



31st May 2024

PRESS STATEMENT

Oando PLC Announces Unaudited FYE 2023 Results, Posts 71% Turnover increase and ₦74.7billion Profit-After-Tax

Lagos, Nigeria – Oando PLC (referred to as “Oando” or the “Group”), Nigeria’s leading indigenous energy group listed on both the Nigerian and Johannesburg Stock Exchange, today announced its unaudited results for the twelve months period ended December 31, 2023.

OPERATIONAL HIGHLIGHTS

Upstream:

- 1% increase in production: 20,837 boepd FYE 2023 vs 20,703 boepd FYE 2022
- Oil production of 6,024bbbls/day (vs 4,939bbbls/day in FYE 2022)
- Natural Gas production of 14,572boe/day (vs 15,292boe/day in FYE 2022)
- NGL production of 241bbbls/day (vs 472bbbls/day in FYE 2022).

Trading:

- 50% increase in traded crude oil volumes 32.8 million bbls FYE 2023 vs 21.8 million bbls FYE 2022
- 15% decrease in traded refined petroleum products (1,645,535 MT in 2023 vs 1,937,833 MT in FYE 2022)

FINANCIAL HIGHLIGHTS

- 71% Turnover increase. ₦3.4trillion FYE 2023 vs ₦1.9trillion (FYE 2022)
- Profit-After-Tax of ₦74.7billion compared to Loss-After-Tax of ₦1.2billion (FYE 2022)
- 23% reduction in Upstream borrowings: \$488.9million (FYE 2023), vs. US\$635.6million (FYE 2022).

Commenting on the results Wale Tinubu, Group Chief Executive, Oando PLC said:

“Despite the persistent pipeline vandalism across the Niger Delta, which continues to dampen crude production, we achieved a profit after tax of ₦ 74.7 billion in 2023 largely driven by increased trading volumes due to our strategic global partnerships and net foreign exchange gains on the group’s foreign currency denominated assets as against losses on our foreign currency denominated liabilities. Furthermore, our milestone signing of the Sale and Purchase Agreement with Eni towards the acquisition of 100% of the shares of NAOC Ltd, marked a pivotal moment for our organization and is poised to unlock substantial synergies in the near future. Our focus is now on completing the acquisition and seamlessly integrating operations to deliver exceptional value to our shareholders”



OPERATIONS REVIEW

Upstream:

Production for the twelve months ended 31 December 2023:

	FYE 2023	FYE 2022	% Change
Crude Oil (bbls/day)	6,024	4,939	22%
NGLs (bbls/day)	241	472	-49%
Natural Gas (boe/day)	14,572	15,292	-5%
Total (boe/day)	20,837	20,703	1%

During the twelve months ended December 31, 2023, average production was 20,837bbl/day, compared to 20,703bbl/day in 2022. In 2023, production consisted of 6,024bbls/day of crude oil, 241bbl/day of NGLs and 14,572 boe/day of natural gas. Marginal Production increase was a result of repairs of shut in wells offset by persistent sabotage activities.

During the twelve months to December 31, 2023, the Group incurred \$52.9 million on capital expenditures related to the development of oil and gas assets and exploration and evaluation activities, compared to \$101.9 million in the twelve months to December 31, 2022.

Capital Expenditures in 2023 consisted of \$50.6 million at OMLs 60 to 63 incurred on oil and gas properties, \$2.2 million at OML 56, and \$0.1 million at OML 13.

Trading:

Traded volumes for the twelve months ended 31 December 2023:

Traded Volumes	FYE 2023	FYE 2022	% Change
Crude Oil (bbls)	32,792,888	21,820,894	50%
Refined Products (MT)	1,645,535	1,937,833	-15%

In FYE 2023, Oando Trading sold approximately 32.8 million barrels of crude oil under various contracts with NNPC Limited.

FINANCIAL REVIEW

₦ '000 (unless otherwise stated)	FYE 2023	FYE 2022	% Change
Revenue	3,403,475,797	1,993,754,362	71%
Operating Profit	214,519,985	20,584,252	924%
Profit/ (Loss)-After-Tax	74,723,154	(81,230,816)	192%
Average Realized Oil Price (US\$/bbl)	83.15	109.55	-24%



Average Realized Gas Price (US\$/boe)	12.06	14.74	-18%
Average Realized NGL Price (US\$/boe)	4.87	6.23	-22%

Revenue

Revenue for the period increased by 71%, positively impacted by significant increase in our trading activity and exchange rate translations, despite lower oil, gas and NGL production volumes and realized prices.

Operating Profit

Operating Profit for the period increased by 924% primarily driven by the above-mentioned increase in revenue, as well as a significant increase in other operating income largely because of foreign exchange gains on the group's US dollar denominated monetary assets despite an increase in admin expenses primarily from exchange losses from the impact of the Naira devaluation on our foreign currency denominated liabilities.

Profit after Tax

The above factors resulted in a Profit after Tax position of N74.7billion in 2023, despite a 35% increase in net finance costs due to an increase in interest rates on several of our major facilities in line with increases in global interest rates.

Ends.

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Oando

GLOSSARY

“boe/day”	barrels of oil equivalent per day
“bbls/day”	barrels of oil per day
“mcf/day”	thousand cubic feet per day
“bbls”	barrels of oil
“boe”	barrels of oil equivalent
“US\$/bbl”	US dollars per barrel of oil
“US\$/boe”	US dollars per barrel of oil equivalent
“US\$/mcf”	US dollars per thousand cubic feet
“MT”	Metric Tonnes
“OML”	Oil Mining Licence
“NGL”	Natural Gas Liquids