees of uncertainty depending on how the resources are classified (i.e., measured, indicated or inferred). The estimates directly impact when the Company defers exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular, whether an economically viable extraction operation can be established. Estimates and assumptions may change if new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalised is written off in profit or loss in the period when the new information becomes available.

(b) Mine Rehabilitation Provision

The Company assesses its mine rehabilitation provision at each reporting date. Significant estimates and assumptions are made in determining the provision for mine rehabilitation as there are numerous factors that will affect the ultimate amount payable.

These factors include estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases as compared to the inflation rates. These uncertainties may result in future actual expenditure differing from the amounts currently provided. The provision at reporting date represents management's best estimate of the present value of the future rehabilitation costs required.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Interests in Joint Operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities of the joint arrangement.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Company incorporates its interest in joint operations as follows:

- i. its assets, including its share of any assets held jointly;
- ii. its liabilities, including its share of any liabilities incurred jointly;
- iii. its revenue from the sale of its share of the output arising from the joint operation;
- iv. its share of the revenue from the sale of the output by the joint operation; and
- v. its expenses, including its share of any expenses incurred jointly.

If there is a change in facts and circumstances upon which the joint arrangement is previously classified, the Company shall reassess whether the type of joint arrangement has changed.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)**

- (b) Mineral Exploration, Evaluation and Development Expenditure
- (i) Pre-licence Costs
Pre-licence Costs Pre-licence costs are expensed in the period in which they are incurred.
- (ii) Exploration and Evaluation Expenditure
Exploration and evaluation activity involves the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource.

Exploration and evaluation activity includes:

- Researching and analysing historical exploration data
- Gathering exploration data through geophysical studies
- Exploratory drilling and sampling
- Determining and examining the volume and grade of the resource
- Surveying transportation and infrastructure requirements
- Conducting market and finance studies

Licence costs paid in connection with a right to explore in an existing exploration area are capitalised and amortised over the term of the permit.

Once the legal right to explore has been acquired, exploration and evaluation expenditure is charged to profit or loss as incurred, unless the directors conclude that a future economic benefit is more likely than not to be realised. These costs include materials and fuel used, surveying costs, drilling costs and payments made to contractors.

In evaluating whether the expenditures meet the criteria to be capitalised, several different sources of information are used. The information that is used to determine the probability of future benefits depends on the extent of exploration and evaluation that has been performed. Costs expensed during this phase are included in "exploration and evaluation expenditure expensed" in profit or loss.

(c) Financial Instruments

(i) Non-derivative Financial Assets

The Company initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)**

The Company has only loans and receivables as the non-derivative financial assets. Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. Loans and receivables comprise trade and other receivables.

Cash and cash equivalents comprise cash balances, call and fixed deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

**(ii) Share Capital
Ordinary Shares**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects

Share Issue Costs

Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

Dividend on Ordinary Shares

Dividends on the Company's ordinary shares are recognised in equity in the period in which they are paid or, if earlier, approved by the Company's shareholders.

(d) Property, Plant and Equipment and Mine Properties

(i) Initial Recognition

Upon completion of the mine construction phase, the assets are transferred into "Property, plant and equipment" or "Mine properties". Items of property, plant and equipment and producing mine are stated at cost, less accumulated depreciation and accumulated impairment losses.

The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, the initial estimate of the rehabilitation obligation, and for qualifying assets (where relevant), borrowing costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. The capitalised value of a finance lease is also included in property, plant and equipment.

Mine properties also consist of the fair value attributable to mineral reserves and the portion of mineral resources considered being probable of economic extraction at the time of an acquisition. When a mine construction project moves into the production phase, the capitalisation of certain mine construction costs ceases and costs are either regarded as part of the cost of inventory or expensed, except for costs which qualify for capitalisation relating to mining asset additions or improvements, underground mine development or mineable reserve development.



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)

(ii) **Depreciation**

Mobile mine equipment, is generally depreciated on a straight-line basis over their estimated useful lives as follows:

| | |
|---------------------------------------|---------------|
| - Site Buildings | 20 years |
| - Plant and Machinery | 5 to 15 years |
| - Site Cost | 20 years |
| - Furniture and Fittings | 5 years |
| - Motor Vehicles | 4 years |
| - Computer & IT Equipment | 5 years |
| - Workshop Tools and Sundry Equipment | 10 years |
| - Electrical Project | 10 years |

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised. The residual values, useful lives and methods of depreciation/amortisation of property, plant and equipment are reviewed at each reporting period, and adjusted prospectively if appropriate.

(iii) **Major Maintenance and Repairs**

Expenditure on major maintenance refits or repairs comprises the cost of replacement assets or parts of assets and overhaul costs. Where an asset or part of an asset that was separately depreciated and is now written off is replaced, and it is probable that future economic benefits associated with the item will flow to the Company through an extended life, the expenditure is capitalised.

Where part of the asset was not separately considered as a component, the replacement value is used to estimate the carrying amount of the replaced asset(s) which is immediately written off. All other day-to-day maintenance and repairs costs are expensed as incurred.

(e) **Impairment**

i. **Financial Assets (Including Receivables)**

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired.

A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)**

The Company considers evidence of impairment for receivables and held-to-maturity investment securities at both a specific asset and collective level. All individually significant receivables and held-to-maturity investment securities are assessed for specific impairment. All individually significant receivables and held-to-maturity investment securities found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables and held-to-maturity investment securities that are not individually significant are collectively assessed for any impairment by accompanying together receivables and held to- maturity investment securities with similar risk characteristics. In assessing collective impairment, the Company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends. An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss. Impairment losses on available-for-sale investment securities are recognised by transferring the cumulative loss that has been recognised in other comprehensive income, and presented in the fair value reserve in equity, to profit or loss. The cumulative loss that is removed from other comprehensive income and recognised in profit or loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss previously recognised in profit or loss. Changes in impairment provisions attributable to time value are reflected as a component of interest income. If in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised in profit or loss, then the impairment loss is reversed, with the amount of the reversal recognised in profit or loss. However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.

ii. Non-financial Assets

The carrying amounts of the Company's non-financial assets, such as property plant and equipment, investment property, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. In addition, capitalized exploration and evaluation costs are assessed for impairment upon demonstrating the technical feasibility and commercial viability of a project.

Impairment is determined for an individual asset unless the asset does not generate cash. In flows that are independent of those generated from other assets or company of assets, in which case, the individual assets are grouped together into CGUs for impairment purposes. Impairment exists when the carrying amount of the asset, or company of assets, exceeds its recoverable amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. The impairment loss is the amount by which the carrying value exceeds the recoverable amount and such loss is recognized in the profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)**

For intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(f) Employee Benefits**i. Defined Contribution Plans**

A Defined Contribution Plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Employees are entitled to join the Scheme on confirmation of employment. Employees and the Company's contributions are 8% and 10% respectively on employee's certain emolument as defined by the Pension Reform Act 2014 as amended.

ii. Short-term Employee Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(g) Provisions

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

(ii) Rehabilitation Provision

The Company records the present value of estimated costs of legal and constructive obligations required to restore mining and other operations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closure of plant and waste sites, and restoration, reclamation and re-vegetation of affected areas.

The obligation generally arises when the asset is installed or the ground/environment is disturbed at the mining operations location. When the liability is initially recognised, the present value of the estimated costs is capitalised by increasing the carrying amount of the related mining assets to the extent that it was incurred as a result of the development/construction of the mine. Any rehabilitation obligations that arise through the production of inventory are expensed when the inventory item is recognised in cost of goods sold. Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)**

The periodic unwinding of the discount is recognised in profit or loss as part of finance costs. Additional disturbances or changes in rehabilitation costs are recognised as additions or charges to the corresponding assets and rehabilitation liability when they occur. Costs related to restoration of site damage (subsequent to start of commercial production) that is created on an ongoing basis during production are provided for at their net present values and recognised in profit or loss as extraction progresses.

Changes to estimated future costs are recognised in the statement of financial position by either increasing or decreasing the rehabilitation liability and asset to which it relates if the initial estimate was originally recognised as part of an asset measured in accordance with IAS 16 Property, Plant and Equipment. Any reduction in the rehabilitation liability and, therefore, any deduction from the asset to which it relates, may not exceed the carrying amount of that asset. If it does, any excess over the carrying value is taken immediately to profit or loss.

If, the change in estimate results in an increase in the rehabilitation liability and, therefore, an addition to the carrying value of the asset, the Company considers whether this is an indication of impairment of the asset as a whole, and if so, tests for impairment in accordance with IAS 36.

If, for mature mines, the estimate for the revised mine assets net of rehabilitation provisions exceeds the recoverable value that portion of the increase is charged directly to expense. For closed sites, changes to estimated costs are recognised immediately in profit or loss.

(h) Revenue

Revenue represents fair value of amounts received or receivable by the entity for the sales of goods and provision of services in the ordinary course of the entity's activities during the period and is stated net of value-added tax (VAT), returns, rebates and discounts.

(i) Sale of Goods

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognised when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised. The timing of the transfers of risks and rewards varies depending on the individual terms of the contract of sale.

When two or more revenue generating activities or deliverables are sold under a single arrangement, each deliverable that is considered to be a separate unit of account is accounted for separately. The allocation of consideration from a revenue arrangement to its separate units of account is based on the relative fair values of each unit. If the fair value of the delivered item is not reliably measurable, then revenue is allocated based on the difference between the total arrangement consideration and the fair value of the undelivered item.

(i) Services

Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)**

(j) Finance Costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss, and impairment losses recognised on financial assets. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

(k) Income Tax

(i) Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations where applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Where carrying amounts of assets carried at fair value are adjusted up or down for financial reporting purposes, tax base is not affected. Thus, revaluation or fair value will lead to temporary differences on these assets which will affect deferred tax. In Nigeria, however, fair valuation of equity instruments and certain debt instruments will not give rise to deferred tax.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)**

Deferred tax is charged or credited to profit or loss for the period, except to the extent that the tax arises from (1) a transaction or event which is recognised, in the same or a different period, outside profit or loss, either in other comprehensive income or directly in equity or (2) a business combination. Deferred tax is charged or credited outside profit or loss if the tax relates to items that are recognised, in the same or a different period, outside profit or loss.

(l) Earnings Per Share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(m) Borrowing Costs

Borrowing costs are interest and other costs incurred by an entity in connection with the borrowing of funds. Borrowing costs are recognised as an expense in the period in which they are incurred, except to those that are directly attributable to the acquisition, construction or production of a qualifying asset which are capitalised as part of the cost of that asset. Qualifying assets include the cost of developing mining properties and constructing new facilities. Borrowing costs related to qualifying assets are capitalized up to the date when the asset is ready for its intended use.

The amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. Where funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing costs incurred net of any investment income earned on the investment of those borrowings. Where the funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the period. The amount of borrowing costs capitalised during a period shall not exceed the amount of borrowing costs incurred during that period.

4 ADOPTION OF NEW AND REVISED IFRS STANDARDS

The following revisions to accounting standards and pronouncements that are applicable to the company were issued but are not yet effective. The company has elected that the Standards are not yet applicable to it.

Commentaries on these new standards/amendments are provided below:

IFRS 9 - Financial Instruments

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)**

As a result of the adoption of IFRS 9, the Company has adopted consequential amendments to IAS 1 Presentation of Financial Statements, which require impairment of financial assets to be presented in a separate line item in the statement of profit or loss and OCI. This is how the company currently presents impairment losses in its statement of profit or loss and other comprehensive income.

Impairment losses on other financial assets are presented together with the impairment on trade receivables.

The standard also provides requirements for hedging accounting that aligns the accounting treatment with the risk management activities of an entity, in addition to enhanced disclosures which will provide better information about risk management and the effect if hedging accounting on the financial statement.

IFRS 9 carries forward the de-recognition requirements of financial assets and liabilities from IAS 39.

2. IFRS 9 Financial Instruments (amendments) (IFRS 9)

The amendment allows financial assets with prepayment features that permit or requires a party to a contract either to pay or receive reasonable compensation for the early termination of the contract (so that from the perspective of the holder of the asset there may be 'negative compensation'), to measure at amortised cost or at fair value through other comprehensive income.

(i) Impairment of Financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognised earlier than under IAS 39.

For assets in the scope of the IFRS 9 impairment model, impairment losses are generally expected to increase and become more volatile.

IFRS 15- Revenue from Contracts with Customers

This standard provides comprehensive model for all entities in accounting for revenue arising from contracts with customers. It replaced the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related interpretations.

The core principle of the standard is that an entity should recognise revenue to show the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition which are as follows:

- * Identification of the contract with a customer;
- * Identification of the performance obligations in the contract;
- * Determination of the transaction price;
- * Allocation of the transaction price to the performance obligations in the contracts; and
- * Recognition of revenue when (or as) the entity satisfies a performance obligation.

An entity recognizes revenue when (or as) a performance obligation is satisfied i.e. when "control" of the goods or services underlying the performance obligation is transferred to the customer. Far more prescriptive guidance is now added to deal with specific scenarios. Furthermore, the standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively and improved guidance for multiple-element arrangements.

IFRS 17- Leases

This is a new standard which sets out the principles for the recognition, measurement, presentation and disclosures of leases for both parties to a contract i.e. the customer (lessee) and the supplier (Lessor).

It replaces the previous leases standard, IAS 17 Leases, and related interpretations. Some of the highlights are as follows:

- * Carry forward of the lessor accounting requirements in IAS 17. Lessor continues to classify its leases as operating leases or finance leases, and account for those two types of leases differently.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)**

- 2) Lessee will now recognize assets and liabilities for all leases i.e. no more operating leases, with a term of more than 12 months, unless the underlying asset is of low value e.g. lease of a personal computer; and depreciate the lease assets. Interest is calculated on all lease liabilities and recognized in the income statement.
- 3) Separation of lease components from service components of the contract and applies lease accounting to only for lease components. But also, include an option for lessee to account for both components as a single lease, instead of separating those components.

Early application is permitted if IFRS 15 Revenue from Contracts with Customers is applied. Management is yet to assess the impact on this standard and does not intend to adopt same earlier than the effective date.

IAS 7 Disclosure Initiative (Statement of Cash Flows)

This require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

The amendments are intended to provide information to help investors better understand changes in a company's debt.



MULTIVERSE MINING & EXPLORATION PLC.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)**

| | 2022 | 2021 |
|---|----------------|----------------|
| | N'000 | N'000 |
| 5 REVENUE | | |
| Mining Operations | 485,404 | 265,767 |
| Quarrying Operations (Share of Sales) | 116,921 | 23,472 |
| | <u>602,325</u> | <u>289,239</u> |
| <p>Revenue from granites relate to the Company's share of the joint operation's sales of granites.</p> <p>Meanwhile, revenue from mine operations of the Company relates to the Company's share of productions from its Joint vehicle operations with Synee Alumony Mining Ltd.</p> | | |
| 6 OTHER INCOME | | |
| Profit on Sales of Property, Plant and Equipment | - | - |
| Income from Other Operations | - | - |
| | <u>-</u> | <u>-</u> |
| 7 IMPAIRMENTS | | |
| Exploration & Evaluation Assets | - | - |

**MULTIVERSE MINING & EXPLORATION PLC.
DETAILED ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED 31
DECEMBER, 2022
FOR MANAGEMENT USE ONLY**

| | 2022 | 2021 |
|------------------------------------|-----------------------|-----------------------|
| | N'000 | N'000 |
| 8a ADMINISTRATIVE EXPENSES | | |
| Directors' Emoluments | 21,600 | 23,960 |
| Depreciation | 52,504 | 50,920 |
| Salaries | 15,301 | 9,834 |
| Directors Fees & Sitting Allowance | 1,540 | 1,540 |
| Medical Expenses | 1,582 | 2,632 |
| Board Expenses | 550 | 440 |
| Employer's Pension Contribution | 753 | 242 |
| Local Travelling | 8,719 | 3,746 |
| Printing & Stationery | 831 | 964 |
| Newspapers & Journals | 119 | 68 |
| Entertainment | - | 103 |
| Communications | 1,477 | 376 |
| Security Expenses | 10,510 | 2,820 |
| AGM Expenses | 2,676 | 772 |
| Business Development | 8,789 | 3,569 |
| Legal Expenses | 1,166 | 616 |
| Consultancy fee | 2,363 | 6,000 |
| Audit fee | 4,500 | 3,000 |
| Accountancy | - | 2,650 |
| Rent & Rates | 4,800 | 2,600 |
| Office Expenses | 5,496 | 4,522 |
| Motor Vehicle Expenses | 212 | 273 |
| Repairs & Maintenance | 7,153 | 3,483 |
| Generator Expenses | 860 | 498 |
| Subscription | 256 | 1,070 |
| Regulatory fee | 14,083 | 6,985 |
| Bank Charges | 1,196 | 361 |
| Impairment on Trade receivables | - | 2,051 |
| Staff Training | 200 | - |
| Insurance | 1,850 | - |
| Share reconstruction expenses | 3,300 | - |
| | <u>174,387</u> | <u>136,095</u> |



| | | | |
|-----|---|----------------------|---------------------|
| 8b | FINANCE COSTS | | |
| | Interest on Bank Loans and Overdrafts | 109,673 | 120,039 |
| | Other Interest Expenses | - | - |
| | Total Interest Expense | <u>109,673</u> | <u>120,039</u> |
| 9 | TAXATION | | |
| 9.1 | As per Profit or Loss: | | |
| | Current Tax | | |
| | Additional Assessment during the year | - | - |
| | Income Tax Based on Minimum Tax | 3,012 | 723 |
| | Tertiary Education Tax | <u>7,248</u> | <u>2,218</u> |
| | Total Tax | <u>10,260</u> | <u>2,941</u> |
| | Deferred Tax: | | |
| | Deferred Tax | <u>(3,478)</u> | <u>(18,810)</u> |
| | Total Income Tax Expense Recognised in the Current Year | <u>6,782</u> | <u>(15,869)</u> |

**MULTIVERSE MINING & EXPLORATION PLC.****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)**

| | 2022 | 2021 | |
|--|------------------------|-------------------------------------|------------------------|
| | N'000 | N'000 | |
| 9.2 As Per Statement of Financial Position | | | |
| Current Income Tax | | | |
| At 1 January | 20,835 | 26,982 | |
| Provision During the Year | 10,260 | 2,941 | |
| Paid During the Year | (13,329) | (9,088) | |
| At 31 December | <u>17,766</u> | <u>20,835</u> | |
| Deferred Tax | | | |
| The following are the major deferred tax assets/liabilities recognised by the company and movements thereon during the current and prior reporting period. | | | |
| At 1 January | (18,384) | 426 | |
| Provision for the year | (3,478) | (18,810) | |
| At December 31 | <u>(21,862)</u> | <u>(18,384)</u> | |
| The following is the analysis of the deferred tax assets/liabilities as presented in the Statement of Financial Position: | | | |
| | Opening Balance | Recognised in Profit or Loss | Closing Balance |
| 2022 | | | |
| Property, Plant and Equipment | 2,339,499 | - | (21,862) |
| | <u>2,339,499</u> | - | <u>(21,862)</u> |
| 2021 | <u>2,420,981</u> | | <u>(37,194)</u> |
| Property, Plant and Equipment | 2,420,981 | | (37,194) |

**MULTIVERSE MINING & EXPLORATION PLC.****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)**

| | 2022 | 2021 |
|--|----------------|---------------|
| 10 PROFIT/(LOSS) FOR THE YEAR | 189,755 | 14,029 |
| Profit/(Loss) for the Year is arrived at after Charging/(Crediting): | N'000 | N'000 |
| Depreciation | 90,087 | 88,506 |
| Auditors' Fee | 4,500 | 3,000 |
| Directors' Remuneration | 21,600 | 23,960 |
| Directors' Fees | 1,540 | 1,540 |

11 EARNINGS PER SHARE

Earnings per share are calculated on the basis of profit after taxation and the number of issued and fully paid ordinary shares of each financial year.

11.1 Basic/Diluted Earnings Per Share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share

| Earnings from Continuing Operations | N'000 | N'000 |
|--|----------------|----------------|
| Profit/(Loss) for the Year Attributable to Owners of the Company | 189,755 | 14,028 |
| Number of Shares | | |
| Number of Ordinary Shares for the Earnings per Share (in units) | 426,194 | 426,194 |
| Earnings Per Share (Kobo) - Basic | 0.45 | 0.03 |

The denominator for the purpose of calculating basic earnings per share is based on issued and paid ordinary shares of 50 kobo each. It is noteworthy that, the issued shares of the company were reconstructed from 4,261,939 units to 426,194 units during the year.

**MULTIVERSE MINING & EXPLORATION PLC.****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)**

| 12 | MINE PROPERTIES | 2022 | 2021 | Total |
|----|---------------------|------------------------------------|--------------|--------------|
| | | N'000 | N'000 | |
| | | Mine Site Under Construction | Quarry Site | |
| | COST | N'000 | N'000 | N'000 |
| | At 1 January 2021 | 1,759,886 | - | 1,759,886 |
| | Additions | 47,551 | - | 47,551 |
| | At 31 December 2021 | 1,807,437 | - | 1,807,437 |
| | Additions | 85,846 | - | 85,846 |
| | At 31 December 2022 | 1,893,283 | - | 1,893,283 |

12.1 Impairment Testing of Mine Properties

An impairment test was not performed during the year under review.

| 12.3 | Additions to Mine Site under Construction | 2022 | 2021 |
|------|---|---------------|---------------|
| | | N'000 | N'000 |
| | Non Cash Element | 37,586 | 37,586 |
| | Cash Element | 48,260 | 10,065 |
| | | <u>85,846</u> | <u>47,551</u> |



MULTIVERSE MINING & EXPLORATION PLC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)

13 PROPERTY, PLANT & EQUIPMENT

| | Plant & Machinery | Site Cost | Site Building | Office Equipment | Motor Vehicle | Computer & IT Equipment | Furniture & Fittings | Total |
|----------------------------|----------------------|----------------|------------------|---------------------|------------------|-------------------------------|----------------------------|------------------|
| COST | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 | N'000 |
| At 1 January 2021 | 3,006,893 | 251,042 | 7,132 | - | 83,169 | 12,824 | - | 3,361,060 |
| Additions | - | - | - | 383 | - | 100 | 921 | 1,404 |
| Disposal | - | - | - | - | - | - | - | - |
| At 31 December 2021 | 3,006,893 | 251,042 | 7,132 | 383 | 83,169 | 12,924 | 921 | 3,362,464 |
| Additions | - | - | - | 980 | 6,056 | 1,570 | - | 8,606 |
| Disposal | - | - | - | - | - | - | - | - |
| At 31 December 2022 | 3,006,893 | 251,042 | 7,132 | 1,363 | 89,225 | 14,494 | 921 | 3,371,070 |
| DEPRECIATION | | | | | | | | |
| At 1 January 2021 | 635,054 | 118,427 | 4,317 | - | 83,160 | 12,020 | - | 852,978 |
| Charge for the Year | 75,172 | 12,552 | 357 | 28 | - | 290 | 107 | 88,506 |
| Disposal | - | - | - | - | - | - | - | - |
| At 31 December 2021 | 710,226 | 130,979 | 4,674 | 28 | 83,160 | 12,310 | 107 | 941,484 |
| Charge for the Year | 75,160 | 12,553 | 356 | 143 | 1,523 | 169 | 184 | 90,087 |
| Disposal | - | - | - | - | - | - | - | - |
| At 31 December 2022 | 785,386 | 143,532 | 5,029 | 171 | 84,683 | 12,479 | 291 | 1,031,571 |
| CARRYING AMOUNTS | | | | | | | | |
| At 31 December 2022 | 2,221,507 | 107,510 | 2,103 | 1,192 | 4,542 | 2,016 | 630 | 2,339,499 |
| At 31 December 2021 | 2,296,667 | 120,063 | 2,458 | 355 | 9 | 614 | 814 | 2,420,167 |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)**

| | 2022 | 2021 |
|---|------------------|------------------|
| | N'000 | N'000 |
| 14 INVENTORIES | | |
| At 1 January | - | - |
| Inventories expensed: | | |
| Written off during the Year | - | - |
| Addition in the Year | - | - |
| At 31 December | <u>-</u> | <u>-</u> |
| 15 TRADE AND OTHER RECEIVABLES | | |
| Trade Receivables | - | 2,051 |
| Less: Provision for Impairment of Trade & Other Receivables | <u>-</u> | <u>(2,051)</u> |
| | - | - |
| Other Receivables | - | 6,987 |
| Staff Loan | 70 | 25 |
| Prepayments-Rent | 3,200 | 8,000 |
| | <u>8,511</u> | <u>-</u> |
| | <u>11,781</u> | <u>15,012</u> |
| Less than 30 days | - | - |
| 30 to 60 days | - | - |
| 61-90 days | - | - |
| 91 to 120 days | - | - |
| Above 120 days | - | - |
| | <u>-</u> | <u>-</u> |
| Impairment allowance on Trade Receivables | | |
| Balance as at Jan 1 | - | - |
| Charge for the year | - | 2,051 |
| Balance as at 31 Dec | <u>-</u> | <u>2,051</u> |
| | - | 2,051 |
| 16 BANK | | |
| Cash at Bank | <u>2,113</u> | <u>14,756</u> |
| | <u>2,113</u> | <u>14,756</u> |
| 17 SHARE CAPITAL | | |
| Authorised: | | |
| 4,500,000,000 Ordinary Shares of 50k each | <u>2,250,000</u> | <u>2,250,000</u> |
| Issued and Fully Paid: | | |
| 426,193,800 Ordinary Shares of 50k each | | |
| At 1st January | 213,097 | 2,130,969 |
| Share Reconstruction | - | (2,130,969) |
| Reconstruction scheme 10 for 1 | - | 213,097 |
| At 31 December | <u>213,097</u> | <u>213,097</u> |
| 18 SHARE PREMIUM | | |
| At 1 January | 337,806 | 1,242,082 |
| Share Reconstruction | - | (1,242,082) |
| Reconstruction scheme 10 for 1 | - | 337,806 |
| At 31 December | <u>337,806</u> | <u>337,806</u> |

Securities and Exchange Commission approved the Share company
4,261,938,685 to 426,193,868 ordinary shares of 50 kobo each on December 23, 2021. This is
subsequent to the approval of the scheme by the Shareholders at the 16th AGM in the year 2019.

**MULTIVERSE MINING & EXPLORATION PLC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)**

| | 2022 | 2021 |
|--|-------------------------|-------------------------|
| | N'000 | N'000 |
| 19 RETAINED PROFIT/LOSS | | |
| At 1 January | (183,477) | (3,019,654) |
| Correction of Prior Period Error (Note 20.1) | - | - |
| Restated Balance | (183,477) | (3,019,654) |
| Shares Reconstruction | - | 2,822,148 |
| Profit/(Loss) for the Year | 189,755 | 14,028 |
| At 31 December | <u>6,278</u> | <u>(183,477)</u> |
| 19(ii) APPLICATION OF SHARE CAPITAL RESTRUCTURING | | |
| Issued Share Capital | 213,097 | 2,130,969 |
| Share Premium | 337,806 | 1,242,082 |
| Cumulative Retained Loss 2019 | - | (2,822,149) |
| | <u>550,903</u> | <u>550,902</u> |
| Add: Retained Loss | - | (183,477) |
| Total Shareholders' Equity | <u>550,903</u> | <u>367,425</u> |
| 20 LOANS | | |
| The borrowings are made up as follows: | | |
| Non - current | | |
| Term Loans | <u>779,460</u> | <u>888,443</u> |
| Current | | |
| Term Loan | - | - |
| Bank Overdraft | <u>1,372,556</u> | <u>2,286,923</u> |
| | <u>1,372,556</u> | <u>2,286,923</u> |
| 21 Total Borrowings | <u>2,152,015</u> | <u>3,175,366</u> |
| Non Current Term Loan is analysed as follows: At 1 January | 888,443 | 620,986 |
| Accumulated Interest capitalized | (108,983) | (102,424) |
| Loan Restructured | - | 369,881 |
| At 31 December | <u>779,460</u> | <u>888,443</u> |
| Current Term Loan is analysed as follows: | | |
| At 1 January | 2,286,923 | 2,534,716 |
| Reclassified Interest b/f | - | 65,255 |
| Restructuring/Accumulated Interest due Transferred to Bank Overdraft | (914,368) | (313,048) |
| At 31 December | <u>1,372,556</u> | <u>2,286,923</u> |



MULTIVERSE MINING & EXPLORATION PLC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)

• **Components of Current Portion of Non- current Borrowing**

| Non-current | NEXIM Bank (1) | NEXIM Bank (2) | Access Bank | Unity/BOI | Unity Term Loan/BOI | UBN-Term Loan | Total |
|-------------------------------------|-------------------|-------------------|----------------|-----------|------------------------|------------------|-------|
| Figures in thousand ('000) of Naira | N | N | N | N | N | N | N |

Non-current term loan is analysed as follows:

| | | | | | | | |
|------------------------|----------|----------|---|----------|---|-----------|-----------|
| At 1 January | 855,519 | 13,925 | - | 18,999 | - | - | 888,443 |
| Restructured | | | | | - | 840,301 | 840,301 |
| Mature Principal | (95,058) | (13,925) | | | - | - | (108,983) |
| Restructure Adjustment | | | | (18,999) | | (390,301) | (409,300) |
| Loan Repayment | | | | | | (109,575) | (109,575) |
| At 31 December | 760,461 | - | - | - | - | 340,425 | 1,100,884 |

Current:

| Facility Type/Purpose | | | | | | | |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|
| Opening Balance | 43,609 | 221,382 | 239,654 | 746,535 | 195,441 | 840,301 | 2,286,923 |
| Interest Capitalised during the Year | 106,570 | 1,366 | | | | | 107,936 |
| Payments | (169,200) | (5,000) | | | | | (174,200) |
| Restructured Adjustment | | (130,000) | | | | (840,301) | (970,301) |
| Mature Principal | 95,058 | 12,559 | | 14,580 | | | 122,197 |
| | 76,037 | 100,307 | 239,654 | 761,115 | 195,441 | 0 | 1,372,556 |
| | 836,498 | 100,307 | 239,654 | 761,115 | 195,441 | 340,425 | 2,473,439 |

Current obligation includes obligations which are due within 12 months after the reporting year end.

The Negria Export-Import Bank Loan of N400m for 5years tenor has been restructured to N879.283m for 10years tenor.

The UBN Term Loan of N831m has been restructured to N450m of 47months tenor.

**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)****21.2 Bank Loans is Further Analysed Below:**

| Facility Type/Purpose | Tenure | Interest Rate | Security | Facility Amount | Draw Down/Balance December 2022 | Draw Down/Balance December 2021 |
|----------------------------------|---------------|--------------------------|--------------------------------|----------------------------|--|--|
| | | | | N | N | N |
| Nexim 1 | 10 Years | 13% | Legal Mortgage Over Assets | 400,000 | 760,461 | 855,519 |
| Nexim 2 | 3 Years | 12% | Legal Mortgage | 100,000 | - | 13,925 |
| Loan: Unity | | | over quarry site | | - | - |
| Bank /Boi | | 5% | and personal | 100,000 | - | 18,999 |
| Refinancing Facility | | | guarantees of all Directors | | | |
| Access Bank Plc | 10 years | 7% | - | 242,417 | - | - |
| Term Loan- BOI | 9yrs, 6 mths | 5% | Legal Mortgage | 270,000 | - | - |
| Total Term Loan | | | over Assets | | <u>760,481</u> | <u>888,443</u> |
| Less: Non- Current Portion | | | | | - | - |
| Current Portion | | | | | <u>760,481</u> | <u>888,443</u> |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)**

| | 2022 | 2021 |
|-----------------------|--------------|--------------|
| | N'000 | N'000 |
| 22 PROVISIONS | | |
| 22(i) Rehabilitation | | |
| At1 January | 3,919 | 3,642 |
| Unwinding of Discount | 265 | 277 |
| At 31 December | <u>4,184</u> | <u>3,919</u> |

The company makes full provision for the cost of rehabilitating mining sites and related production facilities on a discounted basis at the time of developing the mines and installing and using those facilities. The rehabilitation provision represents the present value of rehabilitation cost relating to mine sites, which are expected to be incurred up to 2042. These provisions have been created based on the company's internal estimates. Assumptions based on current economic environment have been made, which management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to take into account any material changes to the assumptions. However, actual rehabilitation costs will ultimately depend upon future market prices for the necessary rehabilitation works required that will reflect market conditions at the relevant time. Furthermore, the timing of rehabilitation is likely to depend on when the mine ceases to produce at economically viable rates. This, in turn, will depend upon future zinc and barite prices, which are inherently uncertain.

| | | |
|--------------------------|----------------|----------|
| 22(ii) Mines development | <u>520,301</u> | <u>-</u> |
| | <u>520,301</u> | <u>-</u> |

The company is making plan to develop other mineral mine properties such as coal, lithium and quartz. There is need to make adequate provisions for explorations and technical studies to take the properties to commercial viability.

| | | |
|-------------|----------------|--------------|
| Comprising: | <u>524,485</u> | <u>3,919</u> |
| Current | - | - |
| Non-current | <u>524,485</u> | <u>3,919</u> |
| | <u>524,485</u> | <u>3,919</u> |

| | | |
|------------------------------------|----------------|----------------|
| 23 TRADE AND OTHER PAYABLES | 2022 | 2021 |
| | N'000 | N'000 |
| Trade Payables | 478,876 | 540,181 |
| Other Payables (Note 23.1) | 216,790 | 210,504 |
| | <u>695,666</u> | <u>750,685</u> |
| 23.1 Other Payables | | |
| PAYE Payable | 8,521 | 7,610 |
| Customers deposits | - | 2,104 |
| WHT Payable | 2,592 | 1,881 |
| VAT Payable | 16 | 16 |
| Pension Payable | 6,910 | 8,619 |
| Salary Payable | 186,012 | 186,835 |
| Unpaid Dividend (Note 23.2) | 3,439 | 3,439 |
| Accrued expenses | 9,300 | - |
| | <u>216,790</u> | <u>210,504</u> |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)**

23.2 The company received unclaimed dividend from its Registrar, Mainstreet Bank Registrars Limited, a mainstreet bank cheque for the dividend that were uncollected for 15 months and above.

Trade and other payables are non-interest bearing and are normally settled on 15 to 45 days term.

| 24 | CASH GENERATED FROM OPERATIONS | 2022 | 2021 |
|----|---|----------------|---------------|
| | Reconciliation of profit after tax to net cash generated by operating activities: | N'000 | N'000 |
| | Operating Profit/Loss for the Year | 196,537 | (1,841) |
| | Adjustments for Non Cash Flow Items: | | |
| | Depreciation | 52,504 | 50,920 |
| | Profit/Loss on Disposal of Property, Plant and Equipment | - | - |
| | Inventory Consumed by Joint Operation | - | - |
| | Impairment on Exploration & Evaluation | - | - |
| | Changes in Rehabilitation Provision | 520,566 | 277 |
| | Tax Paid | (13,329) | (9,088) |
| | Operating Cash Flows Before Movements in Working Capital | 756,277 | 40,268 |
| | Decrease/(Increase) in Inventories | - | - |
| | increase in Trade and Other Receivables | 3,232 | (10,003) |
| | Increase in Trade and Other Payables | (55,019) | 31,446 |
| | Net Cash Generated from Operations | 704,490 | 61,711 |

25 **RELATED PARTY TRANSACTIONS**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. The company did not conduct any transactions with the related parties during the period under review.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)****25.2 Remuneration of Key Management Personnel**

The remuneration of the directors, who are the key management personnel of the company, is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures.

| | 2022 | 2021 |
|------------------------------|---------------|---------------|
| | N'000 | N'000 |
| Short-term Employee Benefits | 21,600 | 23,960 |
| | <u>21,600</u> | <u>23,960</u> |

No dividend was paid or proposed to be paid in the year in respect of ordinary shares held by the Company's Directors.

26 DIRECTORS AND EMPLOYEES**26.1 Directors****Emoluments:**

| | | |
|-----------------------------------|--------------|--------------|
| Fees | 1,040 | 1,040 |
| Other Remuneration and Allowances | 500 | 500 |
| | <u>1,540</u> | <u>1,540</u> |

26.2 Employees

The average number of employees employed during the year:

| | 2022 | 2021 |
|--|---------------|---------------|
| | Number | Number |
| | 7 | 7 |
| | <u>7</u> | <u>7</u> |

The aggregate payroll costs:

| | N'000 | N'000 |
|--------------------------|---------------|---------------|
| Salaries and Allowances: | | - |
| Administrative Expense | 15,301 | 9,834 |
| Pension Cost | 753 | 242 |
| | <u>16,054</u> | <u>10,076</u> |

The number of higher paid employees with gross emoluments within the ranges below were:

| Range (N) | Number | Number |
|-----------------------|---------------|---------------|
| 100,000 - 200,000 | - | - |
| 200,001 - 300,000 | - | - |
| 300,001 - 400,000 | - | - |
| 400,001 - 500,000 | 2 | 2 |
| 500,001 - 1,000,000 | - | - |
| 1,000,000 - 2,000,000 | 3 | 3 |
| Above 2,000,000 | 2 | 2 |
| | <u>7</u> | <u>7</u> |



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)

27 FINANCIAL INSTRUMENTS

27.1 Capital Risk Management

The Company manages its capital to ensure that the company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation equity. The Company's overall strategy remains unchanged. The capital structure of the company consists of equity attributable to equity holders of the Company, comprising issued capital, reserves and retained earnings. The Company is not subject to any externally imposed capital requirements. Equity includes all capital and reserves of the Company that are managed as capital.

27.2 Significant Accounting Policies

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

27.3 Categories of Financial Instruments

| | 2022 | 2021 |
|---|------------------|------------------|
| | N'000 | N'000 |
| Financial Assets | | |
| Cash and Bank Balances | 2,113 | 14,756 |
| Trade and Other Receivables | - | - |
| | <u>2,113</u> | <u>14,756</u> |
| Financial Liabilities | | |
| Financial Liabilities at Amortized Cost | 1,372,556 | 2,286,923 |
| Trade and Other Payables | 1,100,884 | 888,443 |
| | <u>2,473,439</u> | <u>3,175,366</u> |

27.4 Financial Risk Management Objectives and Policies

The Company's principal financial liabilities, comprise accounts payable, bank loans and overdrafts. The main purpose of these financial instruments is to manage short-term cash flow and raise finance for the Company's capital expenditure programme. The Company has various financial assets such as trade and other receivables and cash that arise directly from its operations.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)

27.5 Risk Exposures and Responses

The company manages its exposure to key financial risks in accordance with the company's financial risk management policy. The objective of the policy is to support the delivery of the company's financial targets while protecting future financial security. The main risks that could adversely affect the company's financial assets, liabilities or future cash flows are market risks, comprising cash flow interest rate risk, liquidity risk and credit risk.

The company's senior management oversees the management of financial risks. The company's senior management is supported by a Audit Committee that advises on financial risks and governance framework for the company. The Audit committee provides assurance to the company's senior management that the company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. Presently, the company does not currently apply any form of hedge accounting. The Board of Directors reviews and agrees policies for managing each of these risks.

27.6 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The company is exposed to only interest rate risk

The sensitivity of the relevant profit before tax item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 December 2021. The impact on equity is the same as the impact on profit before tax.

27.7 Interest Rate Risk

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's obligations with bank loan interest rate subjects to charges to the prevailing monetary policy rate.

27.8 Foreign Currency Risk

The Company has transactional currency exposures arising from sales or purchases in currencies other than the respective functional currencies. The Company manages this risk by matching receipts and payments in the same currency and monitoring movements in exchange rates.

28. GOING CONCERN

The financial statements have been prepared under the assumption that the Company will continue as a going concern.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022 (Cont'd)

The directors confirmed that it has successfully restructured its loan from Nigeria Export- Import Bank to allow for longer repayment that will improve cash flows and have reached significant stages in the negotiation process for the restructuring of the other bank loans, hence, it believes that none of its loans/overdraft facilities will crystallize into any legal claim against the company.

Consequent upon this positive development, we have no reservation about the Going Concern of the company.

29 EVENT AFTER REPORTING DATE

No material transactions occurred between 31 December 2022 and the date the financial statements were signed requiring disclosure in or adjustment to the annual financial statements for the period ended 31 December 2022.

30 APPROVAL OF FINANCIAL STATEMENTS

The 2022 financial statements were approved by the Board and authorised for issue on 3rd March 2023 having been audited by Olukayode Aina & Co. (Chartered Accountants).

31 SHARE RECONSTRUCTION

At the Annual General Meeting of the Company held on November 28, 2019, the Board sought the approval of the shareholders on the proposed Share Reconstruction. The approval was given and the Board completed the process during the year under review having been approved by the Securities and Exchange Commission on December 23, 2021.

**OTHER NATIONAL DISCLOSURES
STATEMENT OF VALUE ADDED**

| | 2022 | % | 2021 | % |
|---|----------------|------------|----------------|------------|
| | N'000 | | N'000 | |
| Revenue | 602,325 | | 289,239 | |
| Value of Services (Local) | (225,663) | | (91,611) | |
| Other Income | - | | - | |
| Value Added for Distribution | 376,662 | 100 | 197,629 | 100 |
| Apply as follows: | | | | |
| In payment to Government | | | | |
| Income Tax Expenses | 10,260 | 3 | 2,941 | 1 |
| In Payment to Employees | | | | |
| Salaries, Wages and Pension | 16,054 | 4 | 10,076 | 5 |
| Capital Provider | | | | |
| Finance Charges | 109,673 | 29 | 120,039 | 61 |
| Retained in Business for Expansion & Development | | | | |
| Depreciation | 50,920 | 14 | 50,544 | 26 |
| Retained Profit/Loss | 189,755 | 50 | 14,028 | 7 |
| | 376,662 | 100 | 197,629 | 100 |

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



OTHER NATIONAL DISCLOSURES (Cont'd)

FINANCIAL SUMMARY

| Statement of Financial Position | 2022 | 2021 | 2020 | 2019 | 2018 |
|---------------------------------------|------------------|------------------|------------------|------------------|------------------|
| ASSETS | N'000 | N'000 | N'000 | N'000 | N'000 |
| Non-current Assets | | | | | |
| Exploration and Evaluation Assets | | | | | |
| Mine Properties | 1,893,283 | 1,849,096 | 1,807,437 | 1,759,886 | 1,690,349 |
| Property, Plant & Equipment | 2,339,499 | 2,420,981 | 2,508,082 | 2,595,442 | 2,692,569 |
| Deferred Tax | 21,862 | 18,384 | - | - | - |
| Total Non-current Assets | 4,254,644 | 4,288,461 | 4,315,519 | 4,355,328 | 4,382,918 |
| Current Assets | | | | | |
| Inventories | - | - | - | - | 29,385 |
| Trade and Other Receivables | 11,781 | 15,012 | 5,009 | 3,169 | 3,052 |
| Bank | 2,113 | 14,756 | 4,112 | 4,370 | 3,731 |
| Total Current Assets | 13,894 | 29,769 | 9,121 | 7,539 | 36,168 |
| Total Assets | 4,268,538 | 4,318,230 | 4,324,640 | 4,362,867 | 4,419,086 |
| EQUITY AND LIABILITIES | | | | | |
| Shareholders' Equity | | | | | |
| Issued Capital | 213,097 | 213,097 | 2,130,969 | 2,130,969 | 2,130,969 |
| Share Premium | 337,806 | 337,806 | 1,242,082 | 1,242,082 | 1,242,082 |
| Retained(Loss)/ Earnings | 6,278 | (183,477) | (3,019,654) | (2,822,149) | (2,518,213) |
| Total Shareholders' Equity | 557,181 | 367,426 | 353,397 | 550,902 | 854,838 |
| Non-current Liabilities | | | | | |
| Interest-bearing Loans and Borrowings | 1,100,884 | 888,443 | - | - | - |
| Deferred Tax | - | - | 426 | 5,128 | - |
| Provisions | 524,485 | 3,919 | 3,642 | 3,351 | 3,046 |
| Total Non-Current Liabilities | 1,625,369 | 892,362 | 4,068 | 8,479 | 3,046 |

**MULTIVERSE MINING & EXPLORATION PLC.
FINANCIAL SUMMARY(Cont'd)**

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|--|------------------|------------------|------------------|------------------|--------------------|
| | N'000 | N'000 | N'000 | N'000 | N'000 |
| Current Liabilities | | | | | |
| Interest-bearing Loans and Borrowings | 1,372,556 | 2,286,923 | 3,220,956 | 3,084,190 | 2,978,982 |
| Accounts Payables and Accrued Liabilities | 695,666 | 750,685 | 719,238 | 692,173 | 574,51 |
| Income Tax Payable | 17,766 | 20,835 | 26,982 | 27,123 | ⁴ 7,706 |
| Total Current Liabilities | 2,085,988 | 3,058,444 | 3,967,176 | 3,803,486 | 3,561,202 |
| Total Liabilities | 3,711,357 | 3,950,806 | 3,971,244 | 3,811,965 | 3,564,248 |
| Total Liabilities and Share holder's Equity | 4,268,538 | 4,318,230 | 4,324,640 | 4,362,867 | 4,419,086 |
| Statement of Comprehensive Income | | | | | |
| Turnover | 602,325 | 289,239 | 64,874 | 5,407 | 6,740 |
| Profit / (Loss) Before Taxation | 196,537 | (1,841) | (202,045) | (279,291) | (279,291) |
| Taxation | (6,782) | 15,869 | 4,540 | (14,815) | (14,815) |
| Profit / (Loss) After Taxation | 189,755 | 14,028 | (197,505) | (294,106) | (294,106) |
| Per Share Data (Ko | | | | | |
| bo): Loss-Basic | 0.04 | 0.03 | 0.05 | 0.07 | 0.08 |
| Net Assets | 0.51 | 0.30 | 0.08 | 0.13 | 0.20 |



**MULTIVERSE MINING & EXPLORATION PLC
CERTIFICATE RANGE ANALYSIS AS AT 3/31/2023 12:00:00 AM**

| RANGE | HOLDERS | % | VOLUMN | % |
|------------------------|-------------|------------|------------------|------------|
| 100000001 - 1000000000 | 1 | 0.0166 | 104412930 | 24.4989 |
| 1 - 1000 | 2071 | 34.3849 | 820674 | 0.1926 |
| 1001 - 10000 | 1892 | 31.4129 | 7574971 | 1.7774 |
| 10001 - 100000 | 1661 | 27.5776 | 44188059 | 10.3681 |
| 100001 - 1000000 | 360 | 5.9771 | 81479943 | 19.118 |
| 1000001 - 10000000 | 34 | 0.5645 | 78352038 | 18.3841 |
| 10000001 - 100000000 | 4 | 0.0664 | 109365253 | 25.6609 |
| TOTALS | 6023 | 100 | 426193868 | 100 |

List of Shareholders with 5 % and above as at: 3/31/2023 12:00:00 AM

| ACCT NUMBER | NAME | ADDRESS | PERCENT | TOTAL HOLDING |
|--------------|-----------------------------|--|--------------|--------------------|
| 6542 | GWF SERVICES LTD | 4TH FLOOR SKYE BANK BUILDING 4TH FLOOR SKYE BANK | 5.21 | 22,222,222 |
| 329 | AYEDUN FASINA | C/O MULTIVERSE RESOURCES LIMITED LAGOS. | 12.25 | 52,228,454 |
| 7824 | CONCORD META NIGERIA CO LTD | MORELUC K PREMISES OGUN FLOWER GATE IND ZONE AJETUTU | 24.5 | 104,412,930 |
| TOTAL | | 3 | 41.97 | 178,863,606 |

We declare that no other individual(s) or entity asides from Mr. Ayedun Fasina, Concord Meta Nigeria Co Ltd and GWF Services Limited holds equal to or above 5% of the issued and fully paid shares of the company.
Concord Meta Nigeria Co Ltd and GWF Services Limited have no representation on the Board of Multiverse Mining and Exploration Plc.

MULTIVERSE MINING AND EXPLORATION PLC

| Share Capital History | 31/12/2017 | 31/12/2018 | 31/12/2019 | 31/12/2020 | 31/12/2021 |
|------------------------------|---------------|---------------|---------------|---------------|---------------|
| Authorise Shares Capital =N= | 2,250,000,000 | 2,250,000,000 | 2,250,000,000 | 2,250,000,000 | 2,250,000,000 |
| Paid Up Shares Capital =N= | 2,130,969,343 | 2,130,969,343 | 2,130,969,343 | 2,130,969,343 | 550,903,000 |
| Outstanding Shares =N= | 119,030,657 | 119,030,657 | 119,030,657 | 119,030,657 | |
| Issued Shares (Shares) | 4,261,938,686 | 4,261,938,686 | 4,261,938,686 | 4,261,938,686 | 4,261,938,686 |
| Bonus Issues (Shares) | | | | | |

Rights Offers

Scheme Shares

Free Float Position As At 31st Dec., 2020 was 71%

Total Number os Shares Listed As At 31st Dec., 2020

4,261,938,686 shares at 50kobo each



Proxy Form

The 20th Annual General Meeting of Multiverse Mining & Exploration Plc will be held at the VIRGINROSE RESORTS, Plot 1231A, Bishop Oluwole Street, Victoria Island, Lagos State at 11:00am on Thursday the 11th day of May,2023

I/We _____ being Members/Member of the Multiverse Mining & Exploration Plc hereby appoint _____ Of _____

Or failing him the Chairman of the Meeting as my/our proxy to act and vote for me/us at the Annual General Meeting of the Company to be held on _____

Dated this _____ day of _____ 2023 _____ Shareholder's Signature

NOTE:

Please sign this form and send it to reach the address overleaf not later than 48hours before the time of holding the meeting. If executed by a corporation, this form should be sealed with its common seal.

Shareholders name to be inserted in BLOCK LETTERS please. In case of joint shareholders, any one of such may complete this form, but the names of all joints holders must be inserted.

Following the normal practice, the chairman of the meeting has been entered on the form to ensure that someone will be at the meeting to act as your proxy, but you may insert in the blank space the name of any of the nominated proxies.

| Resolution | For | Against | Abstain |
|--|-----|---------|---------|
| <ul style="list-style-type: none"> ORDINARY BUSINESS | | | |
| 1. To lay before the Meeting the Audited Financial Statements for the year ended December 31, 2022 together with the Reports of the Directors, the Auditors and the Audit Committee thereon. | | | |
| 2. To elect/re-elect the following Director Mr. John Bede Anthonio | | | |
| 3. To authorise the Directors to fix the remuneration of the Auditors. | | | |
| 4. To elect the Shareholders' representatives on the Audit Committee. | | | |



NOTE

A member (shareholder) who is unable to attend an Annual General Meeting is allowed by law to vote by proxy and this form has been prepared to enable you exercise your right to vote.

Please indicate with "x" in the appropriate box how you wish your vote to be cast on the resolution set out above. Unless otherwise instructed, the Proxy will vote or abstain from voting at his / her discretion.



MULTIVERSE MINING & EXPLORATION PLC

20TH ANNUAL GENERAL MEETING-SHAREHOLDERS ADMISSION CARD

Please admit the shareholder on this form on his/her appointed proxy to the Annual General Meeting

Name of shareholder _____
in BLOCK LETTERS Surname First Name Other Name

Numbers of Share held _____

Signature of Person attending _____

Note: This form should be completed, signed, torn off and produced by the shareholder or his/her duly appointed proxy in order to gain entrance to the venue of the meeting.



E-DIVIDEND FORM

To:

The Registrar
Carnation Registrars Ltd.
2a Gbagada Expressway
Anthony Village, Lagos.

ONLY CLEARING BANKS ACCEPTABLE

I/We hereby request that from now on, all dividend warrant(s) due to me/us from my/our holding(s) in **Multiverse Mining & Exploration Plc**, be paid directly to my/our Bank named below.

Shareholder's Full Name:

Surname first

Shareholder's Address:

Shareholder's E-mail:

Shareholder's GSM Number:

Single Shareholder's Signature:

Joint Shareholders'/Company Signatures:

(1)

(2)

Company Seal:

Name of Bank:

Branch Address of Bank:

Bank Account No.

Bank Sort Code:

Bank Authorised Signature & Stamp :

(1)

Please include Page No.

(2)

Please include Page No.



To:
The Registrar
Carnation Registrars Ltd.
2A/2C Gbagada Expressway
Anthony Village, Lagos.
E-mail: info@carnationregistrars.com

