



1st November 2024

PRESS STATEMENT

Oando PLC Announces Audited FYE 2023 Results, Posts 43% Turnover increase and ~~N~~60.3 billion 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 audited results for the twelve months period ended December 31, 2023.

OPERATIONAL SUMMARY

Upstream:

- 12% increase in production: 23,258 boepd FYE 2023 vs 20,703 boepd FYE 2022
 - Oil production of 6,211bbls/day (vs 4,939bbls/day in FYE 2022)
 - Natural Gas production of 16,808boe/day (vs 15,292boe/day in FYE 2022)
 - NGL production of 239bbls/day (vs 472bbls/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 SUMMARY

- 43% Turnover increase: ~~N~~2.9 trillion FYE 2023 vs ~~N~~1.9 trillion (FYE 2022)
- Profit-After-Tax of ~~N~~60.3 billion compared to Loss-After-Tax of ~~N~~81.2billion (FYE 2022)
- 23% reduction in Upstream borrowings: US\$488.9million (FYE 2023), vs. US\$635.6million (FYE 2022).

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

"Despite the operational hurdles occasioned by security breaches and persistent pipeline vandalism in the Niger Delta, we achieved a profit after tax of N60 billion, bolstered by the strength of our global trading alliances, a 12% increase in total production, and favorable exchange gains from our foreign currency denominated assets.

Our recently completed transformational acquisition of NAOC Ltd stands as a pivotal moment for the Company due to the expansive reserves and vast infrastructure network. Following our 2014 acquisition of Conocophillip’s Nigerian unit, this transaction was the next phase in our long-term strategy to increase our reserves and production capacity by leveraging on the exit of the International Oil Companies, whilst securing operational control of the assets. Our immediate focus now shifts to a seamless integration and execution of initiatives towards achieving a marked increase in production. We are confident about the opportunities this platform provides and are committed to delivering sustainable value to all stakeholders."



Upstream:

Production for the twelve months ended 31 December 2023:

	FYE 2023	FYE 2022	% Change
Crude Oil (bbls/day)	6,211	4,939	26 %
NGLs (bbls/day)	239	472	(49) %
Natural Gas (boe/day)	16,808	15,292	10 %
Total (boe/day)	23,258	20,703	12 %

During the twelve months ending December 31, 2023, average production was 23,258bbl/day, compared to 20,703bbl/day in 2022. In 2023, production consisted of 6,211bbls/day of crude oil, 239bbl/day of NGLs and 16,808 boe/day of natural gas. Production increase was a result of improved operations, repairs of shut in wells offset by persistent sabotage activities.

During the twelve months to December 31, 2023, the Group incurred \$52.3 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.

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	2,845,598,308	1,993,754,362	43%
Operating Profit	218,305,586	20,584,252	961%
Profit/ (Loss)-After-Tax	60,277,168	(81,230,816)	174%
Average Realized Oil Price (US\$/bbl)	83.15	109.55	(24) %
Average Realized Gas Price (US\$/boe)	12.19	14.74	(17) %
Average Realized NGL Price (US\$/boe)	4.87	6.23	(22) %



Revenue

Revenue for the period increased by 43%, positively impacted by a significant increase in our trading activity and exchange rate translations, higher oil and natural gas production, offset by lower NGL production volumes and realized prices.

Operating Profit

Operating Profit for the period increased by 961%, primarily driven by the above-mentioned increase in revenue, as well as a significant increase in other operating income largely due to foreign exchange gains on the group's US dollar denominated monetary assets despite an increase in administrative 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 ~~N~~60.3 billion in 2023.

Ends.

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For: Oando PLC

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