Audited Consolidated and Separate Financial Statements
For the year ended 31 December 2024

TABLE OF CONTENTS

		Page
Directors and professional advisers		3
Directors' report		4
Corporate responsibility for financial reports		7
Statement of directors' responsibilities		8
Report of the Audit Committee		9
Management's Certification on Internal Control over Financial Reporting		10
Report of the independent auditors		11-16
Consolidated and separate financial statements:		
Statement of profit or loss		17
Statement of other comprehensive income		18
Statement of financial position		19
Statement of changes in equity		21
Statement of cash flows		23
Note		
1	General information	24
2	Basis of preparation	25
3	Changes in accounting policies and disclosures	25
4	Basis of consolidation	26
5	Other material accounting policies	
	(a) Segment reporting	28
	(b) Revenue from contracts with customers	28
	(c) Property, plant and equipment	30
	(d) Intangible assets	30
	(e) Impairment of non-financial assets	31
	(f) Financial instruments	31
	(g) Accounting for leases	33
	(h) Inventories	34
	(i) Share capital	34
	(j) Cash and cash equivalents	34
	(k) Employee benefits	34
	(l) Provisions	36
	(m) Current income and deferred tax	36
	(n) Dividend	37
	(o) Upstream activities	37
	(p) Impairment	37
	(q) Non-current assets (or disposal groups) held for sale	37
	(r) Production underlift and overlift	38
	(s) Fair value	38
	(t) Offshore processing arrangements	38
	(u) Investment properties	39
	(v) Contingent liabilities	39
	(w) Contingent assets	39
	(x) ECL on financial guarantee contracts	39
6	Significant accounting judgements, estimates and assumptions	39
7	Financial risk management	42
8	Segment information	58
9	Other operating income	61
10	Expenses by nature of operating profit	62
11	Employees benefit expenses	62
12	Finance costs, net	63
13	Income tax expense	63
14	Basic and diluted profit/(loss) per share	64
15	Property, plant and equipment	65
16	Intangible assets	66
17	Right-of-use assets	68
18	Investment properties	68
19	Investment in associates accounted for using the equity method	69
20	Deferred income tax liabilities and deferred income tax assets	70
21	Derivative financial assets	71
22	Finance lease receivables	72
23	Non-current receivables	73
24	Inventories	73
25	Trade, other receivables and contract assets	73
26	Deposit for shares	74
27	Prepayments	74
28	Financial assets at fair value through profit or loss	74
29	Investment in subsidiaries	74
30	Short term investments	75
31	Cash and bank balances	75
32	Share capital and share premium	75
33	Other reserves	75
34	Borrowings	76
35	Decommissioning provisions	79
36	Lease liabilities	79
37	Retirement benefit obligations	79
38	Trade and other payables	85
39	Dividend payable	86
40	Supplementary cash flows information	86
41	Business acquisitions	87
42	Related party transactions	89
43	Commitments	91
44	Events after the reporting period	91
45	Contingent liabilities	93
46	Subsidiaries' information	95
47	Financial instruments by category	97
48	Upstream activities	98
49	Going concern	99
50	Other National Disclosures:	103
	(i) Value Added Statement	104
	(ii) Five-Year Financial Summary (2020 - 2024)	105-106

Directors	HRM. Oba Adedotun Gbadebo, CFR	(Chairman, Non-Executive Director, Resigned December 17, 2024)
	Mr. Jubril Adewale Tinubu	(Group Chief Executive)
	Mr. Omamofe Boyo	(Deputy Group Chief Executive)
	Mr. Adeola Ogunsemi	(Group Chief Financial Officer, Executive Director)
	Dr. Ainojie Alex Irune	(Group Executive Director)
	Mr. Tanimu Yakubu	(Non-Executive Director, Resigned August 23, 2024)
	Mr. Ike Osakwe	(Non-Executive Director)
	Mr. Ademola Akinrele, SAN	(Non-Executive Director, Appointed Chairman December 17, 2024)
	Mrs. Ronke Sokefun	(Non-Executive Director)
	Mrs. Fatima Mede	(Non-Executive Director)
	Mr. Bashir Bello	(Non-Executive Director, Appointed November 25, 2024)
	Mr. Ken Igbokwe	(Non-Executive Director, Appointed November 25, 2024)
	Mr. Cosmas Iwueze	(Non-Executive Director, Appointed December 17, 2024)
Company Secretary and Chief Compliance Officer	Ayotola Jagun (Ms)	
Registrars	First Registrars and Investor Services Limited	
Registered Office	17a The Wings Complex, Ozumba Mbadiwe Avenue Victoria Island, Lagos	
Auditors	BDO Professional Services (Chartered Accountants) ADOL House 15, CIPM Avenue Central Business District, Alausa, Ikeja Lagos, Nigeria.	
Bankers	Access Bank PLC Access Bank UK African Export-Import Bank (Afrexim) Ecobank Nigeria Ltd Ecobank Sao Tome e Principe Emirates NBD Fidelity Bank Plc First Bank of Nigeria Limited First City Monument Bank Limited (FCMB) Globus Bank Limited Guaranty Trust Holding Company Heritage Bank PLC Investec Bank Keystone Bank Limited Mauritius Commercial Bank Limited Mashreq Bank Optimus Bank Polaris Bank Limited Providus Bank PLC SBM Bank (Mauritius Ltd) Stanbic IBTC Holdings PLC Standard Chartered Bank (Nigeria) Limited Sterling Bank PLC Suntrust Bank Nigeria Limited Tajbank Limited Union Bank of Nigeria PLC United Bank for Africa PLC United Bank for Africa, New York Wema Bank PLC Zenith Bank PLC	
Tax Identification Number	01061331-0001	

The directors submit their Report together with the audited consolidated and separate financial statements for the year ended 31 December 2024, which disclose the state of affairs of the Group and Company.

1 Principal Activity

The principal activity of Oando PLC ("the Company") locally and internationally is to have strategic investments in energy companies in addition to supply of oil and gas products to customers. The Group was involved in the following business activities during the year reviewed:

a) Exploration and production (E & P) - Oando Energy Resources Inc., Canada, Oando Petroleum and Natural Gas Limited and Oando Energy Resources Nigeria Limited engaged in production operations and other E & P companies operating within the Gulf of Guinea; and

b) Supply and trading of petroleum products - Oando Trading Dubai, Oando Trading Bermuda and Oando PLC.

c) Mining & infrastructure development - Bitumen Resources Limited, Road Bit Limited, Trans-Africa Mining Resources Limited, Bit Mines Resources Limited, Fast Energy Investments Limited, Carmine Energy Investments Limited etc.

The Company's registered address is 17a The Wings Office Complex, Ozumba Mbadiwe Avenue, Victoria Island, Lagos, Nigeria.

2 Results

The Group's net profit for the year of N220.1 billion and Company's net profit of N111.8 billion for the year attributable to owners of equity have been transferred to retained earnings.

	Group		Company	
	31-Dec-24 N'000	31-Dec-23 N'000	31-Dec-24 N'000	31-Dec-23 N'000
Revenue	4,086,650,996	2,845,598,308	343,861,081	1,540,594,843
Profit/(loss) before income tax from operations	383,820,117	102,978,050	122,291,080	(208,403,444)
Income tax expense	(163,700,064)	(42,700,882)	(10,484,456)	(7,794,006)
Profit/(loss) for the year from operations	220,120,053	60,277,168	111,806,624	(216,197,450)
Profit/(loss) attributable to owners of the parent	224,856,266	61,996,186	111,806,624	(216,197,450)

3 Dividend

The directors do not propose dividend for the year ended 31 December 2024 (2023: nil).

4 Directors

i. The names of the present directors and those that served on the board of Oando PLC during the year are listed on page 3.

ii. According to the Register of Directors' Shareholding, the interests of directors in the issued share capital of the Company for the purposes of section 301 part 1 of schedule 5 of the Companies and Allied Matters Act, 2020, are as follows:

	Direct	Indirect
HRM. Oba A. Gbadebo, CFR	437,500	Nil
Mr. Jubril Adewale Tinubu*	Nil	3,670,995
Mr. Omamofe Boyo*	Nil	2,354,713
Mr. Adeola Ogunsemi	Nil	105,941
Dr. Ainojie Alex Irune	Nil	Nil
Fatima Nana Mede	3,093	Nil
Ronke Sokefun	Nil	564,826
Mr. Ademola Akinrele	96,510	Nil
Mr. Ike Osakwe	139,343	Nil
Mr. Tanimu Yakubu	5,999,947	5,998,700
Mr. Bashir Bello	Nil	Nil
Mr. Ken Igbokwe	Nil	Nil
Mr. Cosmas Iwueze	Nil	Nil

*Additional shares: Ocean and Oil Investments Limited (OOIL) owns approximately 75,000,000 (0.61% of total number of shares) shares in the Company. Mr. Jubril Adewale Tinubu and Mr. Omamofe Boyo own 0.34% and 0.13% respectively in the Company through OOIL.

*Ocean and Oil Development Partners Limited (OODP) owns 7,131,736,673 shares (representing 57.37% of the total number of shares) in the Company. OODP is ultimately owned 66.67% by the Group Chief Executive and 33.33% by the Deputy Chief Executive of the Company at year end.

5 Contracts

In accordance with section 303 of the Companies and Allied Matters Act, 2020 and Article 115 of the Company's Articles of Association, directors who had interest in contracts during the year had notified and declared their interest to the Company to the effect that they were members or held shareholding of companies which could be regarded as having an interest in the contract. Such directors' interests are noted in the respective minutes of board meetings.

6 Directors' Responsibilities

The directors are responsible for the preparation of annual consolidated financial statements, which have been prepared using appropriate accounting policies, supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards issued by the International Accounting Standards Board, Companies and Allied Matters Act, 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023. In doing so, the directors have the responsibilities as described on page 8 of these consolidated financial statements.

7 Shareholdings

As of 31 December 2024, the range of shareholdings of the Company was as follows:

Range of Shareholding	No of Shareholders Within Range	% of Holders	No of shares Within Range	% of Shareholding
1 - 1,000	174,347	63.33	62,543,226	0.50
1,001 - 5,000	71,566	26.00	149,662,923	1.20
5,001 - 10,000	11,943	4.34	86,377,285	0.69
10,001 - 50,000	12,395	4.50	271,062,355	2.18
50,001 - 100,000	2,069	0.75	148,642,200	1.20
100,001 - 500,000	2,245	0.82	471,750,938	3.79
500,001 - 1,000,000	330	0.12	237,217,499	1.91
1,000,001 - 5,000,000	317	0.12	641,538,057	5.16
5,000,001 - 10,000,000	38	0.01	265,747,824	2.14
10,000,001 - 50,000,000	27	0.01	580,315,984	4.67
50,000,001 - 100,000,000	6	0.00	416,364,903	3.35
100,000,001 - 12,431,412,481	3	0.00	9,100,189,287	73.21
	275,286	100.00	12,431,412,481	100.00

8 Property, Plant and Equipment

Changes in the value of property, plant and equipment (PPE) were mainly due to additions, depreciation, disposals and exchange differences as shown in Note 15 to these consolidated financial statements. In the opinion of the directors, the market value of the Group's PPE is not lower than the value shown in these consolidated financial statements.

9 Charitable Contributions

The Company through its subsidiary, Oando Foundation, implemented the following programmes:

	Description	Amount N
	Oando Foundation Programmes:	
I	Deployed the fourth phase of the Clean Our World (COW) project, strengthening environmental education and recyclable waste management in 50 public primary schools in Lagos State and 20 public primary schools in Plateau State.	99,015,719
II	Implementation of the LEARNOVATE Supporting Early-childhood Education and Development (LEARNOVATE-SEED) project: Upgrade and equipping of Early Childcare Centers in 10 public primary schools in Jos, Plateau State. 57 teachers and care-givers trained.	26,321,000
III	Pre-implementation activities for the Oando Foundation/Lagos State Universal Basic Education Board joint initiative - "Project Zero", aimed at mobilising 150,000 out-of-school children (OOSC) from the streets into formal school.	28,872,259
IV	Rehabilitation of 1 ICT Center and upgrade of 1 Early Childcare Center at Dele-Ajomale Primary School, Ilasamaja, Lagos State, to enhance learning achievements.	15,177,800
V	Funded scholarships for 15 pupils to further their secondary education across four states and supported 4 university scholarship beneficiaries.	1,240,000
VI	Partnership with Teach For Nigeria's 2024 Incubation Hub Program: Seed grant awarded to 1 top-performing social innovator to scale climate-smart initiative (upcycling of plastic waste to instructional materials for public schools).	2,500,000
VII	Co-sponsorship of the "2024 World Environment Day" event organized in partnership with the Federal Ministry of Environment, Oxfam Nigeria, and the European Union to promote environmental awareness and advocacy.	1,710,000
VIII	Co-sponsorship of the 2024 National Basic Education in Nigeria - Bootcamp (BEN-B) Summit to advance basic education reform and policy implementation in Nigeria.	2,000,000
IX	Co-sponsorship of the 2024 Africa Social Impact Summit (ASIS) to drive sustainable development efforts on the African continent.	5,000,000
X	Co-sponsorship of the International Conference on Girl Child Education in Nigeria hosted by the Nigeria Governors' Forum and the Federal Ministry of Education to promote inclusive education and gender equity.	2,000,000
XI	Infrastructural upgrade at Family Support Programme (FSP) Nursery and Primary schools, Katsina and Daura, Katsina State.	169,883,709
	Other Oando PLC CSR Initiatives:	
XIV	Donation to the American Society of Safety Professionals (ASSP)	687,232
XV	Sponsorship of the 2024 Africa Energy Week Side Event	98,566,197
XVI	Sponsorship of Alake of Egbaland's 80th Birthday Golf Tournament	27,083,944
XVII	Sponsorship of the Nigeria Oil and Gas Conference & Exhibition 2024	337,205,401
XVIII	Sponsorship of the 2024 Lakowe Lakes Golf Club championship	11,998,209
XIX	Sponsorship of the 2024 Nigerian Annual International Conference & Exhibition	13,298,756
XX	Bronze sponsorship of the sixth edition Nigeria International Energy Summit 2024	60,637,212

	Description (cont.)	Amount N
XXI	Sponsorship for STEM Africa Fest 2024	4,736,221
XXII	Sponsorship of Recyclers Association of Nigeria (RAN) Conference (South West Region)	500,000
XXIII	Sponsorship of Motorsport	15,765,675
XXIV	Support for Transformational Governance Corporate Toolkit Launch 2024 by Global Compact Network Nigeria Limited	3,517,500
XXV	Sponsorship for the 2024 Nigeria Bar Association Lagos Event	1,000,000
XXVI	Gold Sponsorship For the 2024 Afreximbank Annual Meetings	222,100,650
		1,150,817,484

10. Employment and Employees

Equal Employment Opportunity

The Company pursues an equal employment opportunity policy. It does not discriminate against any person on the ground of race, religion, colour, or physical disability.

Employment of Physically Challenged Persons

The Company maintains a policy of giving fair consideration to applications from physically disabled persons, bearing in mind their respective aptitudes and abilities. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and that the appropriate training is arranged. The Group currently has no physically challenged persons.

Industrial/Employees Relation

The Company places considerable value on the involvement of its employees and keeps them informed on matters affecting them as employees and the various factors affecting the performance of the Company. This is achieved through management's open door policy and improved communication channels. These channels include the e-mail and intranet, the revised in-house magazine, the entrenchment of regular departmental meetings and town hall meetings. Regular dialogue takes place at informal and formal levels.

Training and Development

The Company places great emphasis on the training and development of its staff and believes that its people are its greatest assets. Training courses are geared towards the development needs of staff and the improvement in their skill sets to face the increasing challenges in the industry. The Company will continue to invest in its human capital to ensure that the employees are well motivated and positioned to compete in the industry.

11. Audit Committee

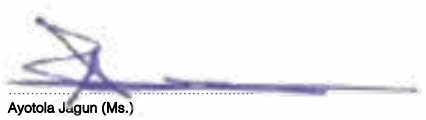
In accordance with section 404(3) of the Companies and Allied Matters Act, 2020 the following shareholders and directors were members of the Audit Committee during the year ended 31 December 2024:

a)	Mr. Ike Osakwe	Non-Executive Director (Chairman)
b)	Mr. Tanimu Yakubu	(Non-Executive Director, Resigned August 23, 2024)
c)	Dr. Joseph O. Asaolu	Shareholder, Resigned December 17, 2024
d)	Mr. Segun Oguntoye	Shareholder
e)	Dr. Anthony Omojola	Shareholder
f)	Mrs. Faith E. George	Shareholder, Appointed December 17, 2024
g)	Mr. Ken Igbokwe	Non-Executive Director, Appointed December 16, 2024

12. Auditors

The Company's auditors, BDO Professional Services were appointed on 17 December 2024 by voting during the 45th Annual General Meeting and have indicated their willingness to continue in office in accordance with section 401(1) of the Companies and Allied Matters Act, 2020.

Dated this 23rd Day of May 2025
By Order of the Board



Ayotola Jagun (Ms.)
Chief Compliance Officer and Company Secretary
17a The Wings Office Complex, Ozumba Mbadiwe Avenue, Victoria Island, Lagos
FRC/2013/PRO/NBA/002/00000003578

Oando PLC

Corporate responsibility for financial reports
For the year ended 31 December 2024

Certification Pursuant to Section 405 of CAMA 2020

We the undersigned have reviewed the audited consolidated and separate financial statements for the year ended 31 December 2024 and based on our knowledge we confirm that:

a) the audited consolidated and separate financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading, in the light of the circumstances under which such statement was made.

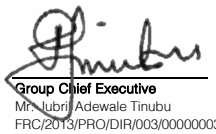
b) the audited consolidated and separate financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operations of the company as of and for, the periods covered by the audited consolidated and separate financial statements.

c) we are responsible for establishing and maintaining internal controls and we have designed such internal controls to ensure that material information relating to the company and its subsidiaries (hereinafter referred to as the "Group") is made known to us by other officers of the companies, particularly during the period in which these audited consolidated and separate financial statements are being prepared.

d) we have evaluated the effectiveness of the Group's internal controls within ninety days prior to the date of their audited financial statements and we certify that the internal controls are effective as of that date.

e) we have disclosed all significant deficiencies in the design or operation of internal controls which could adversely affect the Group's ability to record, process, summarise and report as of the financial date to the auditors. We have also identified for the Group's auditors any material weaknesses in internal controls and disclosed whether or not, there is any fraud that involves management or other employees who have a significant role in the Group.

f) we have indicated in these consolidated and separate financial statements, whether or not, there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.



Group Chief Executive
Mr. Jubril Adewale Tinubu
FRC/2013/PRO/DIR/003/00000003348

Group Chief Financial Officer
Mr. Adeola Ogunsemi
FRC/2016/PRO/ICAN/001/00000014639

Statement of Directors' responsibilities
For the year ended 31 December 2024

i. Responsibilities in respect of financial statements

The Companies and Allied Matters Act, 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 and its subsidiaries 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 its subsidiaries and comply with the requirements of International Financial Reporting Standards (IFRS), Companies and Allied Matters Act, 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023;

(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 conformity with the International Financial Reporting Standards (IFRS) and the requirements of the Companies and Allied Matters Act, 2020.

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 Group and the Company and their profit for the year. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the financial statements, as well as adequate systems of internal controls over financial reporting.

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

ii. Responsibilities in respect of Corporate Governance

The Company is committed to the principles and implementation of good corporate governance. The Company recognises the valuable contribution that it makes to long term business prosperity and to ensuring accountability to its shareholders. The Company is managed in a way that maximises long term shareholder value and takes into account the interests of all of its stakeholders.

The Company believes that full disclosure and transparency in its operations are in the interests of good governance. As indicated in the statement of responsibilities of directors and notes to the accounts, the business adopts standard accounting practices and ensures sound internal controls to facilitate the reliability of the financial statements.

The Board of Directors

The Board is responsible for setting the Company's strategic direction, for leading and controlling the Company and for monitoring activities of the executive management. The Board presents a balanced and understandable assessment of the Company's progress and prospects.

During the year under review, the Chairman, four executive directors and seven non-executive directors served on the board of the Company. The non-executive directors have experience and knowledge of the industry, markets, financial and/or other business information to make valuable contributions to the Company's progress. The Group Chief Executive is a separate individual from the Chairman and he implements the management strategies and policies approved by the Board. The Board meets at least four times a year.

The Audit Committee

The Audit Committee (the "Committee") is made up of five members - two non-executive directors and three shareholders in compliance with section 404(3) of the Companies and Allied Matters Act, 2020. The Committee members meet at least four times a year.

The Committee's duties include keeping under review the scope and results of the external audit, as well as the independence and objectivity of the auditors. The Committee also keeps under review the risk and controls over financial reporting, compliance with laws and regulations and the safeguarding of assets. In addition, the Committee reviews the adequacy of the internal audit plan and implementation status of internal audit recommendations.

Systems of Internal Control

The Company has well-established internal control system for identifying, managing and monitoring risks. The Risk and Controls and Internal Audit functions have reporting responsibilities to the Risk, Environmental, Social and Governance Committee and Audit Committee respectively. Both functions have appropriately trained personnel and undergo training on current business and best practices.

Code of Business Ethics

Management has communicated the principles of business ethics in the Company's Code of Business Conduct and Ethics to all employees in the discharge of their duties. This Code sets the professionalism and integrity required for business operations which covers compliance with laws, conflicts of interest, environmental issues, reliability of financial reporting, bribery and strict adherence to the principles so as to eliminate the potential for illegal practices.

Director
23rd May 2025
Mr. Jubril Adewale Tinubu
FRC/2013/PRO/DIR/003/00000003348

Director
23rd May 2025
Mr. Adeola Ogunsemi
FRC/2016/PRO/ICAN/001/00000014639

Oando PLC

Report of the Audit Committee
For the year ended 31 December 2024

We have exercised our statutory functions in compliance with Section 404 (7) of the Companies and Allied Matters Act, 2020 and we the members of the Oando PLC Audit Committee have, on the documents and information made available to us;

a) ascertained whether the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices;

b) reviewed the scope and planning of audit requirements;

c) reviewed findings on management matters in conjunction with the external auditor and management responses thereon;

d) keep under review the effectiveness of the Company's system of accounting and internal control;

e) make recommendations to the board with regard to the appointment, removal and remuneration of the external auditors of the Company; and

f) authorise the internal auditor to carry out investigation into any activities of the Company which may be of interest or concern to the committee

We ascertain that the accounting and reporting policies of the Company for the year ended December 31, 2024 are in accordance with legal requirements and agreed ethical practices. We also ascertain review of audit plan, effectiveness of internal controls and system of accounting and made appropriate recommendations to the board as they relate to our functions.

Dated this 23rd day of May 2025

Ike Osakwe
FRC/2017/PRO/DIR/003/00000016455

Members of the Audit Committee are:

Mr. Ike Osakwe	Non-Executive Director (Chairman)
Mr. Tanimu Yakubu	(Non-Executive Director, Resigned August 23, 2024)
Dr. Joseph O. Asaolu	Shareholder, Resigned December 17, 2024
Mr. Segun Oguntoye	Shareholder
Dr. Anthony Omojola	Shareholder
Mrs. Faith E. George	Shareholder, Appointed December 17, 2024
Mr. Ken Igbokwe	Non-Executive Director, Appointed December 16, 2024

Oando PLC

Management's Certification on Internal Control over Financial Reporting
For the year ended 31 December 2024

We, Mr. Jubril Adewale Tinubu and Mr. Adeola Ogunsemi, certify that:

a) We have reviewed this management assessment on internal control over financial reporting of Oando Plc;

b) Based on our knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c) Based on our knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

d) We, the Company's certifying officers:
i) are responsible for establishing and maintaining internal controls;

ii) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the company, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

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

iv) have evaluated the effectiveness of the company's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

e) We have disclosed, based on our most recent evaluation of internal control system, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

i) All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

ii) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control system.

f) We have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Group Chief Executive
23rd May 2025
Mr. Jubril Adewale Tinubu
FRC/2013/PRO/DIR/003/00000003348

Group Chief Financial Officer
23rd May 2025
Mr. Adeola Ogunsemi
FRC/2016/PRO/ICAN/001/00000014639

+234 02014483050-9
+234 (0) 9036440755
bdonig@bdo-ng.com
www.bdo-ng.com

ADOL House
15 CIPM Avenue
Central Business District
Alausa, Ikeja
P.O.Box 4929, GPO, Marina
Lagos, Nigeria

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF OANDO PLC
Report on the Audit of the Consolidated and Separate Financial Statements

Opinion
We have audited the consolidated and separate financial statements of Oando Plc ("the Company") and its subsidiaries (together "the Group"), which comprise the consolidated and separate statements of financial position as at 31 December 2024, the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Group and the Company as at 31 December 2024, and their consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards, the provisions of the Companies and Allied Matters Act, 2020 and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements* section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

i) **Material Uncertainty Related to Going Concern**
We draw attention to Note 49 of the consolidated and separate financial statements which indicates that the Company recorded total comprehensive profit for the year ended 31 December 2024 of ₦111.8 billion (2023: total comprehensive loss of ₦216.2 billion) and negative operating cash flows of ₦7.3 billion (2023: positive operating cash flows of ₦1.4 billion). As at that date, its current liabilities exceeded its current assets by ₦410.5 billion (2023: net current liabilities of ₦469.2 billion) and reported net liabilities of ₦348.3 billion (2023: net liabilities of ₦460.1 billion). The Group also recorded total comprehensive loss for the year ended 31 December 2024 of ₦83.0 billion (2023: total comprehensive loss of ₦70.0 billion) and negative operating cash flows of ₦531.2 billion (2023: positive operating cash flows of ₦148.2 billion). Furthermore, as at that date, the Group's current liabilities exceeded its current assets by ₦3.3 trillion (2023: net current liabilities of ₦1.6 trillion) and reported net liabilities of ₦360.9 billion (2023: net liabilities of ₦267.2 billion). The Group and the Company continue to incur losses, and the reversal of this trend is dependent on the successful outcomes of its planned actions to raise additional equity in order to manage the funding gap of ₦3.2 trillion and ₦4.3 trillion and the attainment of revenue in the Group's forecast for the year ending 31 December 2025 and 31 December 2026 respectively.

Also in the note, Management has disclosed that the book values of total current assets of ₦1.4 trillion and non-current assets of ₦345 billion respectively have been pledged as collateral securities for its Corporate Facilities (CF), Medium-Term Loans (MTL), BBE and Ecobank Facilities.

As stated in the note, if the planned actions including N360 billion equity raise are successful, it will only address 11.4% and 8.4% of the Group's projected funding gap for the year ending 31 December 2025 and 2026 respectively. Management however has additional plans to address the 88.6% and 91.6% of the projected working capital deficiency for the two years through vendor financing until such a time that profit and healthy cash flows from profitable operations will be achieved. Management is also currently making efforts to sign a binding agreement with each prospective equity provider.

The Directors/majority shareholders of Oando PLC had given a Letter of Guarantee to inject additional capital through Rights issue, and Public offer in addition to commitment to convene an Extraordinary General Meeting of the shareholders to address the urgent capital requirement in line with the Provision of Section 137 of Companies and Allied Matters Act, 2020 and the Directors fiduciary responsibilities and commitment to address the financial conditions of the Company.

However, there is material uncertainty about the success and timing of the additional plans including the bond and equity raises given that the projected funding gap continues to worsen over the years.

These conditions, together with other matters, indicate the existence of significant uncertainty that may cast significant doubt on the Group's and the Company's ability to continue as a going concern and therefore may be unable to realise its assets and discharge its liabilities in the ordinary course of business. In addition, exercising the lenders right in the collateral securities would lead to preparing the consolidated and separate financial statements on a break-up basis and accounting for disposal of subsidiaries, business and non-current asset under IFRS 5.

These consolidated and separate financial statements are yet to include any adjustments relating to the recoverability and classification of recorded assets amount noted in paragraph 20 of note 49 and, or the classification of the remaining non-current liabilities in the statement of financial position that may be necessary if the Group is unable to continue as a going concern as there is no intention by the directors to liquidate or cease the operations of the Group, nor is there any formal event of default declared by lenders or legislation to cause the same.

Our opinion is not modified in respect of these matters.

Key Audit Matters
Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current year. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. In addition to the matters described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be communicated in our report. For the matters below, our description of how our audit addressed the matters is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

The Key Audit Matters apply only to the audit of the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OANDO PLC - CONTINUED

Key Audit Matter - Group	How the matter was addressed in the audit
Risk 1: Carrying value of exploration and evaluation assets We identified and assessed the value of exploration and evaluation assets as one of the significant risks of material misstatement due to error. The carrying value of exploration and evaluation ("E&E") assets as at 31 December 2024 is ₦68.1 billion (2023: ₦58.4 billion). This is in respect of some projects where the Group is currently in the exploration phase. These costs are being capitalized. Management has to consider the specific recognition criteria under IFRS 6: Exploration and Evaluation for Mineral Resources for which costs can be capitalized and management judgement is required to determine which costs fall under the IFRS 6 capitalization criteria. The E&E assets have been accumulating over several years and the projects are not yet in the production phase. As a result, there is the risk that carrying value of assets may not be recoverable and impairment may be required.	We performed the following audit procedures: - considered management's assessment of any indicators of impairment as outlined in IFRS 6: Exploration and Evaluation of Mineral Resources and their assertion that none are applicable, including the status and expiration dates of the various licenses; - challenged management on the CGUs and the key assumptions used in the impairment assessment of E&E assets; by independently verifying the forecast crude, Natural gas and NGL prices and the discount rate applied on the cash flows; - We assessed the accuracy and relevance of management's forecasts, judgements including Competent Person Report challenging the recognition of the assets; and - performed substantive testing on a sample of additions to E&E assets during the year to assess if these were in line with capitalization criteria per IFRS 6.
Relevant disclosures in the Consolidated and separate 2024 Financial statements: Note 16(a), Exploration and evaluation assets impairment losses.	**Key observations** The assessment above resulted in nil impairment loss in 2024 (2023: ₦3.9 billion).
Risk2: Oil and gas revenue recognition We identified manual adjustments to oil and gas revenue recognition as one of the most significant assessed risks of material misstatement due to fraud. OML 56, OML 13 and OML 60-63 are currently the crude oil and gas producing assets while Oando PLC engages in supply and trading of crude, refined and unrefined petroleum products. These entities account for 100% of Group revenue recognized being ₦4.1 trillion, for the year ended 31 December 2024 (2023: ₦2.85 trillion). IFRS 15: Revenue from Contracts with customers was applicable to the above noted entities, there is a risk around the appropriate recognition of revenue in the current year due to contract modification which could result in manual adjustments to revenue.	We performed the following audit procedures: - agreed the inputs within the calculation of revenue and contract liability to the underlying contracts for the contractual values; - performed substantive testing of inputs for the calculation to relevant third-party evidence including Bill of Lading or Gas Consumption Certificates; - assessed management's application of IFRS 15 requirements and challenged them on their assessment of the contract modification; and - we assessed the appropriateness of the manual journals that were recorded in revenue against the results of the substantive work performed.
Relevant disclosures in the Consolidated and separate financial statements: Note 5, Other material accounting policies; and Note 8, Revenue from contracts with customers.	**Key observations** The substantive test performed did not identify any material misstatements in the occurrence of revenue. We did not identify any inappropriate contract modification; hence no adjustment was processed.

Risk 3: Accuracy of the decommissioning provision We identified the accuracy of the decommissioning provision as one of the most significant assessed risks of material misstatement due to error. The decommissioning provisions balance as of 31 December 2024 is ₦698.3 billion (2023: ₦426.7 billion) with the movement being an adjustment due to change in assumptions and revision of estimates. The change in assumptions was management judgement which caused a material change to the provision calculation. The estimate is sensitive to changes in assumptions due to the period the assessment was performed.	We performed the following audit procedures: - considered the expert report commissioned by management on the determination of the basis of the provision for decommissioning including challenging underlying assumptions; - assessed the competence of management expert and the report prepared by management to inform our work in particular around industry expectations; - substantive testing of the inputs to the provision calculation, re-performance of calculations and management's judgements were carried out; and - ensured appropriate correction of material misstatement identified in our reperformance of the calculations.
Relevant disclosures in the Consolidated and separate financial statements: Note 35, Decommissioning provisions	**Our results:** As a result of the work performed above there were no material misstatements in the accuracy of the decommissioning provisions in the financial statements.
Risk 4: Going Concern The Group and Company have going concern indicators which include reporting consistent total comprehensive losses in the last 3 years, negative working capital, inability to settle loan facilities as and when due and net liabilities (negative shareholders' fund at the end of the reporting year. The assessment of going concern status includes significant judgements and assumptions made by the management	**Our specific procedures in this area included:** - Obtaining going concern assessment from the management for a period not less than 12 months - Evaluation of management's method of assessing going concern; it's appropriateness in the context of the applicable financial reporting framework and our understanding of the entity. - Evaluation of the reliability of the underlying data used by the management in their going concern assessment. - Evaluation of assumptions used in management's going concern assessment. - Evaluation of management's strategic plans for future actions toward changing the current performance trajectory of the Company and that of the Group.
Relevant disclosures in the Consolidated and separate financial statements: Note 49, Going Concern	**Our results:** **See conclusion on "Material Uncertainty Related to Going Concern" section of our report above.**

Risk 5: Carrying value of the upstream assets We identified the carrying value of upstream assets as one of the most significant assessed risks of material misstatement due to error. The balance as at 31 December 2024 is ₦3.13 trillion (2023: ₦1.02 trillion). We have assessed the likelihood of a significant risk around the valuation of upstream assets within Oando Oil Limited, Oando Petroleum and Natural Gas and Oando Energy Resources Nigeria Limited ("OOL", ''OPNGL'' and ''OERNL'') as a result of the reduction in global oil prices in 2024, which indicates potential for impairment of these assets.	We performed the following audit procedures: - considered management's impairment assessment including challenging and corroborating inputs and assumptions in the calculation; - challenged management on the assessment of the CGU's forming the impairment calculation; - assessed management's sensitivity analysis to confirm if the most judgmental areas were changed that the outcome still indicates headroom; - assessed management's forecasts in relation to production expectations and calculation for depletion amounts including challenging any assumptions; - performed substantive testing on a sample of additions to oil and gas assets during the year to confirm existence and accuracy; and - understood the nature and form of the transfer from receivables from a joint arrangement to oil and gas assets to confirm that it was appropriate to reclassify in the current year.
Relevant disclosures in the Consolidated and separate financial statements: Note 15, Property, plant and equipment and Note 48a, Details of upstream assets	**Our results:** Based on our audit work, we are satisfied that the assumptions made in management's impairment calculations were appropriate.
Risk 6: Acquisition Valuation Risk - Acquisition of Additional 20% in NAOC (OMLs 60-63) We identified the valuation of upstream oil and gas assets as one of the most significant risks of material misstatement due to error, with a combined carrying value of ₦3.1 trillion as of 31 December 2024 (2023: ₦1.02 trillion). The likelihood of impairment indicators is heightened due to the decline in global oil prices in 2023. This specifically impacts the newly acquired interest in Oando Oil Limited (OOL), Oando Petroleum and Natural Gas Ltd (OPNGL), and Oando Energy Resources Nigeria Ltd (OERNL), following the acquisition of a 20% stake in OMLs 60-63 from Eni's subsidiary, NAOC. On 22 August 2024, Oando PLC completed the acquisition of NAOC via its subsidiaries OPNGL and Oil II, securing a 100% stake in NAOC from Eni Oil Holdings B.V. for $500 million. This was financed through a Reserve-Based Lending facility and a Junior Facility, with Oando Energy Resources acting as guarantor. The acquisition resulted in OPNGL holding a 19% non-operating interest in OMLs 60-63, with the remaining 1% retained temporarily by NAOC for legal and tax purposes. Other joint venture (JV) partners include NEPL (60%) and OOL (20%). Valuation Approach - Locked Box Mechanism: The deal applied a "locked box" valuation method, which fixes the purchase price based on the company's financials at a pre-agreed date. This method transfers the risk and rewards of ownership to the buyer from that date, with no post-completion price adjustments permitted.	We performed the following audit procedures: - Verified key terms, including purchase price and payment conditions, and ensure accurate reflection in the financial statements. - Obtained and reviewed the Purchase Price Allocation (PPA) schedule to confirm accuracy and appropriate allocation under IFRS 3. - Validated that acquired assets and liabilities are measured at fair value using management valuations. - Tested management's goodwill computation, verify alignment with IFRS 3, and assess for potential impairment. - Ensured all required acquisition-related disclosures (transaction nature, consideration, goodwill, fair value of assets/liabilities) are included and comply with IFRS and regulatory requirements.

Relevant disclosures in the Consolidated and separate financial statements: Note 9, Details of gain of bargain purchase.	**Our results:** We reviewed the Purchase Price Allocation (PPA) schedule and the supporting valuation model prepared by management consultant (***Name and FRC number disclosed in Note 9***). We confirmed that the purchase consideration was appropriately allocated to the identifiable assets and liabilities acquired in accordance with IFRS 3. The computation of the gain on bargain purchase was reviewed and independently assessed, and no material exceptions were noted in the fair value assessment. **Key Observation:** The management consultant adjusted the Competent Person's Report (CPR) using a realization rate to project future revenues but retained CPR's operating and capital cost assumptions without adjustment, based on management's position that, as the new operator of the Joint Arrangement, they can better manage and control costs.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OANDO PLC - CONTINUED

Other Information
The Directors are responsible for the other information. The other information comprises the Directors' Report, Statement of Directors' Responsibilities, Report of the Audit Committee and Other National Disclosures, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. Other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements
The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards, the provisions of the Companies and Allied Matters Act, 2020 and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023, and for such internal control as the Directors determine is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the Group and 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 the Directors either intend to liquidate the Group and or the Company or to cease operations, or have no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated and separate financial statements.

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and group's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and /or the Company to cease to continue as a going concern.

- evaluate the overall presentation, structure, and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about matters or when, in extremely rare circumstances, we determine that matters should not be communicated in our 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 and Regulatory Requirements
In accordance with the requirement of the Fifth Schedule of the Companies and Allied Matters Act, 2020, we confirm that:

i) 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.

ii) in our opinion, proper books of account have been kept by the Group and Company, in so far as it appears from our examination of those books.

iii) the consolidated and separate statements of financial position and consolidated and separate statements of profit or loss and other comprehensive income agree with the books of account; and

iv) in our opinion, the consolidated and separate financial statements have been prepared in accordance with the provisions of the Companies and Allied Matters Act, 2020, so as to give a true and fair view of the state of affairs and financial performance of the Company and its subsidiaries.

Henry B. Omodigbo
FRC/2013/ICAN/00000003977
For: BDO Professional Services
Chartered Accountants

Lagos, Nigeria
3 June 2025

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
ICAN
0418927

+234 02014483050-9
+234 (0) 9036440755
bdonig@bdo-ng.com
www.bdo-ng.com

ADOL House
15 CIPM Avenue
Central Business District
Alausa, Ikeja
P.O.Box 4929, GPO, Marina
Lagos, Nigeria

Assurance Report of Independent Auditor
To the Shareholders of Oando Plc
Assurance Report on Management's Assessment of Controls over Financial Reporting

We have performed a limited assurance engagement on Oando **Plc ("the Company") and its subsidiaries (together "the Group")** internal control over financial reporting as of 31 December 2024, based on Financial Reporting Council (FRC) Guidance on Management Report on Internal Control Over Financial Reporting and Securities and Exchange Commission (SEC) Guidance on Management Report on Internal Control Over Financial Reporting. **Oando Plc's** Board of Directors and Management are responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's Internal Control over Financial Reporting based on our Assurance engagement.

In our opinion, nothing has come to our attention that the internal control procedures over financial reporting put in place by management are not adequate as of the specified date, based on the FRC Guidance on Management Report on Internal Control Over Financial Reporting/SEC Guidance on Management Report on Internal Control Over Financial Reporting.

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

The firm applies the International Standard on Quality Management 1, Quality Management for firms that perform audit or review of financial statements, or other assurance or related services engagement which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We conducted our Assurance engagement in accordance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. That Guidance requires that we plan and perform the Assurance engagement and provide a limited assurance report on the Group's internal control over financial reporting based on our assurance engagement.

As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

BDO Professional Services, a firm of Chartered Accountants registered in Nigeria, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Partners: Olugbemiga A. Akibayo, Kamar Salami, Henry B. Omodigbo, Gideon Adewale, Olusegun Agbana-Anibaba, Ajibola O. Faiola
Wahab O. Afolabi
BN: 170585

A Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal control over financial reporting includes those policies and procedures that:

i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and disposition of the assets of the Company;
ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

BDO Professional Services - FRC/2024/COY/398515
Henry B. Omodigbo - FRC/2013/ICAN/00000003977
For: BDO Professional Services
Lagos, Nigeria
3 June 2025

Oando PLC
Annual Consolidated and Separate Financial Statements
Statement of profit or loss
For the year ended 31 December 2024

	Notes	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Revenue from contract with customers	8c	4,086,650,996	2,845,598,308	343,861,081	1,540,594,843
Cost of sales	10a	(3,930,762,983)	(2,760,578,218)	(343,607,965)	(1,536,000,592)
Gross profit		155,888,013	85,020,090	253,116	4,594,251
Other operating income	9	1,100,879,352	399,986,733	836,911,482	331,590,706
(Impairment)/reversal of impairment of non-financial assets	10d	-	(3,915,645)	50,970,378	(19,006,439)
Impairment of financial assets, net	10d	(76,227,627)	(1,431,880)	(195,258,431)	(28,433,699)
Administrative expenses	10c	(610,858,597)	(261,353,712)	(521,781,435)	(469,311,634)
Operating profit/(loss)		569,681,141	218,305,586	171,095,110	(180,566,815)
Finance costs	12a	(235,835,820)	(133,380,885)	(52,865,038)	(31,446,197)
Finance income	12b	47,197,353	16,903,484	4,061,008	3,609,568
Finance costs, net		(188,638,467)	(116,477,401)	(48,804,030)	(27,836,629)
Share of profit of associate	19	2,777,443	1,149,865	-	-
Profit/(loss) before income tax		383,820,117	102,978,050	122,291,080	(208,403,444)
Income tax expense	13a	(163,700,064)	(42,700,882)	(10,484,456)	(7,794,006)
Profit/(loss) for the year		220,120,053	60,277,168	111,806,624	(216,197,450)
Profit/(loss) attributable to:					
Equity holders of the parent		224,856,266	61,996,186	111,806,624	(216,197,450)
Non-controlling interest		(4,736,213)	(1,719,018)	-	-
		220,120,053	60,277,168	111,806,624	(216,197,450)
Profit/(loss) per share attributable to ordinary equity holders of the parent during the year (expressed in Naira per share):					
Basic and diluted profit/(loss) per share					
From profit/(loss) for the year	14	18	5	9	(17)

The statement of significant accounting policies and notes on pages 24 to 102 and other national disclosures on pages 103 to 106 form an integral part of these consolidated and separate financial statements.

Oando PLC
Annual Consolidated and Separate Financial Statements
Statement of other comprehensive income
For the year ended 31 December 2024

	Notes	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Profit/(loss) for the year		220,120,053	60,277,168	111,806,624	(216,197,450)
Other comprehensive income:					
Items that may be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations		(307,486,704)	(132,694,274)	-	-
Share of associate's foreign currency translation reserve	33	3,603,776	2,149,356	-	-
		(303,882,928)	(130,544,918)	-	-
Items that may not be reclassified to profit or loss in subsequent periods:					
Remeasurement gain on defined benefit plan	33,37c	721,730	294,797	-	-
Other comprehensive loss for the year		(303,161,198)	(130,250,121)	-	-
Total comprehensive (loss)/profit for the year		(83,041,145)	(69,972,953)	111,806,624	(216,197,450)
Attributable to:					
- Equity holders of the parent		(66,027,051)	(59,823,683)	111,806,624	(216,197,450)
- Non-controlling interests		(17,014,094)	(10,149,270)	-	-
Total comprehensive (loss)/profit for the year		(83,041,145)	(69,972,953)	111,806,624	(216,197,450)

Exchange differences on translation of foreign operations relates to exchange differences arising on a monetary item that forms part of the net investment in a foreign operation and translation of foreign subsidiaries.

The statement of significant accounting policies and notes on pages 24 to 102 and other national disclosures on pages 103 to 106 form an integral part of these consolidated and separate financial statements.

Oando PLC
Annual Consolidated Financial Statements
Consolidated statement of financial position
As at 31 December 2024

Assets	Notes	Group 2024 N'000	Group 2023 N'000
Non-current assets			
Property, plant and equipment	15	3,166,414,760	1,034,448,760
Intangible assets	16	1,031,074,278	622,436,397
Right-of-use assets	17	26,904,265	6,069,139
Investment properties	18	15,195,950	12,060,900
Investment in associates	19	7,842,436	5,046,606
Deferred income tax assets	20	60,515,346	-
Derivative financial assets	21	7,708,825	-
Finance lease receivables	22	463,975,857	175,975,895
Non-current receivables	23	495,590,553	-
Prepayments	27	4,815,723	46,320
Restricted cash	31b	54,243,431	4,484,430
		5,334,281,424	1,860,568,447
Current assets			
Inventories	24	46,847,250	7,615,208
Finance lease receivables	22	9,289,527	2,314,138
Trade, other receivables and contract assets	25	750,257,945	710,388,989
Deposit for shares	26	-	6,295,751
Prepayments	27	68,467,292	13,367,822
Financial assets at fair value through profit or loss	28	442,671	138,654
Short-term investments	30	2,797,958	2,111,292
Cash and cash equivalents	31a	221,775,277	73,317,626
		1,099,877,920	815,549,480
Total assets		**6,434,159,344**	**2,676,117,927**
Equity and Liabilities			
Equity attributable to equity holders of the parent			
Share capital	32	6,215,706	6,215,706
Share premium	32	176,588,527	176,588,527
Retained loss		(292,497,851)	(506,007,516)
Other reserves	33	(215,877,926)	74,012,855
		(325,571,544)	(249,190,428)
Non controlling interest		(35,407,833)	(17,988,293)
Total equity		(360,979,377)	(267,178,721)
Liabilities			
Non-current liabilities			
Borrowings	34	1,458,388,478	46,945,871
Deferred income tax liabilities	20	81,011,280	16,459,336
Decommissioning provisions	35	672,710,465	426,661,861
Lease liabilities	36	23,363,480	3,544,602
Other long term payables	41	139,005,774	-
Retirement benefit obligations	37	2,114,213	1,556,851
		2,376,593,689	495,168,521
Current liabilities			
Trade and other payables	38	2,547,443,382	1,478,619,056
Borrowings	34	1,313,495,410	771,397,980
Lease liabilities	36	8,043,281	2,336,333
Current income tax liabilities	13c	522,302,869	194,124,481
Decommissioning provisions	35	25,609,812	-
Dividend payable	39	1,650,277	1,650,277
		4,418,545,031	2,448,128,127
Total liabilities		6,795,138,721	2,943,296,648
Total equity and liabilities		**6,434,159,344**	**2,676,117,927**

The financial statements and notes on pages 17 to 106 were approved and authorised for issue by the Board of Directors on 23rd May 2025 and were signed on its behalf by:

Group Chief Executive
Mr. Jubril Adewale Tinubu
FRC/2013/PRO/DIR/003/00000003348

Group Chief Financial Officer
Mr. Adeola Ogunsemi
FRC/2016/PRO/ICAN/001/00000014639

The statement of significant accounting policies and notes on pages 24 to 102 form an integral part of these consolidated and separate financial statements.

Oando PLC
Annual Separate Financial Statements
Statement of financial position
As at 31 December 2024

Assets	Notes	Company 2024 N'000	Company 2023 N'000
Non-current assets			
Property, plant and equipment	15	1,641,670	1,467,590
Right-of-use assets	17	1,493,090	2,905,040
Investment properties	18	15,195,950	12,060,900
Finance lease receivables	22	14,133,109	16,717,079
Investment in subsidiaries	29	54,645,763	3,483,170
		87,109,582	36,633,779
Current assets			
Finance lease receivables	22	36,706,936	16,934,283
Trade, other receivables and contract assets	25	21,727,248	357,684,712
Prepayments	27	214,372	431,984
Financial assets at fair value through profit or loss	28	422,562	138,654
Short-term investments	30	2,797,958	2,111,292
Cash and cash equivalents (excluding bank overdrafts)	31a	4,410,854	999,848
		66,279,930	378,300,773
Total assets		**153,389,512**	**414,934,552**
Equity and Liabilities			
Equity attributable to equity holders			
Share capital	32	6,215,706	6,215,706
Share premium	32	176,588,527	176,588,527
Retained earnings		(531,070,905)	(642,877,529)
Total Equity		(348,266,672)	(460,073,296)
Liabilities			
Non-current liabilities			
Borrowings	34	10,525,847	7,964,855
Decommissioning provisions	35	241,474	122,325
Lease liabilities	36	14,118,480	19,429,700
		24,885,801	27,516,880
Current liabilities			
Trade and other payables	38	286,752,088	708,813,482
Borrowings	34	113,615,915	97,026,866
Current income tax liabilities	13c	30,952,825	20,468,369
Lease liabilities	36	43,799,278	19,531,974
Dividend payable	39	1,650,277	1,650,277
		476,770,383	847,490,968
Total liabilities		501,656,184	875,007,848
Total equity and liabilities		**153,389,512**	**414,934,552**

The financial statements and notes on pages 17 to 106 were approved and authorised for issue by the Board of Directors on 23rd May 2025 and were signed on its behalf by:

Group Chief Executive
Mr. Jubril Adewale Tinubu
FRC/2013/PRO/DIR/003/00000003348

Group Chief Financial Officer
Mr. Adeola Ogunsemi
FRC/2016/PRO/ICAN/001/00000014639

The statement of significant accounting policies and notes on pages 24 to 102 form an integral part of these consolidated and separate financial statements.

Oando PLC
Annual Consolidated Financial Statements
Consolidated statement of changes in equity
For the year ended 31 December 2024

Group	Share capital & Share premium[1] N'000	Other reserves[2] N'000	Retained earnings N'000	Equity holders of parent N'000	Non controlling interest N'000	Total equity N'000
Balance as at 1 January 2023	182,804,233	195,832,724	(568,003,702)	(189,366,745)	(7,839,023)	(197,205,768)
Profit/(loss) for the year	-	-	61,996,186	61,996,186	(1,719,018)	60,277,168
Other comprehensive loss for the year	-	(121,819,869)	-	(121,819,869)	(8,430,252)	(130,250,121)
Total comprehensive (loss)/income	-	(121,819,869)	61,996,186	(59,823,683)	(10,149,270)	(69,972,953)
Balance as at 31 December 2023	182,804,233	74,012,855	(506,007,516)	(249,190,428)	(17,988,293)	(267,178,721)
Balance as at 1 January 2024	182,804,233	74,012,855	(506,007,516)	(249,190,428)	(17,988,293)	(267,178,721)
Profit/(loss) for the year	-	-	224,856,266	224,856,266	(4,736,213)	220,120,053
Other comprehensive loss for the year	-	(290,883,317)	-	(290,883,317)	(12,277,881)	(303,161,198)
Non controlling interest arising in business combination						
Change in ownership interests in subsidiaries that do not result in a loss of control (Note 46c)	-	992,536	(11,346,601)	(10,354,065)	(405,446)	(10,759,511)
Balance as at 31 December 2024	182,804,233	(215,877,926)	(292,497,851)	(325,571,544)	(35,407,833)	(360,979,377)

[1] Share capital includes Ordinary Shares and share premium (Note 32)
[2] Other reserves include remeasurement gain/(loss) on defined benefit plan, currency translation reserves and share based payment reserves (SBPR). See Note 33.

The statement of significant accounting policies and notes on pages 24 to 102 form an integral part of these consolidated and separate financial statements.

Oando PLC
Annual Financial Statements
Separate statement of changes in equity
For the year ended 31 December 2024

Company	Share Capital & Share premium	Retained earnings	Equity holders of parent/ Total equity
	N'000	N'000	N'000
Balance as at 1 January 2023	182,804,233	(426,680,079)	(243,875,846)
Loss for the year	-	(216,197,450)	(216,197,450)
Balance as at 31 December 2023	182,804,233	(642,877,529)	(460,073,296)
Balance as at 1 January 2024	182,804,233	(642,877,529)	(460,073,296)
Profit for the year	-	111,806,624	111,806,624
Balance as at 31 December 2024	182,804,233	(531,070,905)	(348,266,672)

The statement of significant accounting policies and notes on pages 24 to 102 form an integral part of these consolidated and separate financial statements.

Oando PLC
Annual Consolidated and Separate Financial Statements
Consolidated and Separate Statement of Cash flows
For the year ended 31 December 2024

	Notes	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Cash flows from operating activities					
Cash (used in)/generated from operations	40	(500,310,425)	197,848,291	(7,029,215)	1,379,220
Interest paid	12a	(33,360,319)	(47,729,047)	(272,909)	(19,307)
Income tax paid	13b	(1,690)	(1,902,729)	-	-
Gratuity benefit paid	37c	(1,607,653)	(8,671)	-	-
Net cash (used in) /generated from operating activities		(535,280,087)	148,207,844	(7,302,124)	1,359,913
Cash flows from investing activities					
Purchases of property plant and equipment[1]	15	(18,526,009)	(45,454,880)	(637,092)	(381,741)
Acquisition of subsidiary, net of cash	41	(847,735,341)	-	-	-
Deposit for shares	26	-	(2,698,179)	-	-
Purchase of intangible exploration assets	16	(2,267,891)	(1,834,443)	-	-
Premium paid on hedges	21	(10,842,798)	(552,257)	-	-
Finance lease received	22iii	5,996,123	22,217,942	10,298,980	5,957,642
Interest received	12b	505,685	124,578	287,050	123,487
Net cash (used in)/generated from investing activities		(872,870,231)	(28,197,239)	9,948,938	5,699,388
Cash flows from financing activities					
Proceeds from borrowings	40b	2,236,904,097	310,007,796	16,646,000	450,000
Repayment of borrowings	40b	(752,930,279)	(400,719,664)	(4,050,101)	(1,292,369)
Dividend received from an associate	19	3,585,389	-	-	-
Lease payments	36	(3,659,958)	(2,006,815)	(13,048,035)	(6,226,650)
Restricted cash		(46,588,241)	2,727,615	-	-
Net cash generated from/(used in) financing activities		1,437,311,008	(89,991,068)	(452,136)	(7,069,019)
Net change in cash and cash equivalents		29,160,690	30,019,537	2,194,678	(9,718)
Cash and cash equivalents at the beginning of the year		73,317,626	20,831,769	999,848	618,792
Exchange gain on cash and cash equivalents		52,867,965	22,466,320	1,216,328	390,774
Cash and cash equivalents at end of the year		155,346,281	73,317,626	4,410,854	999,848
Cash and cash equivalent at year end is analysed as follows:					
Cash and bank balance	31a	221,775,277	73,317,626	4,410,854	999,848
Bank overdrafts	34	(66,428,996)	-	-	-
		155,346,281	73,317,626	4,410,854	999,848

[1] Purchases of property, plant and equipment exclude capitalised interest (2023: nil)

The statement of significant accounting policies and notes on pages 24 to 102 form an integral part of these consolidated and separate financial statements.

1. General information

Oando PLC (formerly Unipetrol Nigeria PLC.) was registered by a special resolution as a result of the acquisition of the shareholding of Esso Africa Incorporated (principal shareholder of Esso Standard Nigeria Limited) by the Federal Government of Nigeria. It was partially privatised in 1991 and fully privatised in the year 2000 following the disposal of the 40% shareholding of Federal Government of Nigeria to Ocean and Oil Investments Limited and the Nigerian public. In December 2002, the Company merged with Agip Nigeria PLC. following its acquisition of 60% of Agip Petrol's stake in Agip Nigeria PLC. The Company formally changed its name from Unipetrol Nigeria PLC. to Oando PLC in December 2003.

Oando PLC (the "Company") is listed on the Nigerian Exchange Group and the Johannesburg Stock Exchange. In 2016, the Company embarked on a reorganisation and disposed some subsidiaries in the Energy, Downstream and Gas & Power segments. The Company disposed Oando Energy Services and Akute Power Ltd effective 31 March 2016 and also target companies in the Downstream division effective 30 June 2016. It also divested its interest in the Gas and Power segment in December 2016 with the exception of Alausa Power Ltd which was disposed off on 31 March 2017. The Company retains its significant ownership in Oando Trading Bermuda (OTB), Oando Trading Dubai (OTD) and its upstream businesses (See Note 8 for segment result), hereinafter referred to as the Group.

On October 13, 2011, Exile Resources Inc. ("Exile") and the Oando Exploration and Production Division ("OEPD") of Oando PLC ("Oando") announced that they had entered into a definitive master agreement dated September 27, 2011 providing for the previously announced proposed acquisition by Exile of certain shareholding interests in Oando subsidiaries via a Reverse Take Over ("RTO") in respect of Oil Mining Leases ("OMLs") and Oil Prospecting Licenses ("OPLs") (the "Upstream Assets") of Oando (the "Acquisition") first announced on August 2, 2011. The Acquisition was completed on July 24, 2012 (Completion date"), giving birth to Oando Energy Resources Inc. ("OER"); a company which was listed on the Toronto Stock Exchange between the Completion date and May 2016. Immediately prior to completion of the Acquisition, Oando PLC and the Oando Exploration and Production Division first entered into a reorganization transaction (the "Oando Reorganization") with the purpose of facilitating the transfer of the OEPD interests to OER (formerly Exile).

OER effectively became the Group's main vehicle for all oil exploration and production activities.

In 2016, OER previously quoted on Toronto Stock Exchange (TSX), notified the (TSX) of its intention to voluntarily delist from the TSX. The intention to delist from the TSX was approved at a Board meeting held on the 18th day of December, 2015. The shares of OER were delisted from the TSX at the close of business on Monday, May 16th 2016. Upon delisting, the requirement to file annual reports and quarterly reports to the Exchange will no longer be required. The Company believes the objectives of the listing in the TSX was not achieved and the Company judges that the continued listing on the TSX was not economically justified.

To effect the delisting, a restructuring of the OER Group was done and a special purpose vehicle, Oando E&P Holdings Limited ("OEPH") was set up to acquire all of the issued and outstanding shares of OER. As a result of the restructuring, shares held by the previous owners of OER (Oando PLC (93.49%), the institutional investors in OER (5.08%) and certain Key Management Personnel (1.43%) were required to be transferred to OEPH, in exchange for an equivalent number of shares in OEPH. The share for share exchange between entities in the Oando Group is considered as a business combination under common control not within the scope of IFRS 3.

OEPH purchased the remaining shares in OER from the remaining shareholders who did not partake in the share exchange arrangement for a cash consideration. The shareholders of the 5,733,277 shares were paid a cash consideration of US$1.20 per share in accordance with the plan of arrangement. As a result of the above, OEPH Holdings now owns 100% of the shares in OER.

Pursuant of the Amended and Restated Loan Agreement between West Africa Investment Limited (the "Lender" /"WAIL"), Goldeneye Energy Resources Limited (the "Borrower") and Oando PLC (the "Guarantor") dated March 31, 2016, on one hand; and another Amended and Restated Loan Agreement between Goldeneye Energy Resources Limited (the "Borrower"), Southern Star Shipping Co Inc. (the "Lender"/"SS") and Oando PLC (the "Guarantor") also dated 31 March 2016; Oando PLC provided financial guarantee to the Lenders to the tune of US$32m (WAIL: US$27m, SS: US$5m). The essence of the loans was for the borrower to acquire shares owned by the Lenders in Oando E&P Holdings Limited (OEPH), a subsidiary of Oando PLC. The Borrower agreed to repay the loans in 12 instalments starting from March 2017. The financial guarantee required Oando PLC to pay to the Lenders in its capacity as Guarantor, the loan amounts due (inclusive of accrued interest) if the Borrower is unable to pay while the Borrower is also required to transfer the relevant number of shares held in OEPH to the Guarantor or its Nominee in the event of default.

Upon failure by the Borrower to honor the repayment agreement, the Guarantor paid US$ 6.1m (which represented principal plus accrued interest) to SS on October 4, 2017. On the same date, the borrower executed a share transfer instrument for the purpose of transferring all the shares previously acquired from SS to the Calabar Power Limited, a wholly owned subsidiary of Oando PLC. Consequently, the Guarantor was discharged of the financial guarantee to SS and Oando PLC now owns 78.18% (2016: 77.74%) shares in OEPH Holdings. The Borrower and Lenders are not related parties to the Guarantor.

On May 19, 2018, Oando PLC (through its subsidiary Calabar Power) acquired 8,631,225 shares in OEPH from some non-controlling interests (NCI) who were paid a cash consideration of US$1.20 per share in accordance with the plan of arrangement executed for some NCI following the delisting of OER in 2016. As a result, Oando PLC now owns 79.27% (2018: 78.18%) shares in OEPH. Calabar Power (through Oando PLC) paid $8.3 million (N3 billion) in 2018 and $13.5 million (N4.9 billion) in 2019 to WAIL. On May 31, 2019, Goldeneye transferred 5,236,626 shares to Calabar Power amounting to $13,349,083.59, thereby increasing Oando PLC's (direct and indirect) percentage interest in OEPH to 79.93%. Amounts paid up to 31 December 2019 have been reflected as deposit for shares in these consolidated financial statements. Subsequently, the company (through Oando PLC) paid the outstanding indebtedness to WAIL as follows: 2020: $1.5 million, 2021: $10 million while Goldeneye paid $4.12 million in 2022 out of the indebtedness to Oando PLC of $9.59 million. The final payment of $4.12 million extinguished the debt to WAIL as guaranteed by Oando PLC. Upon the final payment and on April 12, 2022, the outstanding shares of 12,218,788 were transferred to Calabar Power.

On November 2, 2020, M1 Petroleum Limited (an NCI in OEPH) transferred 2,935,774 shares in OEPH (amounting to $5 million) to Calabar Power thereby increasing Oando PLC's (direct and indirect) percentage interest in OEPH to 80.3%. Furthermore, on 31 March 2021 (the "effective date"), OODP Nigeria (the "Seller") agreed to sell, assign and deliver to the Calabar Power Limited (the "Purchaser") and the Purchaser agreed to purchase and accept from the Seller the Shares - 128,413,672 common shares of Oando E & P Holdings Limited ("OEPH") free from all encumbrances on the effective date for a consideration of $225 million. The Seller and the Purchaser further agreed that costs and taxes directly related to the sale and transfer by the Seller shall be borne by the Seller; and that the consideration will be paid in full by the Purchaser within twelve months from the effective date. The Seller and Purchaser executed a Share Transfer Form on the effective date. A Share Certificate covering the 128,413,672 common shares dated the effective date was also issued to the Purchaser by Oando E & P Holdings Limited thereby increasing Oando PLC's (direct and indirect) percentage interest in OEPH to 96.51% at same date. Following the transfer of 12,218,788 shares in OEPH from WAIL to Calabar Power in April 2022, Oando PLC's (direct and indirect) percentage interest in OEPH to 98.05% at same date. On November 14 2022, M1 Petroleum Limited transferred 1,761,465 shares in OEPH to Calabar Power Limited thereby increasing Oando PLC's (direct and indirect) percentage interest in OEPH to 98.27% at same date. The third batch of 4,110,085 shares of OEPH for a total consideration of $7 million (N1.8 billion/$4 million at December 2022 plus $3 million payment made in Q4 2023) was transferred to Calabar Power on 16 February 2024 thereby increasing Oando PLC's (direct and indirect) percentage interest in OEPH to 98.789% at same date (see Note 46c).

2. Basis of preparation

The consolidated financial statements of Oando PLC. have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The annual consolidated financial statements are presented in Naira, rounded to the nearest thousand, and prepared under the historical cost convention, except for the revaluation of land and buildings, investment properties, and financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to these consolidated financial statements, are disclosed in Note 6.

3. Changes in accounting policies and disclosures

(a) *New standards, amendments and interpretations adopted by the Group*

The Group applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Although these new standards and amendments were applied for the first time in 2024, they did not have a material impact on the annual consolidated financial statements of the Group. The nature and the impact of each new standard or amendment is described below:

- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1

In January 2020, the Board issued amendments to paragraphs 69 to 76 of IAS 1 Presentation of Financial Statements to specify the requirements for classifying liabilities as current or non-current. The amendments clarify: What is meant by a right to defer settlement; That a right to defer must exist at the end of the reporting period; That classification is unaffected by the likelihood that an entity will exercise its deferral right; That only if an embedded derivative in a convertible liability is itself an equity instrument, would the terms of a liability not impact its classification. These amendment have no significant impact on the Group's consolidated financial statement.

- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

In September 2022, the Board issued amendments to IFRS 16, which specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Effective for annual periods beginning on or after 1 January 2024. These amendment have no significant impact on the Group's consolidated financial statement.

- Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

In May 2023, the Board issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures. Which specifies disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments will be effective for annual reporting periods beginning on or after 1 January 2024. Early adoption is permitted, but will need to be disclosed. These amendment have no significant impact on the Group's consolidated financial statement.

(b) *New standards, amendments and interpretations issued but not yet effective for the financial year beginning 1 January 2024*

A number of new standards and amendments to standards and interpretations are not yet effective for annual periods beginning 1 January 2024, and have not been applied in preparing these consolidated financial statements. None of these is expected to have significant effect on the consolidated financial statements of the Group, except the following set out below:

- Lack of exchangeability – Amendments to IAS 21

The amendment to IAS 21 specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique. When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. The amendment is not expected to have a significant impact on the Group's consolidated financial statement.

- Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7

In May 2024, the Board issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7), which; Clarifies that a financial liability is derecognised on the 'settlement date' i.e. when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also clarifies how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features, the treatment of non-recourse assets and contractually linked instruments. It details the additional required disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income The amendment is not expected to have a significant impact on the Group's consolidated financial statement. The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later.

- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, the Board issued Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7). The amendments include:
- Clarifying the application of the 'own-use' requirements
- Permitting hedge accounting if these contracts are used as hedging instruments
- Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

The amendment is not expected to have a significant impact on the Group's consolidated financial statement. The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Early adoption is permitted, but will need to be disclosed.

- IFRS 18 – Presentation and Disclosure in Financial Statements
In April 2024, the Board issued IFRS 18 Presentation and Disclosure in Financial Statements which replaces IAS 1. IFRS 18 introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management-defined performance measures (as defined) and includes new requirements for the location, aggregation and disaggregation of financial information. These amendments will apply to the Group in future. IFRS 18, and the consequential amendments to the other accounting standards, is effective for reporting periods beginning on or after 1 January 2027 and must be applied retrospectively. Early adoption is permitted and must be disclosed.

- Annual Improvements to IFRS Accounting Standards — Volume 11

'In July 2024, the International Accounting Standards Board (IASB) issued the Annual Improvements to IFRS Accounting Standards-Volume 11. It contains amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash Flows. These amendments are effective for financial years beginning on or after 1 January 2026; earlier application is permitted. These amendments are limited to providing clarity in the wordings of the aforementioned standards or correction of relatively minor unintended consequences, oversights or conflicts between requirements in the standards. These amendments have no significant impact on the group

(c) ***New and amended standards and interpretations that do not relate to the Group***
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures
In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards. IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted. As the Group's equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19.

-Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
The IASB has deferred the effective date of these amendments indefinitely pending the outcome of its research project on the equity method of accounting.

4. Basis of Consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has power or control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to use its power over the entity to affect the amount of the entity's return. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

In the separate financial statements, investment in subsidiaries is measured at cost less accumulated impairment. Investment in subsidiary is impaired when its recoverable amount is lower than its carrying value and when there are indicators of impairment.

The Group considers all facts and circumstances, including the size of the Group's voting rights relative to the size and dispersion of other vote holders in the determination of control.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity. Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of profit or loss.

Inter-company transactions, amounts, balances and income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from transactions that are recognised in assets are also eliminated. Accounting policies and amounts of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(ii) Changes in ownership interests in subsidiaries without change of control

The Group treats transactions with non-controlling interests that do not result in loss of control as equity transactions. For purchases from non-controlling interests, the difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Cash flows arising from changes in ownership interests in a subsidiary that do not result in a loss of control are classified as cash flows from financing activities.

(iii) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(iv) Investment in associates

Associates are all entities over which the Group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the change in the associate's net assets after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the statement of profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other long term receivables, loans or unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to share of profit/(loss) of associates in the statement of profit or loss.

Profits and losses resulting from transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Dilution gains and losses arising in investments in associates are recognised in the statement of profit or loss.

In the separate financial statements of the Company, investment in associates are measured at cost less impairment. Investment in associate is impaired when its recoverable amount is lower than its carrying value.

(v) Joint arrangements

The group applies IFRS 11 to all joint arrangements as of 1 January 2013. Under IFRS 11, investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains and losses on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

For the arrangements determined to be joint operations, the Group recognises in relation to its interest the following:

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

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the IFRSs applicable to the particular assets, liabilities, revenues and expenses.

Transactions with other parties in the joint operations

When the Group enters into a transaction in a joint operation, such as a sale or contribution of assets, the Group recognises gains and losses resulting from such a transaction only to the extent of its interests in the joint operation.

When such transactions provide evidence of a reduction in the net realisable value of the assets to be sold or contributed to the joint operation, or of an impairment loss of those assets, those losses are recognised fully by the Group.

When the Group enters into a transaction with a joint operation in which it is a joint operator, such as a sale of assets, the Group does not recognise its share of the gains and losses until it resells those assets to a third party. When such transactions provide evidence of a reduction in the net realisable value of the assets to be purchased or of an impairment loss of those assets, the Group recognises its share of those losses.

(vi) Functional currency and translation of foreign currencies

Functional and presentation currency
These consolidated financial statements are presented in Naira, which is the Group's presentation currency. Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

The Company's functional and presentation currency is Naira.

(vii) Transactions and balances in Group entities

Foreign currency transactions are translated into the functional currency of the respective entity using the exchange rates prevailing on the dates of the transactions or the date of valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges. All other foreign exchange gains and losses are presented in the statement of profit or loss within other operating income and administrative expenses respectively. Changes in the fair value of monetary securities denominated in foreign currency classified as financial assets measured at fair value through profit or loss are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets are included in other comprehensive income.

(viii) Consolidation of Group entities

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position items presented, are translated at the closing rate at the reporting date;

- income and expenses for each statement of profit or loss are translated at average exchange rates where it is impracticable to translate using spot rate. Where the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case the income and expense are translated at a rate on the dates of the transactions; and

- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are taken to other comprehensive income. When a foreign operation is sold, such exchange differences are recognised in the profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(ix) Common control business combinations

Business combinations involving entities ultimately controlled by the Oando Group are accounted for using the pooling of interest method (also known as merger accounting).

A business combination is a "common control combination" if:

i. The combining entities are ultimately controlled by the same party both before and after the combination and
ii. Common control is not transitory.

Under a pooling of interest- type method, the acquirer is expected to account for the combination as follows:

i. The assets and the liabilities of the acquiree are recorded at book value and not at fair value
ii. Intangible assets and contingent liabilities are recognized only to the extent that they were recognized by the acquiree in accordance with applicable IFRS (in particular IAS 38: Intangible Assets).

iii. No goodwill is recorded in the consolidated financial statement. The difference between the acquirer's cost of investment and the acquiree's equity is taken directly to equity.
iv. Any non-controlling interest is measured as a proportionate share of the book values of the related assets and liabilities.
v. Any expenses of the combination are written off immediately in the statement of comprehensive income.
vi. Comparative amounts are restated as if the combination had taken place at the beginning of the earliest comparative period presented; and
vii. Adjustments are made to achieve uniform accounting policies

(x) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9, is measured at fair value with the changes in fair value recognised in the statement of profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

Acquisition-related costs are costs the acquirer incurs to effect a business combination. These costs are expensed in the periods in which the costs are incurred and the services received.

5. Other material accounting policies

(a) Segment reporting

Operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group Leadership Council (GLC).

(b) Revenue from contracts with customers

The Group has adopted IFRS 15 as issued in May 2014 which has resulted in changes in the accounting policy of the Group. IFRS 15 replaces IAS 18 which covers revenue arising from the sale of goods and the rendering of services, IAS 11 which covers construction contracts, and related interpretations.

Revenue represents the fair value of the consideration received or receivable for sales of goods and services, in the ordinary course of Group's activities and is stated net of value-added tax, rebates and discounts and after eliminating sales within the group. The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future benefits will flow to the entity and when specific criteria have been met for each of its activities.

A valid contract is recognised as revenue after:

- The contract is approved by the parties.
- Rights and obligations are recognised.
- Collectability is probable.
- The contract has commercial substance.
- The payment terms and consideration are identifiable.

IFRS 15 introduces a five-step model for recognising revenue to depict transfer of goods or services. The model distinguishes between promises to a customer that are satisfied at a point in time and those that are satisfied over time.

a) Revenue recognition
It is the Group's policy to recognise revenue from a contract when it has been approved by both parties, rights have been clearly identified, payment terms have been defined, the contract has commercial substance, and collectability has been ascertained as probable. Collectability of a customer's payments is ascertained based on the customer's historical records, guarantees provided, the customer's industry and advance payments made if any.
Revenue is recognised when control of goods sold has been transferred. Control of an asset refers to the ability to direct the use of and obtain substantially all of the remaining benefits (potential cash inflows or savings in cash outflows) associated with the asset. For crude oil and natural gas liquid, this occurs when the products are lifted by the customer (buyer). Revenue from the sale of oil is recognised at a point in time when performance obligation is satisfied. For gas, revenue is recognised as the product is being passed through the custody transfer point to the customer. Revenue from the sale of gas is recognised over time. The surplus or deficit of the product sold during the period over the Group's ownership share of production is termed as an overlift or underlift. With regard to underlifts, if the over-lifter does not meet the definition of a customer or the settlement of the transaction is non-monetary, a receivable and other income is recognised. If the over-lifter meets the definition of a customer, revenue is recognised and a corresponding receivable.

Conversely, when an overlift occurs, cost of sale is debited and a corresponding liability is accrued. Overlifts and underlifts are initially measured at the market price of oil at the date of lifting, consistent with the measurement of the sale and purchase. Subsequently, they are remeasured at the current market value. The change arising from this remeasurement is included in the profit or loss as other income or cost of sales.

Definition of a customer

A customer is a party that has contracted with the Group to obtain crude oil or gas products in exchange for a consideration, rather than to share in the risks and benefits that result from sale. The Group has entered into collaborative arrangements with its joint venture partners to share in the production of oil. Collaborative arrangements with its joint venture partners to share in the production of oil are accounted for differently from arrangements with customers as collaborators share in the risks and benefits of the transaction, and therefore, do not meet the definition of customers. Revenue arising from these arrangements are recognised separately in other income.

▪ Identification of performance obligation
At inception, the Group assesses the goods or services promised in the contract with a customer to identify as a performance obligation, each promise to transfer to the customer either a distinct good or series of distinct goods. The number of identified performance obligations in a contract will depend on the number of promises made to the customer. The delivery of barrels of crude oil or units of gas are usually the only performance obligation included in oil and gas contract with no additional contractual promises. Additional performance obligations may arise from future contracts with the Group and its customers.
The identification of performance obligations is a crucial part in determining the amount of consideration recognised as revenue. This is due to the fact that revenue is only recognised at the point where the performance obligation is fulfilled, management has therefore developed adequate measures to ensure that all contractual promises are appropriately considered and accounted for accordingly.

▪ Contract enforceability and termination clauses
The Group may enter into contracts that do not create enforceable rights and obligation to parties in the contract. Such instances may include where the counterparty has not met all conditions necessary to kick start the contract or where a non-contractual promise exists between both parties to the agreement. In these instances, the agreement is not yet a valid contract and therefore no revenue can be recognised.
It is the Group's policy to assess that the defined criteria for establishing contracts that entail enforceable rights and obligations are met. The criteria provides that the contract has been approved by both parties, rights have been clearly identified, payment terms have been defined, the contract has commercial substance, and collectability has been ascertained as probable.

The Group may enter into contracts that do not meet the revenue recognition criteria. In such cases, the consideration received will only be recognised as revenue if either of the following has occurred;
- the Group has no remaining obligations to transfer goods/services to the customer and all or substantially all, of the consideration promised by the customer has been received by the Group and is non-refundable
- the contract has been terminated and the consideration received from the customer is non-refundable.

The Group may also have the unilateral rights to terminate an unperformed contract without compensating the other party. This could occur where the Group has not yet transferred any promised goods or services to the customer and the Group has not yet received, and is not yet entitled to receive, any consideration in exchange for promised goods or services.

b) Transaction price
Transaction price is the amount that an entity within the Group allocates to the performance obligations identified in the contract. It represents the amount of revenue recognised as those performance obligations are satisfied. Complexities may arise where a contract includes variable consideration, significant financing component or consideration payable to a customer.
Variable consideration not within the Group's control is estimated at the point of revenue recognition and reassessed periodically. The estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. As a practical expedient, where the Group has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the Group's performance completed to date, the Group may recognise revenue in the amount to which it has a right to invoice.
Significant financing component (SFC) assessment is carried out (using a discount rate that reflects the amount charged in a separate financing transaction with the customer and also considering the Group's incremental borrowing rate) on contracts that have a repayment period of more than 12 months. As a practical expedient, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between when it transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

Instances when SFC assessment may be carried out include where the Group receives advance payment for agreed volumes of crude oil or receivables take or pay deficiency payment on gas sales. Take or pay gas sales contract ideally provides that the customer must sometimes pay for gas even when not delivered to the customer.
The customer, in future contract years, takes delivery of the product without further payment. The portion of advance payments that represents significant financing component will be recognised as interest revenue.
Consideration payable to a customer is accounted for as a reduction of the transaction price and, therefore, of revenue unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to the Group. Examples include barging costs incurred, demurrage and freight costs. These do not represent a distinct service transferred and is therefore recognised as a direct deduction from revenue.

c) Contract modification and contract combination
Contract modifications relates to a change in the price and/or scope of an approved contract. Where there is a contract modification, the Group assesses if the modification will create a new contract or change the existing enforceable rights and obligations of the parties to the original contract.
Contract modifications are treated as new contracts when the performance obligations are separately identifiable and transaction price reflects the standalone selling price of the crude oil or the gas to be sold. Revenue is adjusted prospectively when the crude oil or gas transferred is separately identifiable and the price does not reflect the standalone selling price. Conversely, if there are remaining performance obligations which are not separately identifiable, revenue will be recognised on a cumulative catch-up basis when crude oil or gas is transferred.
The Group enters into new contracts with its customers only on the expiry of the old contract. In the new contracts, prices and scope may be based on terms in the old contract. In gas contracts, prices change over the course of time. Even though gas prices change over time, the changes are based on agreed terms in the initial contract i.e. price change due to consumer price index. The change in price is therefore not a contract modifications. Any other change expected to arise from the modification of a contract is implemented in the new contracts.

The Group combines contracts entered into at near the same time (less than 12 months) as one contract if they are entered into with the same or related party customer, the performance obligations are the same for the contracts and the price of one contract depends on the other contract.
d) Portfolio expedients
As a practical expedient, the Group may apply the requirements of IFRS 15 to a portfolio of contracts (or performance obligations) with similar characteristics if it expects that the effect on the financial statements would not be materially different from applying IFRS 15 to individual contracts within that portfolio.
e) Contract assets and liabilities
The Group recognises contract assets for unbilled revenue from crude oil and gas sales. A contract liability is consideration received for which performance obligation has not been met.
f) Disaggregation of revenue from contract with customers
The Group derives revenue from two types of products, oil and gas. The Group has determined that the disaggregation of revenue based on the criteria of type of products meets the revenue disaggregation disclosure requirement of IFRS 15 as it depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

(c) **Property, plant and equipment**

All categories of property, plant and equipment are initially recorded at cost. Buildings and freehold land are subsequently shown at fair value, based on valuations by external independent valuers, less subsequent depreciation for buildings. Valuations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of property, plant & equipment are credited to other comprehensive income and shown as a component of other reserves in shareholders' equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against other reserves directly in equity; all other decreases are charged to the statement of profit or loss. Revaluation surplus is recovered through disposal or use of property, plant and equipment. In the event of a disposal, the whole of the revaluation surplus is transferred to retained earnings from other reserves. Otherwise, each year, the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of profit or loss, and depreciation based on the assets original cost is transferred from "other reserves" to "retained earnings".

Freehold land is not depreciated. Depreciation on other assets is calculated using the straight line method to write down their cost or revalued amounts to their residual values over their estimated useful lives as follows:

Leasehold improvements	10 – 50 years	(2% – 10%)
Plant and machinery	8 – 20 years	(5% – 12.5 %)
Fixtures, fittings, computer & equipment, motor vehicles	3 – 8 years	(12.5% – 331/3 %)
Upstream assets	Unit-of-production (UOP)	

Where the cost of a part of an item of property, plant and equipment is significant when compared to the total cost, that part is depreciated separately based on the pattern which reflects how economic benefits are consumed. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting period. An asset's carrying amount is written down immediately to its estimated recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds with carrying amount and are recognised within "operating profit/(loss)" in the statement of profit or loss .

Property, plant and equipment under construction is not depreciated until they are available for use.

Derecognition of property, plant and equipment

The Group derecognises the carrying amount of an item of property, plant and equipment on disposal or when no economic benefits are expected from its use or disposal. The disposal of an item of property, plant and equipment may occur in a variety of ways (by sale, by entering into a finance lease or by donation). The Group applies the criteria in IFRS 16 where the disposal is through a finance lease. The gain or loss arising from the derecognition of an item of property, plant and equipment is included in the statement of profit or loss when the item is derecognised, save for the criteria in IFRS 16 for a sale and leaseback transaction. The Group does not classify gains on derecognition of property, plant and equipment as revenue. Such gain or loss is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

(d) **Intangible assets**

(a) Goodwill

Goodwill arises from the acquisition of subsidiaries and is initially measured at cost, being the excess of the aggregate of the consideration transferred, amount recognized for non-controlling interest and any interest previously held over the net identifiable assets acquired, liabilities assumed. Goodwill on acquisitions of subsidiaries is included in intangible assets. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill is allocated to cash-generating units (CGU's) for the purpose of impairment testing. The allocation is made to those CGU's expected to benefit from the business combination in which the goodwill arose, identified according to operating segment. Each unit or group of units to which goodwill is allocated represents the lower level within the entity at which the goodwill is monitored for internal management purposes.

Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed. Gains and losses on disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(b) Computer software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Software licenses have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using straight line method to allocate the cost over their estimated useful lives of three to five years. The amortisation period and residual values are reviewed at each reporting date. Costs associated with maintaining computer software programmes are recognised as an expense when incurred.

(c) Concession contracts

The Group, through its subsidiaries have concession arrangements to fund, design and construct gas pipelines on behalf of the Nigerian Gas Company (NGC). The arrangement requires the Group as the operator to construct gas pipelines on behalf of NGC (the grantor) and recover the cost incurred from a proportion of the sale of gas to customers. The arrangement is within the scope of IFRIC 12.

Under the terms of IFRIC 12, a concession operator has a twofold activity:

- a construction activity in respect of its obligations to design, build and finance a new asset that it makes available to the grantor: revenue is recognised over time in accordance with IFRS 15;

- an operating and maintenance activity in respect of concession assets: revenue is recognised in accordance with IFRS 15.

The intangible asset model: The operator has a right to receive payments from users in consideration for the financing and construction of the infrastructure. The intangible asset model also applies whenever the concession grantor remunerates the concession operator to the extent of use of the infrastructure by users, but with no guarantees as to the amounts that will be paid to the operator .

Under this model, the right to receive payments (or other remuneration) is recognised in the concession operator's statement of financial position under "Concession intangible assets". This right corresponds to the fair value of the asset under concession plus the borrowing costs capitalised during the construction phase. It is amortised over the term of the arrangement in a manner that reflects the pattern in which the asset's economic benefits are consumed by the entity, starting from the entry into service of the asset.

Amortisation of the intangible assets is calculated using the straight line method to write down their cost amounts to their residual values over their estimated useful life of 20 years.

(e) **Impairment of non-financial assets**

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value-in-use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets in which case, it is included within the recoverable amount of those group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

(f) **Financial instruments**

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities; derecognition of financial instruments; impairment of financial assets and hedge accounting. IFRS 9 also significantly amends other standards dealing with financial instruments such as IFRS 7 Financial Instruments: Disclosures.

a) Classification and measurement

▪ Financial assets

It is the Group's policy to initially recognise financial assets at fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.
Classification and subsequent measurement is dependent on the Group's business model for managing the asset and the cash flow characteristics of the asset. On this basis, the Group classifies its financial instruments at amortised cost, fair value through profit or loss and at fair value through other comprehensive income (OCI).

Financial assets classified at amortised cost
The Group's financial asset are measured at amortised cost only if they meet both of the following conditions:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets classified at fair value through other comprehensive income (debt instruments)
A financial asset shall be measured at fair value through other comprehensive income only if it meets both of the following conditions:

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets classified at fair value through other comprehensive income (equity instruments)
Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets classified at fair value through profit or loss
A financial asset that does not meet the criteria to be measured at amortised cost or fair value through other comprehensive income should be measured at fair value through profit or loss. Also, the Group, at initial recognition, designate a financial asset as measured at fair value through profit or loss if so doing eliminates or significantly reduces a measurement or recognition inconsistency (accounting mismatch) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Derivatives, including separated embedded derivatives, are also classified as financial assets measured at fair value through profit or loss unless they are designated as effective hedging instruments. This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established. A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

All the Group's financial assets as at 31 December 2024 satisfy the conditions for classification at amortised cost, fair value through profit or loss and as fair value through other comprehensive income under IFRS 9.
The Group's financial assets include trade receivables, finance lease receivables, other receivables, non-current receivables and cash and cash equivalents.

▪ Financial liabilities

Financial liabilities of the Group are classified and subsequently recognised at amortised cost net of directly attributable transaction costs, except for derivatives which are classified and subsequently recognised at fair value through profit or loss. Fair value gains or losses for financial liabilities designated at fair value through profit or loss are accounted for in profit or loss except for the amount of change that is attributable to changes in the Group's own credit risk which is presented in other comprehensive income. The remaining amount of change in the fair value of the liability is presented in profit or loss. The Group's financial liabilities include trade and other payables, lease liabilities and interest bearing loans and borrowings.

b) Impairment of financial assets
Recognition of impairment provisions under IFRS 9 is based on the expected credit loss (ECL) model. The ECL model is applicable to financial assets classified at amortised cost and contract assets under IFRS 15: Revenue from Contracts with Customers. The measurement of ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, time value of money and reasonable and supportable information, that is available without undue cost or effort at the reporting date, about past events, current conditions and forecasts of future economic conditions.

The Group applies the simplified approach or the three-stage general approach to determine impairment of receivables depending on their respective nature. The simplified approach is applied for trade receivables while the three-stage approach is applied to finance lease receivables, other receivables, non-current receivables and cash & cash equivalents.
The simplified approach requires expected lifetime losses to be recognised from initial recognition of the receivables. This involves determining the expected loss rates which is then applied to the gross carrying amount of the receivable to arrive at the loss allowance for the period.

The three-stage approach assesses impairment based on changes in credit risk since initial recognition using the past due criterion. Financial assets classified as stage 1 have their ECL measured as a proportion of their lifetime ECL that results from possible default events that can occur within one year, while assets in stage 2 or 3 have their ECL measured on a lifetime basis.

Under the three-stage approach, the ECL is determined by projecting the probability of default (PD), loss given default (LGD) and exposure at default (EAD) for each ageing bucket and for each individual exposure. The PD is based on default rates determined by external rating agencies for the counterparties. The LGD assesses the portion of the outstanding receivable that is deemed to be irrecoverable at the reporting period. These three components are multiplied together and adjusted using macro-economic indicators. This effectively calculates an ECL which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the related financial assets and the amount of the loss is recognised in profit or loss.

c) Significant increase in credit risk and default definition
The Group assesses the credit risk of its financial assets based on the information obtained during periodic review of publicly available information on the entities, industry trends and payment records. Based on the analysis of the information provided, the Group identifies the assets that require close monitoring.
Financial assets that have been identified to be more than 30 days past due but less than 360 days past due on contractual payments are assessed to have experienced significant increase in credit risk. These assets are grouped as part of Stage 2 financial assets where the three-stage approach is applied.
In line with the Group's credit risk management practices, a financial asset is defined to be in default when contractual payments have not been received at least 30 days after the contractual payment period. Subsequent to default, the Group carries out active recovery strategies to recover all outstanding payments due on receivables. Where the Group determines that there are no realistic prospects of recovery, the financial asset and any related loss allowance is written off either partially or in full.

d) Derecognition
▪ Financial assets
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

(i) The rights to receive cash flows from the asset have expired; or
(ii) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

▪ Financial liabilities
The Group derecognises a financial liability when it is extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised immediately in the statement of profit or loss.

(g) **Accounting for leases under IFRS 16**

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

– the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
– the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
– the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
- the Group has the right to operate the asset; or
- the Group designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after 1 January 2019

The Group's leases include leases of land, buildings (offices and residential apartments) and aircraft. Lease terms are negotiated on an individual basis and contain different terms and conditions, including extension and termination options. The lease terms range from 1 year to 15 years. On renewal of a lease, the terms may be renegotiated. The leased assets may not be used as security for borrowing purposes.

Contracts may contain both lease and non-lease components. The Group has elected to separate the lease and non-lease components. The non-lease components will be accounted for as an expense in profit or loss in the related period.

Leases in which the Group is a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Lease liabilities

At the commencement date of a lease, the Group recognises lease liabilities at the present value of lease payments to be made over the lease term. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The lease payments are discounted using the Group's incremental borrowing rate, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions.

The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

Right of use assets

Right-of-use assets are initially measured at cost, comprising of the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date, less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Short-term leases and leases of low-value assets

Short-term leases are those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Low-value assets are assets that have values less than $5,000 when new, e.g. small IT equipment and small items of office furniture, and depends on the nature of the asset. Lease payments on short-term leases and leases of low-value assets would be recognised as expenses in profit or loss on a straight-line basis over the lease term.

Extension and termination options

Extension and termination options are included in most of the Group's lease arrangements. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. Most of the extension options are subject to mutual agreement by the Group and the lessors and some of the termination options held are exercisable only by the Group.

Leases in which the Group is a lessor

Sub-leases

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

If a head lease is a short-term lease to which the Group applies the short term lease exemption, then it classifies the sub-lease as an operating lease.

The Group classifies a sub-lease as finance leases if the sublease is for the a significant part or whole of the term of the head lease. The head lease liability is measured at the present value of the remaining lease payments discounted at the Group's incremental borrowing rate. The measurement of the right-of-use asset depends on the classification of the sub-lease. The Group has defined significant to mean that the sub-lease term represents, at the minimum, 70% of the remaining term of the head lease.

If the sub-lease is classified as a finance lease, the Group does not recognise a right of use asset but recognises a lease receivable (net investment in a lease) to the extent that it is subject to the sub-lease. If the sub-lease is classified as an operating lease, the Group continues to recognise the right-of-use asset.

(h) **Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity), but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses.

(i) **Share capital**

Ordinary shares are classified as equity. Share issue costs net of tax are charged to the share premium account.

(j) **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

(k) **Employee benefits**

(i) Retirement benefit obligations

Employee benefits are considerations given by the Group in exchange for service rendered by employees or for the termination of employment.

Post-employment benefit plans, including informal arrangements, are classified as either defined contribution plans or defined benefit plans depending on the economic substance of the plan as derived from its principal terms and conditions. Under defined contribution plans, the Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The liabilities related to defined benefit plans, net of any plan assets, are determined on the basis of actuarial assumptions and charged on accrual basis during the employment period required to obtain the benefits.

Net interest includes the return on plan assets and the interests cost to be recognized in the profit and loss account. Net interest is measured by applying to the liability, net of any plan assets, the discount rate used to calculate the present value of the liability; net interest of defined benefit plans is recognized in "Financial income (expense)".

Re-measurements of the net defined benefit liability, comprising actuarial gains and losses, resulting from changes in the actuarial assumptions used or from changes arising from experience adjustments, and the return on plan assets excluding amounts included in net interest, are recognized within statement of other comprehensive income. Re-measurements of net defined benefit liability, recognised in the equity reserve related to other comprehensive income, are not reclassified to the profit and loss account in a subsequent period.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution scheme

The Group operates a defined contribution retirement benefit scheme for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Group's contributions to the defined contribution plan are charged to the profit or loss in the year to which they relate. The assets of the scheme are funded by contributions from both the employers and employees in the Group in line with the provisions of the Pension Reform Act, 2014 and are managed by pension fund custodians.

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Defined benefit plans

For defined benefit plans the cost of providing the benefits is determined using the projected unit credit method. Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan.

Consideration is given to any event that could impact the funds up to the end of the reporting period where the interim valuation is performed at an earlier date.

Past service costs are recognised immediately to the extent that the benefits are already vested, and are otherwise amortised on a straight line basis over the average period until the amended benefits become vested.

Actuarial gains and losses are recognised in the year in which they arise, in other comprehensive income.

Gains or losses on the curtailment or settlement of a defined benefit plan is recognised when the Group is demonstrably committed to curtailment or settlement.

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In profit or loss, the expense relating to a defined benefit plan is presented as the net of the amount recognised for a reimbursement.

The amount recognised in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service costs, and reduces by the fair value of plan assets.

Any asset is limited to unrecognised actuarial losses and past service costs, plus the present value of available refunds and reduction in future contributions to the plan.

The following defined benefits plans are currently operated by Oando Energy Resources Nigeria Limited (OERNL) - an indirect subsidiary of Oando PLC:

(a) Pension:

OERNL operates a pension scheme which is managed by Oando CPFA Limited. OERNL'S net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually using the projected unit credit method. When the calculation results in a potential asset for OERNL, the recognized assets is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

b) Gratuity:

OERNL also operates a gratuity scheme for qualified employees. OERNL's net obligation in respect of defined benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods and that benefit is discounted to determine its present value. In determining the liability for employee benefits under the defined benefit scheme, consideration is given to future increases in salary rates and the its experience with staff turnover.

The recognized liability is determined by an independent actuarial valuation every year using the projected unit credit method. Deloitte and Touche Nigeria was engaged as an independent actuary for the valuation of the scheme. Actuarial gains and losses arising from differences between the actual and expected outcome in the valuation of the obligation are recognized fully in Other Comprehensive Income. The effect of any curtailment is recognized in full in the profit or loss immediately the curtailment occurs. The discount rate is the yield on Federal Government of Nigeria issued bonds that have maturity dates approximating the terms of the OERNL's obligation. This is due to the unavailability of market yield data on high quality corporate bonds. The demographic assumptions (mortality in service) are based on rates published in the A67/70 Ultimate tables, published jointly by the Institute and Faculty of Actuaries in the UK. Although the scheme is not funded, OERNL ensures that adequate arrangements are in place to meet its obligations under the scheme.

(c) Post employment medical plan

OERNL's post medical plan represents post retirement medical scheme instituted for all retired employees. OERNL's obligations in respect of this scheme are the amount of future medical cost that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value. The cost to be recognized in the period is determined by the actuary

The liabilities related to post employment medical plan are determined on the basis of the projected unit credit method. Net interest includes the return on plan assets and the interests cost to be recognized in the profit and loss account. Net interest is measured by applying to the liability, net of any plan assets, the discount rate used to calculate the present value of the liability. Remeasurements of the net defined benefit liability, comprising actuarial gains and losses, resulting from changes in the actuarial assumptions used or from changes arising from experience adjustments, and the return on plan assets excluding amounts included in net interest, are recognized within statement of comprehensive income. Furthermore, in presence of net assets, changes in their value different from those included in net interest are recognized within statement of comprehensive income.

(d) Other long-term employee benefits

OERNL's other long-term employee benefits consist of Long Service Awards scheme instituted for all permanent employees; Diesel and Fuel for serving Divisional and General managers who continue to receive such benefits at retirement. It's obligations in respect of these schemes are the amount of future benefits that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value. The discount rate is the yield at the reporting date on Federal Government of Nigeria issued bonds that have maturity dates approximating the term of the OERNL's obligation. The calculation is performed using the Projected Unit Credit method. Obligations for long-term benefits are determined by adopting actuarial assumptions. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are taken to profit and loss account in their entirety.

The following defined benefits plan is currently operated by Oando Trading DMCC (OTD) - a direct subsidiary of Oando PLC:
Oando Trading DMCC (OTD) operates an unfunded employees' end of service benefits ("EOSB") for its employees in accordance with the respective laws in Dubai.

(ii) Employee share-based compensation

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options/ awards) of the Group. The fair value of the employee services received in exchange for the grant of the option/awards is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted, including any market performance conditions (for example, an entity's share prices); excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and including impact of any non-vesting conditions (for example, the requirement for employees to save).

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At each reporting date, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the statement of profit or loss, with a corresponding adjustment to share-based payment reserve in equity.

When the options are exercised, the Group issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

Share-based compensation are settled in Oando PLC's shares, in the separate or individual financial statements of the subsidiary receiving the employee services, the share based payments are treated as capital contribution as the subsidiary entity has no obligation to settle the share-based payment transaction.

The entity subsequently re-measures such an equity-settled share-based payment transaction only for changes in non-market vesting conditions.

In the separate financial statements of Oando PLC, the transaction is recognised as an equity-settled share-based payment transaction and additional investments in the subsidiary.

(iii) Other share based payment transactions

Where the Group obtains goods or services in compensation for its shares or the terms of the arrangement provide either the entity or the supplier of those goods or services with a choice of whether the Group settles the transaction in cash (or other assets) or by issuing equity instruments, such transactions are accounted as share based payments in the Group's financial statements.

(iv) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments. The group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(l) **Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss.

Provisions for environmental restoration and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value is a pre-tax rate which reflects current market assessments of the time value of money and the specific risk. The increase in the provision due to the passage of time is recognised as interest expense.

Decommissioning liabilities

A provision is recognised for the decommissioning liabilities for underground tanks described in Note 6iv. Based on management estimation of the future cash flows required for the decommissioning of those assets, a provision is recognised and the corresponding amount added to the cost of the asset under property, plant and equipment for assets measured using the cost model. For assets measured using the revaluation model, subsequent changes in the liability are recognised in revaluation reserves through OCI to the extent of any credit balances existing in the revaluation surplus reserve in respect of that asset. The present values are determined using a pre-tax rate which reflects current market assessments of the time value of money and the risks specific to the obligation. Subsequent depreciation charges of the asset are accounted for in accordance with the Group's depreciation policy and the accretion of discount (i.e. the increase during the period in the discounted amount of provision arising from the passage of time) included in finance costs.

Estimated site restoration and abandonment costs are based on current requirements, technology and price levels and are stated at fair value, and the associated asset retirement costs are capitalized as part of the carrying amount of the related tangible fixed assets. The obligation is reflected under provisions in the statement of financial position.

(m) **Current income and deferred tax**

Income tax expense is the aggregate of the charge to profit or loss in respect of current and deferred income tax.

Current income tax is the amount of income tax payable on the taxable profit for the year determined in accordance with the relevant tax legislation. Education tax is provided at 3% of assessable profits of companies operating within Nigeria. Tax is recognised in the statement of profit or loss except to the extent that it relates to items recognised in OCI or equity respectively. In this case, tax is also recognised in other comprehensive income or directly in equity, respectively.

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

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

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

(n) **Dividend**

Dividend payable to the Company's shareholders is recognised as a liability in the separate and consolidated financial statements in the period in which they are declared (i.e. approved by the shareholders).

(o) **Upstream activities**

Exploration and evaluation assets

Exploration and evaluation ("E&E") assets represent expenditures incurred on exploration properties for which technical feasibility and commercial viability have not been determined. E&E costs are initially capitalized as either tangible or intangible exploration and evaluation assets according to the nature of the assets acquired, these costs include acquisition of rights to explore, exploration drilling, carrying costs of unproved properties, and any other activities relating to evaluation of technical feasibility and commercial viability of extracting oil and gas resources. The E&P division entities will expense items that are not directly attributable to the exploration and evaluation asset pool. Costs that are incurred prior to obtaining the legal right to explore, develop or extract resources are expensed in the statement of profit or loss as incurred. Costs that are capitalized are recorded using the cost model with which they will be carried at cost less accumulated impairment. Costs that are capitalized are accumulated in cost centers by well, field or exploration area pending determination of technical feasibility and commercial viability.

Once technical feasibility and commercial viability of extracting the oil or gas is demonstrable, intangible exploration and evaluation assets attributable to those reserves are first tested for impairment and then reclassified from exploration and evaluation assets to a separate category within property, plant and equipment ("PP&E") referred to as oil and gas development assets and oil and gas producing assets. If it is determined that commercial discovery has not been achieved, these costs are charged to expense.

Pre-license cost are expensed in the profit or loss in the period in which they occur .

Farm-out arrangements for E&E assets for which OER is the farmor are accounted for by recognizing only the cash payments received and do not recognize any consideration in respect of the value of the work to be performed by the farmee. The carrying value of the remaining interest is the previous cost of the full interest reduced by the amount of cash consideration received for entering the agreement. The effect will be that there is no gain recognized on the disposal unless the cash consideration received exceeds the carrying value of the entire asset held.

Oil and gas assets

When technical feasibility and commercial viability is determinable, costs attributable to those reserves are reclassified from E&E assets to a separate category within property, plant and equipment ("PP&E") referred to as oil and gas properties under oil and gas development assets and oil and gas producing assets. Costs incurred subsequent to the determination of technical feasibility and commercial viability and the costs of replacing parts of property, plant and equipment are recognized as oil and gas interests only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures are recognized in the statement of profit or loss as incurred. Such capitalized oil and natural gas interests generally represent costs incurred in developing proved and/or probable reserves and bringing in or enhancing production from such reserves, and are accumulated on a field or geotechnical area basis. The carrying amount of any replaced or sold component is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of comprehensive loss as incurred.

Oil and gas assets are measured at cost less accumulated depletion and depreciation and accumulated impairment losses. Oil and gas assets are incorporated into Cash Generating Units "CGU's" for impairment testing.

The net carrying value of development or production assets is depleted using the unit of production method by reference to the ratio of production in the year to the related proved and probable reserves, taking into account estimated future development costs necessary to bring those reserves into production. Future development costs are estimated taking into account the level of development required to produce the reserves. These estimates are reviewed by independent reserve engineers at least annually.

Proved and probable reserves are estimated using independent reserve engineer reports and represent the estimated quantities of crude oil, natural gas and natural gas liquids which geological, geophysical and engineering data demonstrate with a specified degree of certainty to be recoverable in future years from known reservoirs and which are considered commercially producible.

Refer to Note "5L" and Note 35 for information on the provision for estimated site restoration, abandonment costs and decommissioning costs.

(p) **Impairment**

The Group assesses its assets for indicators of impairments annually. All assets are reviewed whenever events or changes in circumstances indicate that the carrying amounts for those assets may not be recoverable. If assets are determined to be impaired, the carrying amounts of those assets are written down to their recoverable amount, which is the higher of fair value less costs to sell and value in use, the latter being determined as the amount of estimated risk-adjusted discounted future cash flows. For this purpose, assets are grouped into cash-generating units based on separately identifiable and largely independent cash inflows.

Estimates of future cash flows used in the evaluation for impairment of assets relating to hydrocarbon production are made using risk assessments on field and reservoir performance and include expectations about proved reserves and unproved volumes, which are then risk-weighted utilising the results from projections of geological, production, recovery and economic factors.

Exploration and evaluation assets are tested for impairment by reference to group of cash-generating units (CGU). Such CGU groupings are not larger than an operating segment. A CGU comprises of a concession with the wells within the field and its related assets as this is the lowest level at which outputs are generated for which independent cash flows can be segregated. Management makes investment decisions/allocates resources and monitors performance on a field/concession basis. Impairment testing for E&E assets is carried out on a field by field basis, which is consistent with the Group's operating segments as defined by IFRS 8.

Impairments, except those related to goodwill, are reversed as applicable to the extent that the events or circumstances that triggered the original impairment have changed.

Impairment charges and reversals are reported separately in the statement of profit or loss. As of the reporting date, no impairment charge (2023: N3.9 billion) was recognised in intangible assets. See Note 16.

(q) **Non-current assets (or disposal groups) held for sale**

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at lower of carrying amount and fair value less costs to sell.

(r) **Production underlift and overlift**

The Group receives lifting schedules for oil production generated by the Group's working interest in certain oil and gas properties. These lifting schedules identify the order and frequency with which each partner can lift. The amount of oil lifted by each partner at the reporting date may not be equal to its working interest in the field. Some partners will have taken more than their share (overlifted) and others will have taken less than their share (underlifted). The initial measurement of the overlift liability and underlift asset is at the market price of oil at the date of lifting, consistent with the measurement of the sale and purchase. Overlift balances are subsequently measured at fair value, while underlift balances are carried at lower of carrying amount and current fair value. The change arising from this remeasurement is included in the profit or loss as other income or cost of sales.

(s) **Fair value**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions the market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. External valuers are involved for valuation of significant assets, such as available for sale financial assets, investment properties and significant liabilities. Involvement of external valuers is decided upon annually by the valuation committee after discussion with and approval by the Group's audit committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. The valuation committee decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Board analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the Board verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The Board, in conjunction with the Group's external valuers, also compares the changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable. On an interim basis, the Board and the Group's external valuers present the valuation results to the audit committee and the Group's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(t) **Offshore processing arrangements**

An offshore processing arrangement involves the lifting of crude oil from an owner (usually government/third party) in agreed specifications and quantities for a swap for agreed yields and specifications of refined petroleum products. Under such arrangements, the owner of the crude oil may not attach monetary value to the crude oil delivered to the Group or the refined products received from the Group. Rather, the owner defines the yields and specification of refined products expected from the Group. Sometimes, the owner may request the Group to deliver specific refined products, increase quantity of certain products contrary to previously agreed quantity ratios, or make cash payments in lieu of delivery of products not required ("retained products"). It is also possible that the owner may request the Group to pre-deliver refined products against future lifting of crude oil. Parties to offshore processing arrangements are often guided by terms and conditions codified in an Agreement/Contract. Such terms may include risk and title to crude oil and refined products, free on board or cost, insurance and freight deliveries by counterparties, obligations of counterparties, costs and basis of reimbursements, etc. Depending on the terms of an offshore processing arrangement, the Group may act as a principal or an agent.

The Group acting in the capacity of a principal under IFRS 15

The Group acts as a principal in an offshore processing arrangement when it controls the promised good or service before transferring that good or service to the customer. When it is unclear whether the Group controls the promised good or service after consideration of the definition of control, then the following indicators are considered to determine if the Group has control:

• it has the primary responsibility for providing the products or services to the customer or for fulfilling the order, for example by being responsible for the acceptability of the products or services ordered or purchased by the customer;
• it has inventory risk before the specified good or service has been transferred to a customer or after transfer of control to the customer (for example, if the customer has a right of return); and
• the entity has discretion in establishing the price for the specified good or service. Establishing the price that the customer pays for the specified good or service may indicate that the entity has the ability to direct the use of that good or service and obtain substantially all of the remaining benefits.

The gross amount of the crude oil received by the Group under an offshore processing arrangement represents consideration for the obligation to the counterparty. Control passes to the counter party upon delivery of refined products. At this point, the Group determines the value of crude oil received using the market price on the date of receipt and records the value as revenue. In addition, the Group records processing fees received/receivable from the counterparty as part of revenue. The Group determines the value of refined products at cost and includes the value in cost of sales in the statement of profit or loss. All direct costs relating to an offshore processing arrangement that are not reimbursable are included in cost of sales, where applicable, in the statement of profit or loss. Such costs may include processing, freight, demurrage, insurance, directly attributable fees and charges, etc. All expenses, which are not directly related to an offshore processing arrangement is included as part of administrative expenses.

Where the Group lifted crude oil but delivered petroleum products subsequent to the accounting period, it does not record the value of the crude oil received as part of revenue. Rather, the Group records the value of crude oil received as deferred revenue under current liabilities.

Where the Group pre-delivered products in expectation of lifting of crude oil in future, it does not record the value in the statement of profit or loss in order to comply with the matching concept. Rather, it will deplete cash (where actual payment was done) or increase trade payables and receivables. The Group transfers the amount recognised from trade receivables to cost of sales and recognise the value of crude oil lifted as turnover, when crude oil is eventually lifted in respect of the pre-delivery.

The Group discloses letters of credit and amounts outstanding at the reporting date under contingent liabilities in the notes to the financial statements.

The Group acting in the capacity of an agent under IFRS 15

The Group acts as an agent in an offshore processing arrangement where the gross inflows of economic benefits include amounts collected on behalf of a third party. Such amounts do not result in increases in equity for the Group. Thus, the amounts collected on behalf of the counterparty are not revenue. Instead, revenue is the amount of commission earned for acting as an agent. Costs incurred by the Group are done on behalf of the counterparty and they are fully reimbursable.

(u) **Investment properties**

Investment properties are measured initially at cost, including transaction costs or fair values. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect. Fair values are determined based on an annual valuation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. The Group has elected to state investment properties at fair value in accordance with IAS 40.

(v) **Contingent liabilities**

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because: (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (ii) the amount of the obligation cannot be measured with sufficient reliability. The Group does not recognise contingent liability but discloses it unless the possibility of an outflow of resources embodying economic benefits is remote. When the possibility of an outflow of economic benefits becomes more than remote but less than probable, contingent liability is disclosed. If it becomes probable that there will be an outflow of economic benefits, a provision is recognised in the financial statements of the period in which the change in probability occurs (except in the extremely rare circumstances where no reliable estimate can be made). When the amount and timing of the liability become certain, the obligation is presented as a trade or other payable or as a financial liability. Where the Group is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability while the Group recognises a provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable, except in the extremely rare circumstances where no reliable estimate can be made.

(w) **Contingent assets**

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Group does not recognise a contingent asset since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and both the asset and income are recognised in the financial statements of the period in which the change occurs. The Group discloses contingent assets where an inflow of economic benefits is probable.

(x) **ECL on financial guarantee contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. For loan commitments and financial guarantee contracts, the date that the entity becomes a party to the irrevocable commitment shall be considered to be the date of initial recognition for the purposes of applying the impairment requirements.

Initial recognition

An issued financial guarantee contract is a financial liability, which is initially recognised at fair value. If the financial guarantee contract is issued to an unrelated party at arms-length, the initial fair value is likely to equal the premium received. If no premium is received (often the case in intragroup situations), the fair value must be determined using a different method that quantifies the economic benefit of the financial guarantee contract to the holder.

Subsequent measurement

After initial recognition, an issuer of a financial guarantee contract shall subsequently measure it at the higher of:

a) the IFRS 9 expected credit loss (ECL); and
b) the amount initially recognised (i.e. fair value) less any cumulative amount of income/ amortisation recognised.

At each reporting date, an entity in the Group shall assess whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the entity shall use the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. Furthermore, the entity shall compare the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The entity may assume that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

6. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements 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 consolidated 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. In particular, the Group has identified the following areas where significant judgements, estimates and assumptions are required. 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. Changes in estimates are accounted for prospectively.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

(a) Joint arrangements (Note 48b)

Judgement is required to determine when the Group has joint control over an arrangement, which requires an assessment of the relevant activities and when the decisions in relation to those activities require unanimous consent. The Group has determined that the relevant activities for its joint arrangements are those relating to the operating and capital decisions of the arrangement, including the approval of the annual capital and operating expenditure work program and budget for the joint arrangement, and the approval of chosen service providers for any major capital expenditure as required by the joint operating agreements applicable to the entity's joint arrangements. The considerations made in determining joint control are similar to those necessary to determine control over subsidiaries, as set out in Note 4i.

Judgement is also required to classify a joint arrangement. Classifying the arrangement requires the Group to assess their rights and obligations arising from the arrangement. Specifically, the Group considers:

- The structure of the joint arrangement – whether it is structured through a separate vehicle
- When the arrangement is structured through a separate vehicle, the Group also considers the rights and obligations arising from: the legal form of the separate vehicle; the terms of the contractual arrangement; and other facts and circumstances, considered on a case by case basis. This assessment often requires significant judgement. A different conclusion about both joint control and whether the arrangement is a joint operation or a joint venture, may materially impact the accounting.

(b) Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- For leases of land and/or buildings, if any leasehold improvements are expected to have a significant remaining value, the Group is reasonably certain to extend (or not terminate).
- Otherwise, the Group considers other factors, including historical lease durations and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and is within the control of the Group.

(c) Capitalisation of borrowing costs

Management exercises sound judgement when determining which assets are qualifying assets, taking into account, among other factors, the nature of the assets. An asset that normally takes more than one year to prepare for use is usually considered as a qualifying asset.

(d) Exploration costs

Exploration costs are capitalised pending the results of evaluation and appraisal to determine the presence of commercially producible quantities of reserves. Following a positive determination, continued capitalisation is subject to further exploration or appraisal activity in that either drilling of additional exploratory wells is under way or firmly planned for the near future or other activities are being undertaken to sufficiently progress the assessment of reserves and the economic and operating viability of the project. In making decisions about whether to continue to capitalise exploration costs, it is necessary to make judgments about the satisfaction of each of these conditions. If there is a change in one of these judgments in any period, then the related capitalised exploration costs would be expensed in that period, resulting in a charge to the statement of profit or loss.

(e) Offshore processing arrangements

Judgement is required in order to determine whether the Group or any of its affiliates acts as a principal or an agent in an offshore processing arrangement. In doing so, the Group considers the nature of arrangements, terms and conditions agreed to by the Group and counterparties and other relevant information. A different conclusion about the role of the Group in an offshore processing arrangement may materially impact the accounting for offshore processing arrangements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation and uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

The estimates and assumptions that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

i **Fair value estimation**

Financial instruments

The fair value of financial instruments traded in active markets (such as available-for-sale securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flows analysis, and option pricing models refined to reflect the issuer's specific circumstances. See Note 7 on details of fair value estimation methods applied by the Group.

The carrying value less (impairment) provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

Employee share based payments

The fair value of employee share options is determined using valuation techniques such as the binomial lattice/black scholes model . The valuation inputs such as the volatility, dividend yield is based on the market indices of Oando PLC's shares.

Property, plant and equipment

Land and building are carried at revalued amounts. Formal revaluations are performed every three years by independent experts for these asset classes. Appropriate indices, as determined by independent experts, are applied in the intervening periods to ensure that the assets are carried at fair value at the reporting date. Judgement is applied in the selection of such indices. Fair value is derived by applying internationally acceptable and appropriately benchmarked valuation techniques such as depreciated replacement cost or market value approach.

The depreciated replacement cost approach involves estimating the value of the property in its existing use and the gross replacement cost. For this appropriate deductions are made to allow for age, condition and economic or functional obsolescence, environmental and other factors that might result in the existing property being worth less than a new replacement.

The market value approach involves comparing the properties with identical or similar properties, for which evidence of recent transaction is available or alternatively identical or similar properties that are available in the market for sale making adequate adjustments on price information to reflect any differences in terms of actual time of the transaction, including legal, physical and economic characteristics of the properties.

The useful life of each asset group has been determined by independent experts based on the build quality, maintenance history, operational regime and other internationally recognised benchmarks relative to the assets.

ii Impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 5e. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates. See Note 16 for detailed assumptions and methods used for impairment calculation.

iii Income taxes

The Group is subject to income taxes in various jurisdictions. Significant judgment is required in determining the Group's provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

iv Provision for environmental restoration

The Group records a liability for the fair value of legal obligations associated with the decommissioning of oil and gas and any other relevant assets in the period in which they are incurred, normally when the asset is purchased or developed. On recognition of the liability there is a corresponding increase in the carrying amount of the related asset known as the decommissioning cost, which is depleted on a unit-of-production basis over the life of the reserves for oil and gas assets. The liability is adjusted each reporting period to reflect the passage of time using the risk free rate, with the interest charged to earnings, and for revisions, to the estimated future cash flows. The changes in the estimate for decommissioning obligation are recorded both under the related asset and liability. When the estimate results in a reduction, the changes deducted from the carrying amount of the asset shall not exceed the carrying amount of the asset. Actual costs incurred upon settlement of the obligations are charged against the liability.

v Estimation of oil and gas reserves

Oil and gas reserves are key elements in Oando's investment decision-making process that is focused on generating value. They are also an important factor in testing for impairment. Changes in proved oil and gas reserves will affect the standardised measure of discounted cash flows and unit-of-production depreciation charges to the statement of profit or loss.

Proved oil and gas reserves are the estimated quantities of crude oil that geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions, i.e., prices and costs as of the date the estimate is made. Proved developed reserves are reserves that can be expected to be recovered through existing wells with existing equipment and operating methods. Estimates of oil and gas reserves are inherently imprecise, require the application of judgement and are subject to future revision. Accordingly, financial and accounting measures (such as the standardised measure of discounted cash flows, depreciation, depletion and amortisation charges, and decommissioning and restoration provisions) that are based on proved reserves are also subject to change.

Proved reserves are estimated by reference to available reservoir and well information, including production and pressure trends for producing reservoirs and, in some cases, subject to definitional limits, to similar data from other producing reservoirs. Proved reserves estimates are attributed to future development projects only where there is a significant commitment to project funding and execution and for which applicable governmental and regulatory approvals have been secured or are reasonably certain to be secured.

Furthermore, estimates of proved reserves only include volumes for which access to market is assured with reasonable certainty. All proved reserves estimates are subject to revision, either upward or downward, based on new information, such as from development drilling and production activities or from changes in economic factors, including product prices, contract terms or development plans. Changes in the technical maturity of hydrocarbon reserves resulting from new information becoming available from development and production activities have tended to be the most significant cause of annual revisions.

In general, estimates of reserves for undeveloped or partially developed fields are subject to greater uncertainty over their future life than estimates of reserves for fields that are substantially developed and depleted. As a field goes into production, the amount of proved reserves will be subject to future revision once additional information becomes available through, for example, the drilling of additional wells or the observation of long-term reservoir performance under producing conditions. As those fields are further developed, new information may lead to revisions.

vi Impairment of assets

For oil and gas properties with no proved reserves, the capitalisation of exploration costs and the basis for carrying those costs on the statement of financial position are explained above. For other properties, the carrying amounts of major property, plant and equipment are reviewed for possible impairment annually, while all assets are reviewed whenever events or changes in circumstances indicate that the carrying amounts for those assets may not be recoverable. If assets are determined to be impaired, the carrying amounts of those assets are written down to their recoverable amount. For this purpose, assets are grouped into cash-generating units based on separately identifiable and largely independent cash inflows. Impairments can also occur when decisions are taken to dispose off assets.

Impairments, except those relating to goodwill, are reversed as applicable to the extent that the events or circumstances that triggered the original impairment have changed. Estimates of future cash flows are based on current year end prices, management estimates of future production volumes, market supply and demand and product margins. Expected future production volumes, which include both proved reserves as well as volumes that are expected to constitute proved reserves in the future, are used for impairment testing because the Group believes this to be the most appropriate indicator of expected future cash flows, used as a measure of value in use.

Estimates of future cash flows are risk-weighted to reflect expected cash flows and are consistent with those used in the Group's business plans. A discount rate based on the Group's weighted average cost of capital (WACC) is used in impairment testing. Expected cash flows are then risk-adjusted to reflect specific local circumstances or risks surrounding the cash flows. Oando reviews the discount rate to be applied on an annual basis. The discount rate applied in 2024 was 16.09% (2023: 14.9%). Asset impairments or their reversal will impact income.

vii Useful lives and residual value of property, plant and equipment

The residual values, depreciation methods and estimated useful lives of property, plant and equipment are reviewed at least on an annual basis. The review is based on the current market situation.

The residual value of the various classes of assets were estimated as follows:

Land and building - 10%
Plant and machinery - 10%
Motor vehicles – 10%
Furniture and fittings - 10%
Computer and IT equipment - 10%

These estimates have been consistent with the amounts realised from previous disposals for the various asset categories.

viii Investment properties

In 2017, the Company had an investment property (a land (5,168.14 sqms) in Abuja, Nigeria and in 2019, the Company perfected the title of another land of 10,864.11 sqm located in Oniru, Lagos, Nigeria as the sublease lease agreement for the Oniru Land was consented to by the Honorable Commissioner, Ministry of Physical Planning and Urban Development on February 01, 2019.

The fair value of the properties were determined using the direct market comparison method of valuation by Ayodeji Odeleye (FRC/2014/NIESV/00000007152), a representative of the independent estate valuer, Biodun Odeleye and Co. (FRC/2024/COY/529517) in January and February 2025. The direct comparison method involves the analysis of similar properties that have recently been transacted upon in the open market within the locality and adjusting appropriately to take care of the peculiarities and level of completion of the subject property in arriving at the value. This has therefore been classified under level 3.

ix Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default, expected loss rates and maximum contractual period. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in Note 7.

7 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flows interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effect on its financial and operational performance.

The Group has a risk management function that manages the financial risks relating to the Group's operations under the policies approved by the Board of Directors. The Group's liquidity, credit, foreign currency, interest rate and price risks are continuously monitored. The Board approves written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest-rate risk and credit risk. The Group uses derivative financial instruments to manage certain risk exposures.

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. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, trade and other receivables and payables, non current receivables, financial assets measured at fair value through profit or loss and derivative financial instruments.

(i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising primarily from various product sourcing activities as well as other currency exposures, mainly US Dollars. Foreign exchange risk arises when future commercial transactions and recorded assets and liabilities are denominated in a currency that is not the entity's functional currency e.g. foreign currency denominated loans, purchases and sales transactions etc. The Group manages their foreign exchange risk by revising cost estimates of orders based on exchange rate fluctuations, forward contracts and cross currency swaps transacted with commercial banks. The Group also apply internal hedging strategies with subsidiaries with USD functional currency.

Group

		2024		2023	
		Pre-tax impact on total equity		Pre-tax impact on total equity	
Instrument	Sensitivity Range	Increase in variable	Decrease in variable	Increase in variable	Decrease in variable
		N'000	N'000	N'000	N'000
US Dollar denominated bank balances and receivables	+/- 12%	220,528,059	(220,528,059)	104,052,427	(104,052,427)
US Dollar denominated trade payables and borrowing balances	+/- 12%	(731,597,336)	731,597,336	(251,142,491)	251,142,491

Company

		2024		2023	
		Pre-tax impact on total equity		Pre-tax impact on total equity	
Instrument	Sensitivity Range	Increase in variable	Decrease in variable	Increase in variable	Decrease in variable
		N'000	N'000	N'000	N'000
US Dollar denominated bank balances and receivables	+/- 12%	9,103,683	(9,103,683)	28,827,668	(28,827,668)
US Dollar denominated trade payables and borrowing balances	+/- 12%	(4,495,644)	4,495,644	(1,219,545)	1,219,545

Equity price risk
The Group is exposed to equity security price risk because of its investments in the marketable securities classified as financial assets measured at fair value through profit or loss. The shares held by the Group are traded on the Nigerian Exchange Group. A 10% change in the market price of the instrument would result in an additional N42.3 million gain/(loss) (2023: N13.9 million), to be recognised in equity.

Commodity price risk
Fluctuations in the international prices of crude oil would have corresponding effects on the results of operations of the Group. In order to mitigate against the risk of fluctuation in international crude oil prices, the Group hedges its exposure to fluctuations in the price of the commodity by entering into hedges for minimum volumes and prices in US$ per barrel of oil.

The table below provides a summary of the impact of changes in crude oil prices and interest rates on income before tax, with all other variables held constant for the year ended December 31, 2024 and December 31, 2023.

		2024		2023	
		Income/(loss) before tax		Income/(loss) before tax	
Instrument	Sensitivity Range	Increase in variable	Decrease in variable	Increase in variable	Decrease in variable
		N'000	N'000	N'000	N'000
Financial commodity contracts	+/- $10 per barrel change in Brent crude oil price	26	21	-	-

(iii) Interest rate risk
The Group had a short term, highly liquid bank deposits of N2.8 billion with ARM with an annual yield of 22.29% as at 31 December 2024 (2023: N2.1 billion (Access Bank UK USD deposit N1.1 billion with a rate of 4.85% p.a. and N1.02 billion with ARM with an annual yield of 10.64%). No limits are placed on the ratio of variable rate borrowing to fixed rate borrowing.

The Group does not have any investments in quoted corporate bonds that are of fixed rate and carried at fair value through profit or loss. Therefore the Group is not exposed to fair value interest rate risk arising from corporate bonds.

The Group has borrowings at variable rates, which expose the Group to cash flow interest rate risk. The Group regularly monitors financing options available to ensure optimum interest rates are obtained.

Management enters into derivative contracts as an economic hedge against interest and foreign currency exposures. As at the reporting date, the Group does not have any outstanding derivatives with respect to interest and foreign currency hedge.

Group

		2024		2023	
		Income/(loss) before tax		Income/(loss) before tax	
Instrument	Sensitivity Range	Increase in variable	Decrease in variable	Increase in variable	Decrease in variable
		N'000	N'000	N'000	N'000
Variable rate borrowings	+/- 100 basis points	(24,639,044)	24,639,044	(6,594,497)	6,594,497

Company

		2024		2023	
		Income/(loss) before tax		Income/(loss) before tax	
Instrument	Sensitivity Range	Increase in variable	Decrease in variable	Increase in variable	Decrease in variable
		N'000	N'000	N'000	N'000
Variable rate borrowings	+/- 100 basis points	(289,497)	289,497	(97,636)	97,636

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, finance lease receivables, non-current receivables and deposits with banks as well as trade and other receivables. The Group has policies in place to ensure that credit limits are set for commercial customers taking into consideration the customers' financial position, past trading relationship, credit history and other factors.

Credit risk is monitored by the credit risk department of the Group's Financial Control Unit. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties.

The Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties. Counterparties are assigned a risk rating and risk ratings are subject to regular revision. The credit quality review process aims to allow the Group to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

The Group assesses the credit risk of its financial assets based on the information obtained during periodic review of publicly available information, industry trends and payment records.

Impairment of financial assets

The Group has five types of financial assets that are subject to the expected credit loss model. These financial assets have been assessed using the simplified approach and general approach. See classification below:

Simplified approach:
- trade receivables and contract assets from sales of goods and provision of services

General approach:
- other receivables; comprises of inter-company receivables and inter-company loan receivables
- non-current receivables
- restricted cash, short term fixed deposits and bank balances
- finance lease receivable

Simplified approach
Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on the payment profiles of sales over a period of at least 2 years and the corresponding historical credit losses experienced within this period for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type and customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The Group has identified the gross domestic product (GDP) growth rate, oil prices, unemployment rate, interest rate, inflation rate and the exchange rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 25. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions.

Trade receivables are written off where the Group determines that there are no realistic prospects of recovery, the financial asset and any related loss allowance is written off either partially or in full. Impairment losses on trade receivables are presented within operating profit or loss. Subsequent recoveries of amounts previously written off are credited against the same line item.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

GROUP

31 December 2024	Current	1 and 30 days past due	31 and 60 days past due	61 and 90 days past due	91 and 360 days past due	360 days past due	Total
Expected credit loss	77,210	26,613	45,155	106,864	14,831,118	193,037,984	208,124,945
Oando Energy Resources (OER)	10,572	129	1,795	102,992	14,646,891	27,089,244	41,851,623
Oando Energy Resources Nigeria Limited (OERNL)	-	8,643	3,934	2,345	13,310	150,576,478	150,604,710
Oando Petroleum and Natural Gas Ltd (OPNGL)	11,217	133	-	120	-	-	11,470
Oando Trading DMCC Dubai (OTD)	35,931	1,728	324	1,155	101,877	1,645,528	1,786,543
Oando Resources Limited (ORL)	-	-	-	-	-	-	-
Oando Logistics Services (OLS)	19,490	15,980	39,102	252.0	69,041	378,047	521,912
Company	-	-	-	-	-	13,348,689	13,348,689
Gross carrying amount – trade receivables	151,811,069	35,464,804	16,863,309	14,359,018	401,234,813	196,288,191	816,021,204
Oando Energy Resources (OER)	13,085,717	160,094	2,230,908	2,285,091	16,916,921	27,089,245	61,767,976
Oando Energy Resources Nigeria Limited (OERNL)	-	28,810,017	13,113,474	7,813,130	44,374,602	153,826,685	247,937,908
Oando Petroleum and Natural Gas Ltd (OPNGL)	17,293,324	452,935	-	408,498	-	-	18,154,757
Oando Trading DMCC Dubai (OTD)	119,771,479	5,760,809	1,079,860	3,850,521	339,590,788	1,645,527	471,698,985
Oando Resources Limited (ORL)	975,290	-	-	-	-	-	975,290
Oando Logistics Services (OLS)	685,258	280,949	439,066	1,779	352,501	378,046	2,137,599
Company	-	-	-	-	-	13,348,689	13,348,689

The breakdown of the above table is shown below:

Oando Energy Resources (OER)	Gross carrying amount – trade receivables (A)			Loss rate (B)		Expected credit loss (A*B)		Total expected credit loss
	Oil & Gas	Power & Utilities	Total	Oil & Gas	Power & Utilities	Oil & Gas	Power & Utilities	
Current	6,462,336	6,623,381	13,085,717	0.08%	0.08%	5,243	5,329	**10,572**
1 and 30 days past due	0	160,094	160,094	0.03%	0.08%	0	129	**129**
31 and 60 days past due	0	2,230,908	2,230,908	0.03%	0.08%	0	1,795	**1,795**
61 and 90 days past due	-	2,285,091	2,285,091	0.03%	4.51%	-	102,992	**102,992**
91 and 360 days past due	-	16,916,921	16,916,921	0.03%	86.58%	-	14,646,891	**14,646,891**
360 days past due	511	27,088,733	27,089,244	100.00%	100.00%	511	27,088,733	**27,089,244**
Total	**6,462,847**	**55,305,128**	**61,767,975**			**5,754**	**41,845,869**	**41,851,623**

Oando Energy Resources Nigeria Limited (OERNL)	Gross carrying amount – trade receivables (A)			Loss rate (B)		Expected credit loss (A*B)		Total expected credit loss
	Oil & Gas	Power & Utilities	Total	Oil & Gas	Power & Utilities	Oil & Gas	Power & Utilities	
Current	-	-	-	0.03%	0.03%	-	-	**-**
1 and 30 days past due	8,162,678	20,647,339	28,810,017	0.03%	0.03%	2,449	6,194	**8,643**
31 and 60 days past due	3,081,590	10,031,884	13,113,474	0.03%	0.03%	924	3,010	**3,934**
61 and 90 days past due	3,694,945	4,118,185	7,813,130	0.03%	0.03%	1,110	1,235	**2,345**
91 and 360 days past due	40,911,070	3,463,532	44,374,602	0.03%	0.03%	12,273	1,037	**13,310**
360 days past due	10,595,058	143,231,627	153,826,685	100.00%	77.77%	10,595,058	139,981,420	**150,576,478**
Total	**66,445,340**	**181,492,568**	**247,937,908**			**10,611,814**	**139,992,896**	**150,604,710**

Oando Petroleum and Natural Gas Ltd (OPNGL)	Gross carrying amount – trade receivables (A)			Loss rate (B)		Expected credit loss (A*B)		Total expected credit loss
	Oil & Gas	Power & Utilities	Total	Oil & Gas	Power & Utilities	Oil & Gas	Power & Utilities	
Current	8,197,811	9,095,513	17,293,324	0.03%	0.03%	2,414	8,803	**11,217**
1 and 30 days past due		452,935	452,935	0.03%	0.03%	-	133	**133**
31 and 60 days past due	-		-	0.03%	0.03%	-	-	**-**
61 and 90 days past due	-	408,498	408,498	0.03%	0.03%	-	120	**120**
91 and 360 days past due	-	-	-	0.03%	0.03%	-	-	**-**
360 days past due	-	-	-	100.00%	100.00%	-	-	**-**
Total	**8,197,811**	**9,956,946**	**18,154,757**			**2,414**	**9,056**	**11,470**

Oando Trading DMCC Dubai (OTD)	Gross carrying amount – trade receivables (A)			Loss rate (B)		Expected credit loss (A*B)		Total expected credit loss
	Oil & Gas	Power & Utilities	Total	Oil & Gas	Power & Utilities	Oil & Gas	Power & Utilities	
Current	119,771,479	-	119,771,479	0.03%	-	35,931	-	**35,931**
1 and 30 days past due	5,760,809	-	5,760,809	0.03%	-	1,728	-	**1,728**
31 and 60 days past due	1,079,860	-	1,079,860	0.03%	-	324	-	**324**
61 and 90 days past due	3,850,521	-	3,850,521	0.03%	-	1,155	-	**1,155**
91 and 360 days past due	339,590,788	-	339,590,788	0.03%	-	101,877	-	**101,877**
360 days past due	1,645,527	-	1,645,527	100.00%	-	1,645,528	-	**1,645,528**
Total	**471,698,984**	**-**	**471,698,984**			**1,786,543**	**-**	**1,786,543**

Oando Resources Limited (ORL)	Gross carrying amount – trade receivables (A)			Loss rate (B)		Expected credit loss (A*B)		Total expected credit loss
	Oil & Gas	Power & Utilities	Total	Oil & Gas	Power & Utilities	Oil & Gas	Power & Utilities	
Current	975,290		975,290	0.00%	0.00	-	-	**-**
Total	**975,290**	**-**	**975,290**			**-**	**-**	**0**

Oando Logistics Services (OLS)	Gross carrying amount – trade receivables (A)			Loss rate (B)		Expected credit loss (A*B)		Total expected credit loss
	Individuals	Oil & Gas	Total	Individuals	Oil & Gas	Individuals	Oil & Gas	
Current	680,690	4,569	685,258	2.82%	5.95%	19,218	272	**19,490**
1 and 30 days past due	270,933	10,016	280,949	5.22%	18.34%	14,143	1,837	**15,980**
31 and 60 days past due	439,066	-	439,066	8.91%	34.33%	39,102	-	**39,102**
61 and 90 days past due	1,779	-	1,779	14.16%	37.24%	252	-	**252**
91 and 360 days past due	352,116	385	352,501	19.56%	42.27%	68,878	163	**69,041**
360 days past due	306,525	71,522	378,047	100.00%	100.00%	306,525	71,522	**378,047**
Total	**2,051,108**	**86,491**	**2,137,599**			**448,118**	**73,794**	**521,912**

COMPANY	Gross carrying amount – trade receivables (A)			Loss rate (B)		Expected credit loss (A*B)		Total expected credit loss
	Individuals	Oil & Gas	Total	Individuals	Oil & Gas	Individuals	Oil & Gas	
Current - Third parties	-	-	0	0.03%	0.03%	-	-	**-**
Current - Related party*	-	4,618,013	4,618,013	0.03%	0.03%	-	1,360	**1,360**
360 days past due - Third party	-	13,348,689	13,348,689	100.00%	100.00%	-	13,348,689	**13,348,689**
Total	**-**	**17,966,702**	**17,966,702**			**-**	**13,350,049**	**13,350,049**

* The impairment of trade receivables from the related party is eliminated on consolidation.

31 December 2023

GROUP	Current	1 and 30 days past due	31 and 60 days past due	61 and 90 days past due	91 and 360 days past due	360 days past due	Total
Expected credit loss	118,321	65,277	16,082	93,517	356,348	12,305,792	12,955,337
Oando Energy Resources (OER)	5,461	132	983	6,345	292,279	3,252,559	3,557,759
Oando Trading DMCC Dubai (OTD)	40,565	45,751	10,223	-	981	1,158,943	1,256,463
Oando Logistics Services (OLS)	13,769	19,394	4,876	87,172	63,088	75,939	264,238
Company	58,526	-	-	-	-	7,818,352	7,876,878
Gross carrying amount – trade receivables	357,470,274	153,228,825	37,573,153	3,997,621	17,448,292	4,487,441	574,205,606
Oando Energy Resources (OER)	19,022,627	460,529	3,451,364	3,493,450	14,130,585	3,252,559	43,811,114
Oando Trading DMCC Dubai (OTD)	135,217,371	152,502,745	34,076,899	-	3,075,353	1,158,943	326,031,311
Oando Logistics Services (OLS)	324,289	265,551	44,890	504,171	242,354	75,939	1,457,194
Company	202,905,987	-	-	-	-	-	202,905,987

The breakdown of the above table is shown below;

Oando Energy Resources (OER)	Gross carrying amount – trade receivables (A)			Loss rate (B)		Expected credit loss (A*B)		Total expected credit loss
	Oil & Gas	Power & Utilities	Total	Oil & Gas	Power & Utilities	Oil & Gas	Power & Utilities	
Current	9,030,982	9,991,645	19,022,627	0.03%	0.03%	2,616	2,845	**5,461**
1 and 30 days past due	113,915	346,614	460,529	0.03%	0.03%	33	99	**132**
31 and 60 days past due	-	3,451,364	3,451,364	0.03%	0.03%	-	983	**983**
61 and 90 days past due	-	3,493,450	3,493,450	0.03%	0.18%	-	6,345	**6,345**
91 and 360 days past due	169,125	13,961,460	14,130,585	0.03%	2.09%	49	292,230	**292,279**
360 days past due	256,902	2,995,657	3,252,559	100.00%	100.00%	256,902	2,995,657	**3,252,559**
Total	**9,570,924**	**34,240,190**	**43,811,114**			**259,600**	**3,298,159**	**3,557,759**

Oando Trading DMCC Dubai	Gross carrying amount – trade receivables (A)			Loss rate (B)		Expected credit loss (A*B)		Total expected credit loss
	Oil & Gas	Power & Utilities	Total	Oil & Gas	Power & Utilities	Oil & Gas	Power & Utilities	
Current	135,217,371	-	135,217,371	0.03%	-	40,565	-	**40,565**
1 and 30 days past due	152,502,745	-	152,502,745	0.03%	-	45,751	-	**45,751**
31 and 60 days past due	34,076,899	-	34,076,899	0.03%	-	10,223	-	**10,223**
61 and 90 days past due	-	-	-	0.03%	-	-	-	**-**
91 and 360 days past due	3,075,353	-	3,075,353	0.03%	-	981	-	**981**
360 days past due	1,158,943	-	1,158,943	100.00%	-	1,158,943	-	**1,158,943**
Total	**326,031,311**	**-**	**326,031,311**			**1,256,463**	**-**	**1,256,463**

Oando Logistics Services (OLS)	Gross carrying amount – trade receivables (A)			Loss rate (B)		Expected credit loss (A*B)		Total expected credit loss
	Individuals	Oil & Gas	Total	Individuals	Oil & Gas	Individuals	Oil & Gas	
Current	239,355	84,934	324,289	4.24%	4.25%	10,160	3,609	**13,769**
1 and 30 days past due	265,290	261	265,551	7.30%	9.74%	19,369	25	**19,394**
31 and 60 days past due	44,678	212	44,890	10.84%	14.41%	4,845	31	**4,876**
61 and 90 days past due	504,171	-	504,171	17.29%	18.59%	87,172	-	**87,172**
91 and 360 days past due	231,729	10,625	242,354	26.16%	23.16%	60,628	2,460	**63,088**
360 days past due	38,942	36,997	75,939	100.00%	100.00%	38,942	36,997	**75,939**
Total	**1,324,165**	**133,029**	**1,457,194**			**221,116**	**43,122**	**264,238**

COMPANY	Gross carrying amount – trade receivables (A)			Loss rate (B)		Expected credit loss (A*B)		Total expected credit loss
	Individuals	Oil & Gas	Total	Individuals	Oil & Gas	Individuals	Oil & Gas	
Current - Third parties	-	195,087,635	195,087,635	0.00%	0.03%	-	58,526	**58,526**
Current - Related party*	-	-	-	0.00%	0.03%	-	-	**-**
360 days past due	-	7,818,352	7,818,352	100.00%	100.00%	-	7,818,352	**7,818,352**
Total		202,905,987	202,905,987			-	7,876,878	7,876,878

* The impairment of trade receivables from the related party is eliminated on consolidation.

Set out below is the movement in the allowance for expected credit losses of trade receivables:

	Group		Company	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
Balance as at 1 January	12,955,337	10,162,971	7,876,878	7,376,592
Increase in trade receivables loss allowance recognised in the statement of profit or loss during the year	62,263,535	121,128	5,473,171	500,286
Exchange difference	(489,997)	2,671,238	-	-
At 31 December	208,124,945	12,955,337	13,350,049	7,876,878

General approach - Expected credit loss measurement

The Group applied the IFRS 9 general approach to measuring expected credit losses which uses a three-stage approach in recognising the expected loss allowance for finance lease receivables, other receivables, non-current receivables, restricted cash, short-term fixed deposits and bank balances.

Expected credit loss (ECL) recognised for the period is a probability of weighted estimate of credit losses under different scenarios discounted at the effective interest rate of the financial asset. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are recognised in three stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (12-months ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (lifetime ECL). For those credit exposures that have already defaulted, a loss allowance equal to the exposure is recognised.

The ECL is determined by projecting the probability of default (PD), loss given default (LGD) and exposure at default (EAD) for each future month and for each individual exposure. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not been prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

Basis of inputs to the ECL model

Probability of default (PD)

The credit rating of the countries of the counterparties was used to reflect the assessment of the probability of default on these receivables. This was derived from Standard & Poor's (S&P) 2023 annual global rating scale to arrive at a PD for the respective countries. The PD for Stage 3 receivables was 100% as these amounts were deemed to be in default using the days past due criteria. The PD was adjusted for macro economics factors.

Loss given default (LGD)

The LGD is the average recovery rate for Moody's Senior Unsecured Corporate Bonds.

Exposure at default (EAD)
This is the amount that best represents the maximum exposure to credit risk at the end of the reporting period without taking account of any collateral.

Macroeconomic indicators
The real historical gross domestic product (GDP) growth rate in Nigeria, inflation rate, unemployment rate and crude oil price were identified as the key economic variables impacting the credit risk on these receivables. Forecasts of these economic variables (the "base economic scenario") provide the best estimate view of the economy in the last thirty (30) years. In addition to the base economic scenario, two additional scenarios (upturn and downturn) were derived as the scenario weightings.
The probability weight attached to each of the scenarios was determined using the GDP growth rates. The historical GDP growth rates were evaluated at 95% confidence interval. Based on this confidence interval, 78.33% (2023:76.7%) of historical GDP growth rate observation falls within the acceptable bounds, 12.5% (2023:13.33%) of the observation relates to upturn while 9.12% (2023:10.0%) of the observation relate to periods of recession/downturn.

Staging
The Group considers both quantitative and qualitative indicators in classifying its receivables into the relevant stages for impairment calculation.

Stage 1 includes receivables that are less than 30 days past due (performing).
Stage 2 includes receivables that have been assessed to have experienced a significant increase in credit risk using the days past due criteria (i.e. the outstanding receivables amount are more than 30 days past due but less than 360 days past due) and other qualitative indicators such as the operational performance of the counterparty, increase in political risk concerns or other macro-economic factors and the risk of legal action, sanction or other regulatory penalties that may impair future financial performance.
Stage 3 receivables are receivables that have been assessed as being in default (i.e. receivables that are more than 360 days past due) or there is a clear indication that the imposition of financial or legal penalties and/or sanctions will make the full recovery of indebtedness highly improbable.

Definition of default and credit impaired financial assets

The Group considers a financial asset in default when contractual payments are 30 days past due except for receivables from Nigeria Bulk Electricity Trading PLC which is 60 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group (if any). A financial asset is written off where the Group determines that there are no realistic prospects of recovery, the financial asset and any related loss allowance is written off either partially or in full.

Group
Other receivables

The table below shows the credit quality of other receivables which have been assessed by reference to historical information about counterparty default rates. The amounts presented are gross of impairment allowances.

	2024				2023
	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000	Total N'000
Performing	93,195,984	-	-	93,195,984	99,728,767
Non - performing					
Individually impaired	-	-	559,393,151	559,393,151	387,409,130
	93,195,984	-	559,393,151	652,589,135	487,137,897

The closing loss allowances for other receivables as at 31 December 2023 reconcile to the opening loss allowances as follows:	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
ECL allowance as at 1 January 2024	82,438	-	387,409,130	387,491,568
New assets originated or purchased	(50,455,452)	-	5,980	(50,449,472)
Impairment of assets	5,543,364	-	3,798,025	9,341,389
Exchange difference	396,071	-	168,180,016	168,576,087
At 31 December 2024	(44,433,579)	-	559,393,151	514,959,572

	2023			
Group	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
Performing	99,728,767	-	-	99,728,767
Non - performing				
Individually impaired	-	-	387,409,130	387,409,130
	99,728,767	-	387,409,130	487,137,897

	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
ECL allowance as at 1 January 2023	38,108	-	193,230,176	193,268,284
Impairment/(reversal) of impairment of assets	44,330	-	3,058,973	3,103,303
Exchange difference	-	-	191,119,981	191,119,981
At 31 December 2023	82,438	-	387,409,130	387,491,568

Non-current receivables

The table below shows the credit quality of non-current receivables which have been assessed by reference to historical information about counterparty default rates. The amounts presented are gross of impairment allowances.

	2024				2023
Group	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000	Total N'000
Performing	-	-	495,590,553	495,590,553	-
Non - performing					
Individually impaired	-	-	-	-	-
Less: current portion of joint operations receivables reclassified to other receivables	-	-	-	-	-
	-	-	495,590,553	495,590,553	-

The closing loss allowances for non-current receivables as at 31 December 2024 reconcile to the opening loss allowances as follows:

	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
ECL allowance as at 1 January 2024	-	-	-	-
Reversal of impairment	-	-	-	-
Exchange difference	-	-	-	-
At 31 December 2024	-	-	-	-

	2023			
Group	**Stage 1 N'000**	**Stage 2 N'000**	**Stage 3 N'000**	**Total N'000**
Performing	-	-	-	-
Non - performing				
Individually impaired	-	-	-	-
Less: current portion of joint operations receivables reclassified to other receivables	-	-	-	-
	-	-	-	-

The closing loss allowances for non-current receivables as at 31 December 2023 reconcile to the opening loss allowances as follows:

	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
ECL allowance as at 1 January 2023	-	-	-	-
Reversal of impairment of assets	-	-	-	-
Exchange difference	-	-	-	-
At 31 December 2023	-	-	-	-

Finance lease receivables

The table below shows the credit quality of finance lease receivables which have been assessed by reference to historical information about counterparty default rates. The amounts presented are gross of impairment allowances.

	2024				2023
Group	**Stage 1 N'000**	**Stage 2 N'000**	**Stage 3 N'000**	**Total N'000**	**Total N'000**
Performing (Note 22ii)	481,330,550	-	-	481,330,550	180,272,031
Non - performing					
Individually impaired	-	-	-	-	-
	481,330,550	-	-	481,330,550	180,272,031

The closing loss allowances for finance lease receivables as at 31 December 2024 reconcile to the opening loss allowances as follows:

	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
ECL allowance as at 1 January 2024	1,981,998	-	-	1,981,998
Impairment of assets	4,622,704	-	-	4,622,704
Exchange difference	1,460,463	-	-	1,460,463
At 31 December 2024	8,065,165	-	-	8,065,165

	2023			
Group	**Stage 1 N'000**	**Stage 2 N'000**	**Stage 3 N'000**	**Total N'000**
Performing (Note 22ii)	180,272,031	-	-	180,272,031
Non - performing				
Individually impaired	-	-	-	-
	180,272,031	-	-	180,272,031

The closing loss allowances for finance lease receivables as at 31 December 2023 reconcile to the opening loss allowances as follows:

	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
ECL allowance as at 1 January 2023	2,328,989	-	-	2,328,989
Reversal of impairment of assets	(1,994,256)	-	-	(1,994,256)
Exchange difference	1,647,265	-	-	1,647,265
At 31 December 2023	1,981,998	-	-	1,981,998

Other receivables

The table below shows the credit quality of other receivables which have been assessed by reference to historical information about counterparty default rates. The amounts presented are gross of impairment allowances.

Company	2024				2023
	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000	Total N'000
Performing	13,372,772	-	-	13,372,772	162,165,149
Non - performing					
Individually impaired		-	282,063,719	282,063,719	89,505,416
	13,372,772	-	282,063,719	295,436,491	251,670,565

The closing loss allowances for other receivables as at 31 December 2024 reconcile to the opening loss allowances as follows:

	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
ECL allowance as at 1 January 2024	4,596,636	-	88,156,146	92,752,782
Impairment of assets		-	189,310,937	189,310,937
Transfers to stage 3	(4,596,636)	-	4,596,636	-
At 31 December 2024	-	-	282,063,719	282,063,719

	2023			
	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
Performing	162,165,149	-	-	162,165,149
Non - performing				
Individually impaired	-	-	89,505,416	89,505,416
	162,165,149	-	89,505,416	251,670,565

The closing loss allowances for other receivables as at 31 December 2023 reconcile to the opening loss allowances as follows:

	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
ECL allowance as at 1 January 2023	(2,904,607)	-	67,989,779	65,085,172
Impairment of assets	7,501,243	-	20,166,367	27,667,610
At 31 December 2023	4,596,636	-	88,156,146	92,752,782

Non-current receivables

The table below shows the credit quality of non-current receivables which have been assessed by reference to historical information about counterparty default rates. The amounts presented are gross of impairment allowances.

Company	2024				2023
	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000	Total N'000
Performing	-	-	-	-	-
Non - performing					
Individually impaired	-	-	-	-	-
	-	-	-	-	-

The closing loss allowances for non-current receivables as at 31 December 2024 reconcile to the opening loss allowances as follows:

	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
ECL allowance as at 1 January 2024	-	-	-	-
Reversal of impairment	-	-	-	-
At 31 December 2024	-	-	-	-

The table below shows the credit quality of non-current receivables as at 31 December 2023 which have been assessed by reference to historical information about counterparty default rates. The amounts presented are gross of impairment allowances.	2023			
	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
Performing	-	-	-	-
Non - performing				
Individually impaired	-	-	-	-
	-	-	-	-

The closing loss allowances for non-current receivables as at 31 December 2023 reconcile to the opening loss allowances as follows:

	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
ECL allowance as at 1 January 2023	-	-	-	-
Reversal of impairment of assets	-	-	-	-
At 31 December 2023	-	-	-	-

Finance lease receivables

The table below shows the credit quality of finance lease receivables which have been assessed by reference to historical information about counterparty default rates. The amounts presented are gross of impairment allowances.

	2024				2023
Company	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000	Total N'000
Performing	52,113,160	-	-	52,113,160	34,450,154
Non - performing					
Individually impaired	-	-	-	-	-
	52,113,160	-	-	52,113,160	34,450,154

The closing loss allowances for finance lease receivables as at 31 December 2023 reconcile to the opening loss allowances as follows:

	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
ECL allowance as at 1 January 2024	798,792	-	-	798,792
Impairment of assets	474,323	-	-	474,323
At 31 December 2024	1,273,115	-	-	1,273,115

The table below shows the credit quality of finance lease receivables as at 31 December 2023 which have been assessed by reference to historical information about counterparty default rates. The amounts presented are gross of impairment allowances.	2023			
	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
Performing	34,450,154	-	-	34,450,154
Non - performing				
Individually impaired	-	-	-	-
	34,450,154	-	-	34,450,154

The closing loss allowances for finance lease receivables as at 31 December 2023 reconcile to the opening loss allowances as follows:	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000
ECL allowance as at 1 January 2023	532,989	-	-	532,989
Impairment of assets	265,803	-	-	265,803
At 31 December 2023	798,792	-	-	798,792

At 31 December 2024

The table below shows the ECL charges on financial instruments for the year recorded in the income statement:

Group	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Simplified model N'000	Total N'000
Other receivables measured at amortised cost - charged to statement of profit or loss	5,543,364	-	3,798,025	-	9,341,389
Non-current receivables measured at amortised cost - reversed in statement of profit or loss	-	-	-	-	-
Finance lease receivables measured at amortised cost - charged to statement of profit or loss	4,622,704	-	-	-	4,622,704
Cash and cash equivalent measured at amortised cost - charged to statement of profit or loss	-	-	-	-	-
Trade receivables measured at amortised cost - charged to statement of profit or loss	-	-	-	62,263,535	62,263,535
	10,166,068	-	3,798,025	62,263,535	76,227,628

Company	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Simplified model N'000	Total N'000
Other receivables measured at amortised cost - charged to statement of profit or loss	-	-	189,310,937	-	189,310,937
Non-current receivables measured at amortised cost - charged to statement of profit or loss	-	-	-	-	-
Finance lease receivables measured at amortised cost - charged to statement of profit or loss	474,323	-	-	-	474,323
Trade receivables measured at amortised cost - charged to statement of profit or loss	-	-	-	5,473,171	5,473,171
	474,323	-	189,310,937	5,473,171	195,258,431

At 31 December 2023

The table below shows the ECL charges on financial instruments for the year recorded in the income statement:

Group	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Simplified model N'000	Total N'000
Other receivables measured at amortised cost - charged to statement of profit or loss	44,330	-	3,058,972	-	3,103,302
Non-current receivables measured at amortised cost - reversed in statement of profit or loss	-	-	-	-	-
Finance lease receivables measured at amortised cost - reversed in statement of profit or loss	(1,994,256)	-	-	-	(1,994,256)
Cash and cash equivalent measured at amortised cost - charged to statement of profit or loss	-	-	201,705	-	201,705
Trade receivables measured at amortised cost - charged to statement of profit or loss	-	-	-	121,128	121,128
	(1,949,926)	-	3,260,677	121,128	1,431,879

Company

	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Simplified model N'000	Total N'000
Other receivables measured at amortised cost - charged to statement of profit or loss	7,501,243	-	20,166,367	-	27,667,610
Non-current receivables measured at amortised cost - reversed in statement of profit or loss	-	-	-	-	-
Finance lease receivables measured at amortised cost - charged to statement of profit or loss	265,803	-	-	-	265,803
Trade receivables measured at amortised cost - charged to statement of profit or loss	-	-	-	500,286	500,286
	7,767,046	-	20,166,367	500,286	28,433,699

Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors cash forecast on a periodic basis in response to liquidity requirements of the Group. This helps to ensure that the Group has sufficient cash to meeting operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance and compliance with internal targets.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows.

Group	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	N'000	N'000	N'000	N'000	N'000
At 31 December 2024:					
Borrowings*	1,913,554,487	704,651,678	762,587,965	227,205,221	3,607,999,351
Lease liabilities**	32,385,618	669,491	55,556	-	33,110,665
Dividend payable	1,650,277	-	-	-	1,650,277
Trade and other payables***	2,500,047,570	-	-	-	2,500,047,570
Total	4,447,637,953	705,321,169	762,643,521	227,205,221	6,142,807,863
At 31 December 2023:					
Borrowings*	707,470,123	75,186,973	117,230,727	98,779,747	998,667,570
Lease liabilities**	2,943,392	3,570,599	67,130	-	6,581,121
Dividend payable	1,650,277	-	-	-	1,650,277
Trade and other payables***	1,452,632,803	-	-	-	1,452,632,803
Total	2,164,696,595	78,757,572	117,297,857	98,779,747	2,459,531,770

* Included in borrowings is a total interest of N836.1 billion (2023: N180.3 billion)

** Included in lease liabilities is a total interest of N1.7 billion (2023: N700.2 million)

*** Trade and other payables excludes statutory payables.

Company	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	N'000	N'000	N'000	N'000	N'000
At 31 December 2024:					
Borrowings*	109,253,719	49,553,295	6,744,117	-	165,551,131
Lease liabilities**	45,511,770	14,582,617	55,556	-	60,149,942
Dividend payable	1,650,277	-	-	-	1,650,277
Trade and other payables***	277,263,361	-	-	-	277,263,361
Total	433,679,127	64,135,912	6,799,672	-	504,614,711

At 31 December 2023:	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	N'000	N'000	N'000	N'000	N'000
Borrowings*	20,158,447	41,739,572	84,298,230	84,298,230	230,494,479
Lease liabilities**	22,015,524	20,963,395	-	-	42,978,919
Dividend payable	1,650,277	-	-	-	1,650,277
Trade and other payables***	700,475,176	-	-	-	700,475,176
Total	744,299,424	62,702,967	84,298,230	84,298,230	975,598,850

* Included in borrowings is a total interest of N41.4 billion (2023: 125.5 billion)

** Included in lease liabilities is a total interest of N2.2 billion (2023: N4.0 billion)

** Trade and other payables excludes statutory payables.

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may issue new capital or sell assets to reduce debt.

Various financial ratios and internal targets are assessed and reported to the Board on a quarterly basis to monitor and support the key objectives set out above. These ratios and targets include:

– Gearing ratio;
– Earnings before interest, tax, depreciation and amortisation (EBITDA);
– Fixed/floating debt ratio;
– Current asset ratio;
– Interest cover;

The Group's objective is to maintain these financial ratios in excess of any debt covenant restrictions and use them as a performance measurement and hurdle rate. The failure of a covenant test could render the facilities in default and repayable on demand at the option of the lender.

Accordingly, in situations where these ratios are not met, the Group takes immediate steps to redress the potential negative impact on its financial performance. Such steps include additional equity capital through rights issue and special placement.

Total capital is calculated as equity plus net debt. The gearing ratios as at the end of December 2024 and 2023 were as follows:

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Total borrowings	2,771,883,888	818,343,851	124,141,762	104,991,721
Less: cash and cash equivalents (Note 31)	(221,775,277)	(73,317,626)	(4,410,854)	(999,848)
Net debt	2,550,108,611	745,026,225	119,730,908	103,991,873
Total equity	(360,979,377)	(267,178,721)	(348,266,672)	(460,073,296)
Total capital	2,189,129,234	477,847,504	(228,535,764)	(356,081,423)
Gearing ratio	116%	156%	-52%	-29%

Fair Value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2024.

Financial instruments measured at fair value	Level 1 N'000	Level 2 N'000	Level 3 N'000	Total N'000
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	442,671	-	-	442,671
Investment properties	-	-	15,195,950	15,195,950
Total assets	**442,671**	**7,708,825**	**15,195,950**	**23,347,446**

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2023.

	Level 1	Level 2	Level 3	Total
Assets	N'000	N'000	N'000	N'000
Financial assets at fair value through profit or loss				
- Equity securities	138,654	-	-	138,654
Derivative financial assets				
- Commodity option contracts	-	-	-	-
Investment properties	-	-	12,060,900	12,060,900
Total assets	**138,654**	**-**	**12,060,900**	**12,199,554**

The following table presents the Company's assets and liabilities that are measured at fair value at 31 December 2024.

	Level 1	Level 2	Level 3	Total
	N'000	N'000	N'000	N'000
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	422,562	-	-	422,562
Investment properties	-	-	15,195,950	15,195,950
Total assets	**422,562**	**-**	**15,195,950**	**15,618,512**

The following table presents the Company's assets and liabilities that are measured at fair value at 31 December 2023.

	Level 1	Level 2	Level 3	Total
	N'000	N'000	N'000	N'000
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	138,654	-	-	138,654
Investment properties	-	-	12,060,900	12,060,900
Total assets	**138,654**	**-**	**12,060,900**	**12,199,554**

Financial instruments not measured at fair value but for which fair values are disclosed

Group	Level 1	Level 2	Level 3	Total
Assets	N'000	N'000	N'000	N'000
31 December 2024				
Finance lease receivable	-	-	470,478,263	470,478,263
31 December 2023				
Finance lease receivable	-	-	190,368,786	190,368,786
Liabilities				
31 December 2024				
Borrowings	-	-	2,338,523,613	2,338,523,613
Lease liabilities	-	-	7,314,954	7,314,954
31 December 2023				
Borrowings	-	-	747,459,994	747,459,994
Lease liabilities	-	-	5,028,346	5,028,346

Company	Level 1	Level 2	Level 3	Total
Assets	N'000	N'000	N'000	N'000
31 December 2024				
Finance lease receivable	-	-	40,878,660	40,878,660
31 December 2023				
Finance lease receivable	-	-	29,326,023	29,326,023
Liabilities				
31 December 2024				
Borrowings	-	-	121,879,474	121,879,474
Lease liabilities	-	-	45,765,046	45,765,046
31 December 2023				
Borrowings	-	-	123,776,903	123,776,903
Lease liabilities	-	-	33,304,052	33,304,052

The fair value of borrowings and finance lease receivables is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The own non-performance risk for borrowings as at 31 December 2024 and 2023 has been considered in the determination of the fair value and is immaterial. For receivables, the models incorporate various inputs including the credit quality of counterparties. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The individual credit worthiness of the customers have been considered in the valuation. The discount rate used for finance lease receivables and borrowings are 25% (2023: 19%) and 25% (2024: 19%) respectively.

There were no transfers between levels 1 and 2 during the year.

(a) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on unadjusted quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry Group, and pricing market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1. Instruments included in level 1 comprise primarily of Nigerian Exchange Group listed instruments classified as financial assets measured at fair value through profit or loss.

(b) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Instruments included in level 2 comprise primarily of interest swaps and derivatives. Their fair values are determined based on marked to market values provided by the counterparty financial institutions. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.

Specific valuation techniques used to value financial instruments include:
- The fair value of commodity contracts are calculated based on observable inputs which include forward prices of crude oil.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the reporting date, with the resulting value discounted back to present value;
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(c) Financial instruments in level 3

The level 3 instruments comprises of convertible loans with OES Integrated Services Limited ("OES") and investment properties.

The tables below presents the changes in level 3 instruments for the year ended 31 December 2024.

The fair value changes on the instruments were recognized in other operating income.

i Convertible loans - Financial assets at fair value through profit or loss

OES Integrated Services Limited ("OES") was incorporated as the Special Purpose Vehicle used to purchase the shares from Oando PLC, following which OES Energy Services Limited ("OESL") became a standalone company fully divested from the Oando Group. OES is a leading indigenous energy services company that provides oilfield services, particularly drilling rig services, to exploration & production companies operating in Nigeria.

On 22nd October 2018, a Convertible Note Purchase Agreement ("CNPA") was executed between Oando PLC and OES Integrated Services Limited ("OES") as part of the Management Buy Out transaction. The parties agreed to defer the payment of the debt on the terms stated in the CNPA and in consideration of this, OES agreed that it shall issue the Note to Oando PLC with a face value equal to the debt amount and no interest shall accrue on the Note. As at 31 December 2024, the debt amount of N12,485,094,736.70 was owed by OES to Oando PLC.

ii Investment properties

The Company (through Unipetrol Nigeria PLC) signed a sublease agreement with Oniru Chieftaincy Family Property Company Limited, a limited liability company incorporated in Nigeria in 2002 for a parcel of land measuring approximately 10,864.112 sqm and known as Plot 13 in Block VI within the Oniru Chieftaincy Family Private Layout, Lekki Peninsula, Victoria Island, Lagos State, Nigeria for a consideration of N95 million. This agreement did not have the consent of the Attorney General and Commissioner for Justice for and on behalf of the Governor of Lagos State.

On 13 December 2006, the Commissioner for Lands on behalf of the Executive Governor of Lagos State revoked the right of occupancy of a part of the land (4,906.097 sqm) which was needed for public purpose (site/works yard for Lekki-Epe expressway expansion). However, on 11 December 2014 by a notice in the Lagos State of Nigeria official Gazette No 82 Vol. 47, the Executive Governor of Lagos State reinstated the revoked right of occupancy in the said portion of the land.

Another sublease agreement was signed on 3 November 2018 with Oniru Chieftaincy Family Property Company Limited for the same parcel of land which was consented to by the Honorable Commissioner, Ministry of Physical Planning and Urban Development on 1 February 2019. This land has been classified as an investment property as management's intention for use is yet to be determined.

(a) **Oniru Land**

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
At 1 January	6,760,900	2,900,000	6,760,900	2,900,000
Fair value gain	2,473,100	3,860,900	2,473,100	3,860,900
At 31 December	9,234,000	6,760,900	9,234,000	6,760,900

The fair value gain on the investment property has been recognized in the statement of profit or loss under other operating income.

(b) **Abuja Land***

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
At 1 January	5,300,000	1,550,000	5,300,000	1,550,000
Fair value gain	661,950	3,750,000	661,950	3,750,000
At 31 December	5,961,950	5,300,000	5,961,950	5,300,000

*Details of the Abuja land had been reported in the 2017 audited consolidated financial statements and management is yet to decide on the use of the land.

The fair value gain on the investment property has been recognized in the statement of profit or loss under other operating income.

The fair value of the investment properties were determined in January and February 2024 using the direct market comparison method of valuation by Ayodeji Odeleye (FRC/2014/NIESV/00000007152), a representative of the independent estate valuer, Biodun Odeleye and Co. (FRC/2024/COY/529517). The direct comparison method involves the analysis of similar properties that have recently been transacted upon in the open market within the locality and adjusting appropriately to take care of the peculiarities and level of completion of the subject property in arriving at the value. This has therefore been classified under level 3.

Description of significant unobservable inputs to valuation:

Description of valuation techniques used and key inputs to valuation of investment properties:

	Valuation technique	Significant unobservable inputs	Sensitivity Range	Sensitivity of the input to fair value	
2024					
Investment properties (Abuja and Lagos, Nigeria)	Direct Market Comparism Method	Estimated value per square metre (Abuja Land - N1,154,000/ Lagos Land - N850,000)	5%	5% decrease in estimated value per sqm would result in a decrease in the fair value by N298 million (Abuja) / N462 million (Lagos)	5% increase in estimated value per sqm would result in an increase in the fair value by N298 million (Abuja) / N462 million (Lagos)
			10%	10% decrease in estimated value per sqm would result in a decrease in the fair value by N596 million (Abuja) / N923 million (Lagos).	10% increase in estimated value per sqm would result in an increase in the fair value by N596 million (Abuja) / N923 million (Lagos).
			15%	15% decrease in estimated value per sqm would result in a decrease in the fair value by N894 million (Abuja) / N1.4 billion (Lagos).	15% increase in estimated value per sqm would result in an increase in the fair value by N894 million (Abuja) / N1.4 billion (Lagos).

	Valuation technique	Significant unobservable inputs	Sensitivity Range	Sensitivity of the input to fair value	
2023					
Investment properties (Abuja and Lagos, Nigeria)	Direct Market Comparism Method	Estimated value per square metre (Abuja Land - N1,025,500/ Lagos Land - N622,300)	5%	5% decrease in estimated value per sqm would result in a decrease in the fair value by N265 million (Abuja) / N338 million (Lagos)	5% increase in estimated value per sqm would result in an increase in the fair value by N265 million (Abuja) / N338 million (Lagos)
			10%	10% decrease in estimated value per sqm would result in a decrease in the fair value by N530 million (Abuja) / N676 million (Lagos).	10% increase in estimated value per sqm would result in an increase in the fair value by N530 million (Abuja) / N676 million (Lagos).
			15%	15% decrease in estimated value per sqm would result in a decrease in the fair value by N795 million (Abuja) / N1 billion (Lagos).	15% increase in estimated value per sqm would result in an increase in the fair value by N795 million (Abuja) / N1 billion (Lagos).

8 Segment information

The Group Leadership Council (GLC) is the Group's chief operating decision-maker. Management has determined the operating segments based on the performance reports reviewed monthly by Group Leadership Council (GLC) and these reports are used to make strategic decisions. GLC considers the businesses from a divisional perspective. Each of the division's operations may transcend different geographical locations.

The GLC assesses the performance of the operating segments by reviewing actual results against set targets on revenue, operating profit and profit after tax for each division. Interest expenses suffered by the corporate division on loans raised on behalf of the other divisions and similar operating expenses are transferred to the relevant divisions. Transactions between operating segments are on arm's length basis in a manner similar to transactions with third parties.

The Group was re-organised following the sale of target entities in the marketing, refining and terminals segment, gas and power segment and energy services segment. The Group discontinued the energy services segment, marketing, refining and terminals segment and gas and power segment (excluding Alausa Power Ltd) effective 31 March 2016, 30 June 2016 and 31st December 2016 respectively whereas Alausa Power Ltd was discontinued 31 March 2017. At 31 December 2024, the Group has four operating segments namely:

(i) Exploration and production (E&P) – involved in the exploration for and production of oil and gas through the acquisition of rights in oil blocks on the Nigerian continental shelf and deep offshore and São Tomé and Príncipe "STP".
(ii) Supply and Trading – involved in trading of crude, refined and unrefined petroleum products.
(iii) Mining & infrastructure development - exploration and mining of solid minerals.
(iv) Corporate and others

(a) The segment results for the year ended 31 December, 2024 are as follows:

	Exploration & Production	Supply & Trading	Mining & Infrastructure Development	Corporate & Others*	Total
	N'000	N'000	N'000	N'000	N'000
Total gross segment revenue	388,850,466	3,693,135,829	-	370,424,426	4,452,410,721
Inter-segment revenue	-	-	-	(365,759,725)	(365,759,725)
Revenue from external customers	388,850,466	3,693,135,829	-	4,664,701	4,086,650,996
Operating profit/(loss)	621,763,379	30,750,315	(2,164,562)	(80,667,991)	569,681,141
Finance cost	(154,418,669)	(19,574,116)	-	(61,843,035)	(235,835,820)
Finance income	46,370,494	213,620	-	613,239	47,197,353
Net finance cost	(108,048,175)	(19,360,496)	-	(61,229,796)	(188,638,467)
Share of profit in associate	2,777,443	-	-	-	2,777,443
Profit/(loss) before income tax	516,492,647	11,389,819	(2,164,562)	(141,897,787)	383,820,117
Income tax (expense)/credit	(168,814,973)	(5,073,645)	-	10,188,554	(163,700,064)
Profit/(loss) for the year	347,677,674	6,316,174	(2,164,562)	(131,709,233)	220,120,053

*Corporate & Others include consolidation adjustments

The segment results for the year ended 31 December, 2023 are as follows:

	Exploration & Production	Supply & Trading	Mining & Infrastructure Development	Corporate & Others*	Total
	N'000	N'000	N'000	N'000	N'000
Total gross segment revenue	126,778,214	2,856,862,877	-	1,552,154,901	4,535,795,992
Inter-segment revenue	-	(786,222,756)	-	(903,974,928)	(1,690,197,684)
Revenue from external customers	126,778,214	2,070,640,121	-	648,179,973	2,845,598,308
Operating profit/(loss)	114,061,419	(19,267,408)	(2,966,019)	126,477,594	218,305,586
Finance cost	(93,565,755)	(12,011,093)	(5,503)	(27,798,534)	(133,380,885)
Finance income	16,517,504	-	-	385,980	16,903,484
Net finance cost	(77,048,251)	(12,011,093)	(5,503)	(27,412,554)	(116,477,401)
Share of profit in associate	1,149,865	-	-	-	1,149,865
					-
Profit/(loss) before income tax	38,163,033	(31,278,501)	(2,971,522)	99,065,040	102,978,050
Income tax expense	(20,449,273)	(2,972,498)	-	(19,279,111)	(42,700,882)
Profit/(loss) for the year	17,713,760	(34,250,999)	(2,971,522)	79,785,929	60,277,168

*Corporate & Others include consolidation adjustments

(b) Reconciliation of reporting segment information

2024	Revenue	Operating profit	Finance income	Finance cost	Profit before income tax	Income tax expense
	N'000	N'000	N'000	N'000	N'000	N'000
As reported in the segment report	4,452,410,721	569,681,141	47,197,353	(235,835,820)	383,820,117	(163,700,064)
Elimination of inter-segment transactions on consolidation	(365,759,725)	-	-	-	-	-
As reported in the statement of profit or loss	4,086,650,996	569,681,141	47,197,353	(235,835,820)	383,820,117	(163,700,064)

2023	Revenue	Operating profit	Finance income	Finance cost	Profit before income tax	Income tax expense
	N'000	N'000	N'000	N'000	N'000	N'000
As reported in the segment report	4,535,795,992	218,305,586	16,903,484	(133,380,885)	102,978,050	(42,700,882)
Elimination of inter-segment transactions on consolidation	(1,690,197,684)	-	-	-	-	-
As reported in the statement of profit or loss	2,845,598,308	218,305,586	16,903,484	(133,380,885)	102,978,050	(42,700,882)

Inter-segment revenue represents intercompany dividend income, sales between subsidiaries. Profit on inter-segment sales and intercompany dividend income have been eliminated on consolidation.

Other information included in the statement of profit or loss by segment are:

Year ended 31 December 2024:

	Exploration & Production	Supply & Trading	Mining & Infrastructure Development	Corporate & Others*	Total
	N'000	N'000	N'000	N'000	N'000
Depreciation	64,835,185	27,770	961	3,202,619	68,066,535
Depreciation of right of use asset (Note 17, 10c)	15,660,730	309,949	-	(12,793,809)	3,176,870
Amortisation of intangible assets (Note 10c)	-	-	-	-	-
Impairment losses of assets, net (Note 10d)	89,283,911	15,698,770	823,927	(29,578,981)	76,227,627

*Corporate & Others include consolidation adjustments.

Year ended 31 December 2023:

	Exploration & Production	Supply & Trading	Mining & Infrastructure Development	Corporate & Others*	*Group*
	N'000	N'000	N'000	N'000	N'000
Depreciation (Note 10c)	26,445,144	8,394	2,271	1,621,972	28,077,781
Depreciation of right of use asset (Note 17, 10c)	6,905,171	136,701	-	(4,359,278)	2,682,594
Amortisation of intangible assets (Note 10c)	-	-	-	14,964	14,964
(Reversal of impairment)/impairment losses of assets, net (Note 10d)	(45,563,841)	2,783,923	1,283,441	46,844,002	5,347,525

*Corporate & Others include consolidation adjustments.

The segment assets and liabilities and capital expenditure for the year ended 31 December, 2024 are as follows:

	Exploration & Production	Supply & Trading	Mining & Infrastructure Development	Corporate & Others*	Total
	N'000	N'000	N'000	N'000	N'000
Assets	5,135,084,281	1,191,229,128	8,315,155	99,530,779	6,434,159,343
Investment in an associate	7,842,436	-	-	-	7,842,436
Liabilities	4,969,868,568	1,343,403,295	244,417	481,622,439	6,795,138,719
Capital Expenditure*	19,798,353	15,103	48,900	931,544	20,793,900

*Corporate & Others include consolidation adjustments.

The segment assets and liabilities as of 31 December, 2023 and capital expenditure for the year then ended are as follows:

	Exploration & Production	Supply & Trading	Mining & Infrastructure Development	Corporate & Others*	Total
	N'000	N'000	N'000	N'000	N'000
Assets	1,977,204,523	430,308,386	607,377	267,997,641	2,676,117,927
Investment in an associate	5,046,605	-	-	-	5,046,606
Liabilities	1,956,577,987	731,613,590	308,336	254,796,735	2,943,296,648
Capital Expenditure	46,751,664	7,232	-	530,427	47,289,323

*Corporate & Others include consolidation adjustments.

*Capital expenditure comprises additions to property, plant and equipment and intangible asset, excluding goodwill.

The Group's business segments operate in three main geographical areas. The group derives revenue from the transfer of goods and services over time and at a point in time.

Segment information on a geographical basis for the year ended 31 December 2024 are as follows:

	Exploration & Production	Supply & Trading	Mining & Infrastructure Development	Corporate & Others*	Total
Segment revenue:	N'000	N'000		N'000	N'000
Within Nigeria	384,968,739	-	-	370,424,426	755,393,165
Other countries	3,881,727	3,693,135,829	-	-	3,697,017,556
Inter-segment revenue	-	-	-	(365,759,725)	(365,759,725)
Revenue from external customers	388,850,466	3,693,135,829	-	4,664,701	4,086,650,996
Total assets					
Within Nigeria	5,133,823,878	-	8,315,155	99,530,779	5,241,669,812
Other West African countries	-	55,173	-	-	55,173
Other countries	1,260,403	1,191,173,955	-	-	1,192,434,358
	5,135,084,281	1,191,229,128	8,315,155	99,530,779	6,434,159,343
Capital expenditure					
Within Nigeria	19,798,353	-	48,900	924,495	20,771,748
Other countries	-	15,103	-	7,049	22,152
	19,798,353	15,103	48,900	931,544	20,793,900

*Corporate & Others include consolidation adjustments

Segment information on a geographical basis for the year ended 31 December 2023 are as follows:

	Exploration & Production	Supply & Trading	Mining & Infrastructure Development	Corporate & Others*	Total
Segment revenue:	N'000	N'000	N'000	N'000	N'000
Within Nigeria	126,778,214	-	-	1,552,154,901	1,678,933,115
Other countries	-	2,856,862,877	-	-	2,856,862,877
Inter-segment revenue	-	(786,222,756)	-	(903,974,928)	(1,690,197,684)
Revenue from external customers	126,778,214	2,070,640,121	-	648,179,973	2,845,598,308

*Corporate & Others include consolidation adjustments

	Exploration & Production	Supply & Trading	Mining & Infrastructure Development	Corporate & Others*	Total
Total assets	N'000	N'000	N'000	N'000	N'000
Within Nigeria	1,976,817,741	-	607,377	267,997,641	2,245,422,759
Other West African countries	-	32,321	-	-	32,321
Other countries	386,782	430,276,065	-	-	430,662,847
	1,977,204,523	430,308,386	607,377	267,997,641	2,676,117,927

*Corporate & Others include consolidation adjustments.

	Exploration & Production	Supply & Trading	Mining & Infrastructure Development	Corporate & Others*	Total
	N'000	N'000	N'000	N'000	N'000
Capital expenditure					
Within Nigeria	46,751,664	-	-	486,741	47,238,405
Other countries	-	7,232	-	43,686	50,918
	46,751,664	7,232	-	530,427	47,289,323

Revenue are disclosed based on the country in which the customer is located. Total assets are allocated based on where the assets are located. Glencore and NTSA contributes more than 15% of the Group's revenue.

*Corporate & Others include consolidation adjustments.

Capital expenditure is allocated based on where the assets are located.

(c) **Disaggregated revenue information**

Group

Set out below is the disaggregation of the Group's revenue from contracts with customers for the year ended 31 December 2024:

Segments	Exploration & Production	Supply & Trading	Mining & Infrastructure Development	Corporate & Others*	Total
	N'000	N'000	N'000	N'000	N'000
Sale of crude oil	282,457,246	3,693,135,829	-	370,424,426	4,346,017,501
Sale of gas	84,633,469	-	-	-	84,633,469
Sale of energy	10,687,560	-	-	-	10,687,560
Sale of natural gas liquid	357,378	-	-	-	357,378
Revenue from service	10,714,813	-	-	-	10,714,813
Inter-segment revenue	-	-	-	(365,759,725)	(365,759,725)
Total revenue from contracts with customers	388,850,466	3,693,135,829	-	4,664,701	4,086,650,996
Geographical markets					
Within Nigeria	384,968,739	-	-	370,424,426	755,393,165
Other countries	3,881,727	3,693,135,829	-	-	3,697,017,556
Inter-segment revenue	-	-	-	(365,759,725)	(365,759,725)
Total revenue from contracts with customers	388,850,466	3,693,135,829	-	4,664,701	4,086,650,996
Timing of revenue recognition:					
Goods transferred at a point in time	293,502,184	3,693,135,829	-	370,424,426	4,357,062,439
Services transferred over time	95,348,282	-	-	-	95,348,282
Inter-segment revenue	-	-	-	(365,759,725)	(365,759,725)
	388,850,466	3,693,135,829	-	4,664,701	4,086,650,996

*Corporate & Others include consolidation adjustments

Set out below is the disaggregation of the Group's revenue from contracts with customers for the year ended 31 December 2023:

Segments	Exploration & Production	Supply & Trading	Mining & Infrastructure Development	Corporate & Others*	Total
	N'000	N'000	N'000	N'000	N'000
Type of goods or service					-
Sale of crude oil	75,549,985	2,856,862,877	-	1,552,154,901	4,484,567,763
Sale of gas	35,422,318	-	-	-	35,422,318
Sale of energy	11,743,172	-	-	-	11,743,172
Sale of natural gas liquid	263,741	-	-	-	263,741
Terminal service	3,798,998	-	-	-	3,798,998
Inter-segment revenue	-	(786,222,756)	-	(903,974,928)	(1,690,197,684)
Total revenue from contracts with customers	126,778,214	2,070,640,121	-	648,179,973	2,845,598,308

*Corporate & Others include consolidation adjustments

Segments	Exploration & Production	Supply & Trading	Mining & Infrastructure Development	Corporate & Others*	Total
Geographical markets	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
Within Nigeria	126,778,214	-	-	1,552,154,901	1,678,933,115
Other West African countries	-	-	-	-	-
Other countries	-	2,856,862,877	-	-	2,856,862,877
Inter-segment revenue	-	(786,222,756)	-	(903,974,928)	(1,690,197,684)
Total revenue from contracts with customers	126,778,214	2,070,640,121	-	648,179,973	2,845,598,308

*Corporate & Others include consolidation adjustments

Segments	Exploration & Production	Supply & Trading	Mining & Infrastructure Development	Corporate & Others*	Total
Timing of revenue recognition:					
Goods transferred at a point in time	87,556,898	2,856,862,877	-	1,552,154,901	4,496,574,676
Services transferred over time	39,221,316	-	-	-	39,221,316
Inter-segment revenue	-	(786,222,756)	-	(903,974,928)	(1,690,197,684)
	126,778,214	2,070,640,121	-	648,179,973	2,845,598,308

*Corporate & Others include consolidation adjustments

Company

Set out below is the disaggregation of the Company's revenue from contracts with customers for the year:

	2024	2023
	N'000	N'000
Type of goods or service		
Sale of crude oil	343,861,081	1,540,594,843
Geographical markets		
Within Nigeria	343,861,081	1,540,594,843

Timing of revenue recognition:	2024	2023
	N'000	N'000
Goods transferred at a point in time	343,861,081	1,540,594,843

(d) **Assets related to contracts with customers**

	Group 2024	Group 2023	Company 2024	Company 2023
	N'000	N'000	N'000	N'000
Trade receivables (Note 25)	816,021,204	574,205,606	17,966,702	202,905,984
Loss allowance (Note 25)	(208,124,945)	(12,955,337)	(13,350,049)	(7,876,878)
	607,896,259	561,250,269	4,616,653	195,029,106

(e) **Performance obligations**

Information about the Group's performance obligations are summarised below:

Sale of oil, gas and energy

The Group delivers its promised goods to customers in volumes depending on annual contract quantity and all variations provided by the contract in the case of sale of crude oil. The Group recognizes its revenue for oil and energy at a point in time. Revenue for gas is recognised over time with an appropriate measure of progress. This measure is based on volume delivered.

Terminal service revenue

The Group recognizes revenue as a terminal service is being performed.

9 Other operating income

	Group 2024	Group 2023	Company 2024	Company 2023
	N'000	N'000	N'000	N'000
Foreign exchange gain (Note 10b)	305,987,027	388,020,535	234,600,366	321,576,958
Fair value loss on commodity options (Note 10b)	(3,231,317)	(1,476,194)	-	-
Fair value gain on investment properties (Note 10b, 18)	3,135,050	7,610,900	3,135,050	7,610,900
(Reversal of rental income)/rental income	-	(128,713)	94,271	(44,220)
Fair value gain on quoted equity instruments (Note 28)	283,160	79,094	283,908	79,094
Insurance claim received	63,130	823,864	39,258	357,861
Gain on bargain purchase	784,815,612	-	-	-
Intercompany debt forgiveness	-	-	594,409,655	-
Sundry income	9,826,690	5,057,247	4,348,974	2,010,113
	1,100,879,352	399,986,733	836,911,482	331,590,706

(a) As required by IFRS 3: Business Combination, the acquirers of the 19% working interest in OML 60 – 63 previously owned by Nigerian Agip Oil Company (NAOC) and the 100% equity of NAOC engaged PricewaterhouseCoopers (FRC/2013/PRO/ICAN/004/00000002010) to perform fair valuation of the acquired businesses based on projected oil and gas reserves and costs contained in the Competent Person's Report (CPR) that was prepared by Degolyer and MacNaughton, USA, after applying sensitivity on volume historical performance. Management has robust cost strategies which would result in cost efficiency; hence, the projected costs were not adjusted. Furthermore, the fair valuation includes tax benefits of directly attributable interest costs on borrowings at the applicable tax rate. The fair valuation, when compared to the total consideration paid has given rise to a gain on bargain purchase of N784.8 billion. The acquired mineral asset will continue to be subject to impairment assessment periodically during and after the measurement period in accordance with IAS 36.

(b) During the year, the Group realised a net derivative loss of N3.3 billion (2023 - loss of N1.5 billion) on commodity contracts see Note 21b for further details of fair value loss on the financial commodity contract.

(c) The Group's sundry income largely relates to income from provision of JV services of N2.2 billion (2023: N2.3 billion), income from service agreements with customers of N63.8 million (2023: N50.5 million), miscellaneous income of N2.4 billion (2023: N754 million) and income from underlift of N4.9 billion (2023: nil).

(d) The Company's sundry income largely relates to income from service agreements with customers of N4.3 billion (2023: N2 billion).

(e) The exchange gain above arose from the revaluation of balances denominated in foreign currencies during the year under review. It is note worthy that the average rate of N668.59 during the year ended 31 December 2023 increased to N1,515.93 during the year ended 31 December 2024.

10 Expenses by nature of operating profit

The following items have been charged/(credited) in arriving at the operating profit:	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
(a) Cost of sales:				
Inventory cost and other directly attributable costs	3,930,449,913	2,760,578,218	343,607,965	1,536,000,592
Depletion/depreciation on property plant and equipment (Note 40a)	313,070	-	-	-
	3,930,762,983	2,760,578,218	343,607,965	1,536,000,592
(b) Included in other operating income:				
Total foreign exchange (gain) (Note 9)	(305,987,027)	(388,020,535)	(234,600,366)	(321,576,958)
Fair value loss on commodity options (Note 9, 21b)	3,231,317	1,476,194	-	-
Fair value (gain) on investment properties (Note 9, 18, 40a)	(3,135,050)	(7,610,900)	(3,135,050)	(7,610,900)
(c) Administrative expenses				
Depletion/depreciation on property plant and equipment (Note 40a)	67,753,465	28,077,781	463,012	413,757
Depreciation on right of use asset (Note 17, 40a)	3,176,870	2,682,594	1,511,782	1,531,945
Amortisation of intangible assets (Note 16, 40a)	-	14,964	-	14,964
Foreign exchange loss	173,313,847	156,066,279	500,059,349	459,717,827
Employees benefit expense (Note 11b)	10,773,057	26,366,088	638,343	373,553
Auditors remuneration*	1,044,756	623,727	131,671	131,671
Non-audit fees	-	-	-	-
Professional fees	127,341,565	21,686,966	854,712	2,207,810
Rent and other hiring costs	844,900	329,877	10,282	19,076
Travelling expenses	14,911,259	6,689,778	381,958	144,359
Handling charges	4,734,553	3,119,866	-	-
ECL on financial guarantee	-	-	5,443,369	907,661
Business development expenses	484,783	-	-	-
Utilities and entertainment	4,125,022	438,874	137,342	44,327
Settlement of a shareholder	-	-	-	-
Business communication expenses	6,011,650	2,513,653	69,564	160,289
Licences and permits	895,204	654,226	8,205	9,014
Board expenses	3,247,940	1,393,293	1,264,020	538,324
Government penalties	2,144,968	-	102,100	-
Subscription	11,354,148	1,344,330	676,088	226,050
Insurance	443,616	241,239	89,260	51,396
Sundry expenses	178,256,994	9,110,177	9,940,378	2,819,611
	610,858,597	261,353,712	521,781,435	469,311,634

Sundry expenses mainly includes intercompany write off of N172 billion, repair & maintenance, stationery & consumables, statutory payments, product consumption and cleaning expenses.

*The auditors did not render non-audit services during the year to the Company and other members of the Group. Accordingly, they were not paid for non-audit services.

(d) Impairment of assets/(reversal of impairment) of assets				
Impairment of non-financial assets				
Impairment of intangible assets (Note 16, 40a)	-	3,915,646	-	-
(Reversal) of impairment of investment in a subsidiary (Note 29)	-	-	(50,970,378)	-
Impairment of investment in an associate (Note 19)	-	-	-	19,006,439
Total impairment of non-financial assets	-	3,915,646	(50,970,378)	19,006,439
Impairment of financial assets				
Impairment loss/(reversal of impairment) of finance lease (Note 22ii)	4,622,704	(1,994,256)	474,323	265,803
Impairment losses on cash and cash equivalent (Note 31a)	-	201,705	-	-
Impairment loss of trade and other receivables, net (Note 25b)	71,604,924	3,224,431	194,784,108	28,167,896
Total impairment loss of financial assets	76,227,628	1,431,880	195,258,431	28,433,699
Total impairment loss of assets	76,227,628	5,347,526	144,288,053	47,440,138

11 Employee benefit expense

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
(a) Directors' remuneration:				
The remuneration paid to the directors who served during the year was as follows:				
Chairman fees	5,556	5,556	5,556	5,556
Other non-executive fees*	549,434	256,229	18,859	22,222
	554,990	261,785	24,414	27,778
Executive directors' salaries	3,113,574	2,004,954	1,570,101	1,092,227
	3,668,564	2,266,739	1,594,515	1,120,005
Other emoluments*	1,948,656	834,271	1,114,895	466,545
	5,617,220	3,101,010	2,709,410	1,586,550

*Included in other emoluments and other non-executive fees is the board duty allowance of N1.5 billion (2023: N731.2 million) received by four executive directors of the Company and an executive director of a subsidiary during the year.

The directors defined above received emoluments (excluding pension contributions) in the following ranges:	Group 2024 Number	Group 2023 Number	Company 2024 Number	Company 2023 Number
N1,000,000 - N50,000,000	3	2	4	3
Above N50,000,000	11	9	9	7

Included in the above analysis is the highest paid director at N1.8 billion (2023: N973.2 million).

(b) **Staff costs**

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Wages, salaries and staff welfare cost	#REF!	25,343,308	623,686	364,396
Gratuity (Note 37b, 40a)	1,996,677	757,563	-	-
Pension costs - defined contribution scheme	#REF!	265,217	14,657	9,157
	10,773,057	26,366,088	638,343	373,553

The pension costs in these consolidated and separate financial statements comprise 8% contribution by each employee and 10% contribution by the employer in line with the provision of the Pensions Act 2014, as amended.

The average number of full-time persons employed during the year was as follows:	Group 2024 Number	Group 2023 Number	Company 2024 Number	Company 2023 Number
Executives	5	5	4	4
Management staff	322	92	5	5
Senior staff	671	64	-	-
	998	161	9	9

Employees other than directors, whose duties were wholly or mainly discharged in Nigeria, received remuneration (excluding pension contributions) in the following ranges:

	Group 2024 Number	Group 2023 Number	Company 2024 Number	Company 2023 Number
N8,000,001 - N20,000,000	-	31	-	-
Above N20,000,000	982	112	5	5
	982	143	5	5

12 Net finance costs

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
(a) **Finance cost:**				
On bank borrowings	(239,059,298)	(102,745,841)	(37,459,018)	(28,308,541)
Interest expenses on lease liabilities (Note 36)	(1,092,621)	(565,263)	(4,815,580)	(3,120,718)
Intercompany interest expense	-	-	(10,574,123)	-
Interest expense calculated using effective interest rate	(240,151,919)	(103,311,104)	(52,848,721)	(31,429,259)
Change in estimate	-	160,555	-	-
Unwinding of discount on provisions (Note 35, 40a)	4,316,099	(30,230,336)	(16,317)	(16,938)
Total finance cost	(235,835,820)	(133,380,885)	(52,865,038)	(31,446,197)
(b) **Finance income:**				
Interest income on bank deposits, loans and advances	3,089,335	1,550,292	287,050	123,487
Interest income on finance lease (Note 22iii)	44,108,018	15,353,192	3,773,958	3,486,081
Total finance income	47,197,353	16,903,484	4,061,008	3,609,568
Net finance costs	(188,638,467)	(116,477,401)	(48,804,030)	(27,836,629)

Included in bank borrowings above are interest paid of N33.4 billion (2023: N47.7 billion) for Group and N272.9 million (2023: N19.3 million) for Company.

Included in the total finance income above are interest received of N505.7 million (2023: N124.6 million) for Group and N287.1 million (2023: N123.5 million) for Company.

No borrowing cost was capitalised in 2024 (2023: nil). Actual borrowing rate approximate effective interest rate.

13 (a) Income tax expense

Analysis of income tax charge for the year:

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Current income tax	144,283,547	21,699,600	-	-
Minimum tax	4,733,539	7,794,006	4,733,539	7,794,006
Income tax charged during the year (Note 13c)	149,017,086	29,493,606	4,733,539	7,794,006
Education tax (Note 13c)	9,157,644	1,710,305	5,750,917	-
NASENI Levy tax	-	-	-	-
	158,174,730	31,203,911	10,484,456	7,794,006
Deferred income tax				
Deferred income tax charge for the year (Note 20)	5,525,334	11,496,971	-	-
Income tax expense	163,700,064	42,700,882	10,484,456	7,794,006

(b) The tax on the Group and Company's profit/(loss) before income tax differs from the theoretical amount that would arise using the statutory income tax rate as follows:

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Profit/(loss) before income tax	383,820,117	102,978,050	122,291,080	(208,403,444)
Tax calculated at Nigeria's domestic rates applicable to profits in respective countries - 30% (2023: 30%)	115,146,035	30,893,415	36,687,324	(62,521,033)
Minimum tax	4,733,539	7,794,006	4,733,539	7,794,006
Education tax	9,157,644	1,710,305	5,750,917	-
Tax effect of income not subject to tax	(201,166,505)	(190,512,717)	(1,025,687)	(2,306,998)
Effect of associate tax	(833,233)	(344,960)	-	-
Effect of tax rate differential	(2,075,074,700)	(494,946,138)	-	-
Expenses not deductible for tax purposes	1,870,139,104	295,164,802	(56,490,192)	128,908,676
Tax losses for which no deferred tax was recognised	(12,449,232)	(58,853,693)	-	-
Movement in deferred tax not recognised	98,517,460			
Impact of unutilised tax credits carried forward	355,256,777	451,795,862	20,828,555	(64,080,645)
Income tax expense	163,426,889	42,700,882	10,484,456	7,794,006
Effective tax rate	43%	41%	9%	-4%

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
(c) **Current income tax liabilities**				
Movement in current income tax for the year:				
At 1 January	194,124,481	84,644,037	20,468,369	12,674,363
Payment during the year	(1,690)	(1,902,729)	-	-
On acquisition of business (Note 41)	47,087,515	-	-	-
Charge for the year:				
Income tax charge during the year (Note 13a)	149,017,086	29,493,606	4,733,539	7,794,006
Education tax charge during the year (Note 13a)	9,157,644	1,710,305	5,750,917	-
Exchange difference	122,917,833	80,179,262	-	-
At 31 December	522,302,869	194,124,481	30,952,825	20,468,369

14 Basic and diluted earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average number of Ordinary Shares outstanding during the year.

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Profit/(loss) attributable to equity holders of the parent	224,856,266	61,996,186	111,806,624	(216,197,450)
Weighted average number of ordinary shares outstanding (thousands) :	12,431,412	12,431,412	12,431,412	12,431,412
Basic/diluted profit/(loss) per share (expressed in Naira per share)	18	5	9	(17)

Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of Ordinary Shares outstanding to assume conversion of all dilutive potential Ordinary Shares. However, there were no convertible debts at the year end.

15 Property, plant and equipment

Group	Upstream Assets [1]	Land & Leasehold improvements	Plant & machineries	Fixtures, fittings, computer & equipment, motor vehicles	Total
At 1 January 2023	N'000	N'000	N'000	N'000	N'000
Cost or valuation					
Opening balance	754,282,567	868,929	14,441,840	7,810,795	777,404,131
Decommissioning costs (revision of estimates)	101,419,031	-	-	-	101,419,031
Additions	44,011,348	-	-	1,443,532	45,454,880
Exchange difference	755,942,308	-	14,318,186	4,422,930	774,683,424
	1,655,655,254	868,929	28,760,026	13,677,257	1,698,961,466
Accumulated depreciation					
Opening balance	(301,667,763)	(441,807)	(6,865,871)	(5,722,242)	(314,697,683)
Depletion/depreciation charge (Note 10c, 40a)	(26,102,777)	(86,893)	(1,186,115)	(701,996)	(28,077,781)
Exchange difference	(311,035,059)	-	(7,182,050)	(3,520,133)	(321,737,242)
	(638,805,599)	(528,700)	(15,234,036)	(9,944,371)	(664,512,706)
Net book amount at 31 December 2023					
Cost or valuation	1,655,655,254	868,929	28,760,026	13,677,257	1,698,961,466
Accumulated depreciation	(638,805,599)	(528,700)	(15,234,036)	(9,944,371)	(664,512,706)
	1,016,849,655	340,229	13,525,990	3,732,886	1,034,448,760

Group	Upstream Assets [1]	Land & Leasehold improvements	Plant & machineries	Fixtures, fittings, computer & equipment, motor vehicles	Total
Year ended 31 December 2024					
Cost or valuation					
Opening balance	1,655,655,254	868,929	28,760,026	13,677,257	1,698,961,466
Decommissioning costs (revision of estimates)	(363,694,768)	-	-	-	(363,694,768)
Decommissioning costs from business acquisition - Note 41	363,658,946	-	-	-	363,658,946
Additions	15,822,467	(422,084)	59,372	3,066,254	18,526,009
Additions - business acquisition (Note 41)	1,479,643,834	-	2,382,097	2,898,252	1,484,924,183
Transfer from exploration and evaluation asset	33,508,222	-	-	-	33,508,222
Disposal of asset	-	-	-	(987)	(987)
Exchange difference	1,104,445,049	-	20,133,071	6,867,060	1,131,445,180
	4,289,039,004	446,845	51,334,566	26,507,836	4,367,328,251
Accumulated depreciation					
Opening balance	(638,805,599)	(528,700)	(15,234,036)	(9,944,371)	(664,512,706)
Depletion/depreciation charge (Note 40a ,10c)	(62,774,663)	(79,652)	(2,689,276)	(2,522,944)	(68,066,535)
Disposal of asset	-	-	-	431	431
Exchange difference	(452,476,563)	-	(10,726,055)	(5,132,063)	(468,334,681)
	(1,154,056,825)	(608,352)	(28,649,367)	(17,598,947)	(1,200,913,491)
Net book amount at 31 December 2024					
Cost or valuation	4,289,039,004	446,845	51,334,566	26,507,836	4,367,328,251
Accumulated depreciation	(1,154,056,825)	(608,352)	(28,649,367)	(17,598,947)	(1,200,913,491)
	3,134,982,179	(161,507)	22,685,199	8,908,889	3,166,414,760

[1]See Note 48(a) for details of upstream assets.

Company	Land & Leasehold improvements	Plant & machineries	Fixtures, fittings, computer & equipment, motor vehicles	Total
Year ended 31 December 2023	N'000	N'000	N'000	N'000
Cost or valuation				
Opening balance	868,929	123,641	3,407,792	4,400,362
Additions	-	-	381,741	381,741
	868,929	123,641	3,789,533	4,782,103
Year ended 31 December 2023				
Accumulated depreciation				
Opening balance	(441,807)	(112,709)	(2,346,240)	(2,900,756)
Depreciation charge (Note 10c, 40a)	(86,893)	(27)	(326,837)	(413,757)
	(528,700)	(112,736)	(2,673,077)	(3,314,513)
Net book amount at 31 December 2023				
Cost or valuation	868,929	123,641	3,789,533	4,782,103
Accumulated depreciation	(528,700)	(112,736)	(2,673,077)	(3,314,513)
	340,229	10,905	1,116,456	1,467,590
Year ended 31 December 2024				
Cost or valuation				
Opening balance	868,929	123,641	3,789,533	4,782,103
Additions	-	-	637,092	637,092
	868,929	123,641	4,426,625	5,419,195

	Land & Leasehold improvements	Plant & machineries	Fixtures, fittings, computer & equipment, motor vehicles	Total
Accumulated depreciation				
	N'000	N'000	N'000	N'000
Opening balance	(528,700)	(112,736)	(2,673,077)	(3,314,513)
Depreciation charge (Note 10c, 40a)	(79,652)	-	(383,360)	(463,012)
	(608,352)	(112,736)	(3,056,437)	(3,777,525)
Net book amount at 31 December 2024				
Cost or valuation	868,929	123,641	4,426,625	5,419,195
Accumulated depreciation	(608,352)	(112,736)	(3,056,437)	(3,777,525)
	260,577	10,905	1,370,188	1,641,670

16 **Intangible assets**

Group	Goodwill	Software costs	Exploration and Evaluation asset	Total
At 1 January 2023	N'000	N'000	N'000	N'000
Cost				
Opening balance	479,080,012	714,200	115,138,875	594,933,087
Additions	-	-	1,834,443	1,834,443
Exchange difference	459,817,505	-	115,468,915	575,286,420
	938,897,517	714,200	232,442,233	1,172,053,950
Accumulated amortization and impairment				
Opening balance	(197,443,671)	(699,236)	(84,289,881)	(282,432,788)
Amortisation charge (Note 10c, 40a)	-	(14,964)	-	(14,964)
Impairment (Note 10d)	-	-	(3,915,646)	(3,915,646)
Exchange difference	(177,370,215)	-	(85,883,940)	(263,254,155)
	(374,813,886)	(714,200)	(174,089,467)	(549,617,553)
Net book amount as at 31 December 2023				
Cost	938,897,517	714,200	232,442,233	1,172,053,950
Accumulated amortisation and impairment	(374,813,886)	(714,200)	(174,089,467)	(549,617,553)
	564,083,631	-	58,352,766	622,436,397

Year ended 31 December 2024	Goodwill	Software costs	Exploration and Evaluation asset	Total
Cost	N'000	N'000	N'000	N'000
Opening balance	938,897,517	714,200	232,442,233	1,172,053,950
Additions	-	-	2,267,891	2,267,891
Transfer to Upstream Asset	-	-	(33,508,222)	(33,508,222)
Exchange difference	649,303,449	-	164,129,031	813,432,480
	1,588,200,966	714,200	365,330,933	1,954,246,099
Accumulated amortization and impairment				
Opening balance	(374,813,886)	(714,200)	(174,089,467)	(549,617,553)
Impairment (Note 10d)	-	-	-	-
Exchange difference	(250,462,613)	-	(123,091,655)	(373,554,268)
	(625,276,499)	(714,200)	(297,181,122)	(923,171,821)

Net book amount as at 31 December 2024	Goodwill	Software costs	Exploration and Evaluation asset	Total
	N'000	N'000	N'000	N'000
Cost	1,588,200,966	714,200	365,330,933	1,954,246,099
Accumulated amortisation and impairment	(625,276,499)	(714,200)	(297,181,122)	(923,171,821)
	962,924,467	-	68,149,811	1,031,074,278

Company	Software costs
	N'000
Year ended 31 December 2023	
Cost	
Opening balance	714,200
Additions	-
	714,200
Accumulated amortization	
Opening balance	(699,236)
Amortisation charge (Note 10c, 40a)	(14,964)
	(714,200)

Net book amount at 31 December 2023	Software costs N'000
Cost	714,200
Accumulated amortisation	(714,200)
	-
Year ended 31 December 2024	
Cost	
Opening balance	714,200
Additions	-
	714,200
Accumulated amortization	
Opening balance	(714,200)
Amortisation charge (Note 10c, 40a)	-
	(714,200)
Net book amount at 31 December 2024	
Cost	714,200
Accumulated amortisation	(714,200)
	-

i **Impairment of intangible assets**

(a) **Exploration and evaluation asset impairment losses**

The above exploration and evaluation assets represent expenditures arising from the exploration and evaluation of oil and gas interests. The costs relate to oil and gas properties primarily located in Nigeria and São Tomé and Príncipe ("STP"). The technical feasibility and commercial viability of extracting oil and gas has not yet been determined in relation to the above properties, therefore, they remain classified as exploration and evaluation assets at December 31, 2024.

Key assumptions in the determination of cash flows from reserves include crude oil, natural gas and natural gas liquids "NGL" prices, loss factors and the discount rate. Reserves evaluation as at August 22, 2024 (acquisition date) and December 31, 2024 wereperformed by a foreign independent and qualified reserves evaluators (Degolyer and MacNaughton) and management respectively. The table below summarizes the forecast prices used to determine cash flows from crude oil reserves and resources which is based on the futures market forward curve for Brent.

	2025	2026	2027	2028	2029	2030	2031
Year							
Dated Brent (US$/barrel)	85.00	85.70	90.20	94.86	92.97	91.11	89.29
NGL (US$/barrel)	9.22	9.24	9.40	9.57	9.50	9.43	9.37
Natural gas (US$/mcf)	1.97	1.98	2.04	2.10	2.08	2.05	2.03
Year	2032	2033	2034	2035	2036	2037	Beyond
Dated Brent (US$/barrel)	87.50	85.75	84.04	82.35	84.00	85.68	+2%
NGL (US$/barrel)	9.30	9.24	9.18	9.12	9.18	9.24	+1%
Natural gas (US$/mcf)	2.00	1.98	1.95	1.93	1.95	1.98	+2%

Crude oil loss factors of 20.8% on an annual basis from 2024, projected to decline from 20% to 4% from 2025 to 2029 (with the exception of Ebendo where a 15% annual loss factor was applied to the remaining field life). The discount rate applied on the cash flows was 8.5% (2023: 14.9%). For exploration and evaluation assets, OER used $0.41/boe as the implied value/boe on 2C unrisked contingent resources based on comparable market transactions and consideration of forward price declines.

Management determined that exploration and evaluation assets are qualifying assets and therefore eligible for capitalisation of borrowing cost. However, no borrowing cost was capitalised during the year under review. The assessment above led to nil impairment loss in 2024 (2023: N3.9 billion).

(b) **Goodwill impairment losses**

As at December 31, 2024, the Group prepared an impairment test for goodwill in which the recoverable amount was compared to the carrying value and determined that the carrying value of goodwill was not impaired (2023: nil). The recoverable amounts have been determined based on the fair value less costs of disposal using a discounted cash flow technique and comparative market transaction data. Key assumptions in the determination of cash flows from reserves include crude oil and natural gas prices, the discount rate, and per boe values. Reserves and resources as at August 22,2024 (acquisition date) and December 31, 2024 have been evaluated by a foreign independent and qualified reserves evaluators and management respectively. Refer to Note 16 (i)(a) above for the prices used to determine the future cash flows from reserves and the discount rates and per boe values applied to resource quantities.

As per the Group's accounting policy, goodwill is allocated to the Group's cash generating units (CGUs) identified according to the operating segments. A segment-level summary of the goodwill allocation is presented below:

	Group 2024	Group 2023
Nigeria	**N'000**	**N'000**
Exploration and production division	962,924,467	564,083,631

The goodwill for the Trading segment has been fully impaired.

17 Right-of-use assets

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Opening balance	19,535,433	18,464,831	12,310,177	12,185,042
Additions	280,229	173,862	-	165,758
Business acquisition (Note 41)	23,559,514	-	-	-
Change in estimate of restoration cost (Note 35)	102,833	(40,623)	102,833	(40,623)
Modification	(3,001)	-	(3,001)	-
Exchange difference on translation	71,359	937,363	-	-
Closing balance	43,546,367	19,535,433	12,410,009	12,310,177
Depreciation				
Opening balance	(13,466,294)	(10,645,871)	(9,405,137)	(7,873,192)
Charge for the period (Note 10c, 40a)	(3,176,870)	(2,682,594)	(1,511,782)	(1,531,945)
Exchange difference on translation	1,062	(137,829)	-	-
Closing balance	(16,642,102)	(13,466,294)	(10,916,919)	(9,405,137)
Net book value	26,904,265	6,069,139	1,493,090	2,905,040

18 Investment properties

The Company (through Unipetrol Nigeria PLC) signed a sublease agreement with Oniru Chieftaincy Family Property Company Limited, a limited liability company incorporated in Nigeria in 2002 for a parcel of land measuring approximately 10,864.112 sqm and known as Plot 13 in Block VI within the Oniru Chieftaincy Family Private Layout, Lekki Peninsula, Victoria Island, Lagos State, Nigeria for a consideration of ₦95 million. This agreement did not have the consent of the Attorney General and Commissioner for Justice for and on behalf of the Governor of Lagos State.

On 13 December 2006, the Commissioner for Lands on behalf of the Executive Governor of Lagos State revoked the right of occupancy of a part of the land (4,906.097 sqm) which was needed for public purpose (site/works yard for Lekki-Epe expressway expansion). However, on 11 December 2014 by a notice in the Lagos State of Nigeria official Gazette No 82 Vol. 47, the Executive Governor of Lagos State reinstated the revoked right of occupancy in the said portion of the land.

Another sublease agreement was signed 3 November, 2018 with Oniru Chieftaincy Family Property Company Limited for the same parcel of land which was consented to by the Honorable Commissioner, Ministry of Physical Planning and Urban Development on 1 February, 2019.

Fair value of the properties:	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Land located in Abuja (5,168.14 sqm)*	5,961,950	5,300,000	5,961,950	5,300,000
Land located in Lagos (10,864.11 sqm)	9,234,000	6,760,900	9,234,000	6,760,900
	15,195,950	12,060,900	15,195,950	12,060,900

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
At 1 January	12,060,900	4,450,000	12,060,900	4,450,000
Fair value gain (Note 9, 10b, 40a)	3,135,050	7,610,900	3,135,050	7,610,900
At 31 December	15,195,950	12,060,900	15,195,950	12,060,900

*Details of the Abuja land had been reported in the 2017 audited consolidated financial statements and management is yet to decide on the use of the land.

These are classified as investment properties as management's intention for use is yet to be determined.

The fair value of the properties were determined using the direct market comparison method of valuation by Ayodeji Odeleye (FRC/2014/NIESV/00000007152), a representative of the independent estate valuer, Biodun Odeleye and Co. (FRC/2024/COY/529517) in January and February 2025.

This carrying value represents the fair value of the properties. There was no rental income and related operating expenses from these properties during the year. The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop the investment properties or for repairs, maintenance and enhancements.

19 Investment in associates accounted for using the equity method

The amounts recognised in the statement of financial position are as follows:	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Investment in associates	7,842,436	5,046,606	-	-
The amounts recognised in the statement of profit or loss are as follows:				
Share of profit for the year (Note 40a)	2,777,443	1,149,865	-	-

Investment in associate

Set out below are the associates of the Group at 31 December 2024. The associates have share capital consisting solely of Ordinary Shares, which are held directly by the Group. The countries of incorporation or registration of the associates are also their principal places of business.

	Place of business	Country of incorporation	% of ownership interest	Nature of the relationship	Measurement method
2024					
Umugini Pipeline Infrastructure Limited	Nigeria	Nigeria	11.25%	Associate	Equity Accounting
Alliance Oil Producing Nigeria Limited	Nigeria	Nigeria	40.00%	Associate	Equity Accounting
2023					
Umugini Asset Company Limited	Nigeria	Nigeria	11.25%	Associate	Equity Accounting

Umugini Pipeline Infrastructure Limited

Umugini Pipeline Infrastructure Limited was formerly Umugini Asset Company Limited until January 2, 2019 when Corporate Affairs Commission granted approval to effect the change of name after a special resolution was passed by the board of directors on July 24, 2018.

The principal activity of Umugini Pipeline Infrastructure Limited "UPIL" is to carry on the business of planning, design, construction, ownership and provision of crude pipeline and fiscal metering facilities for the custody, operation, maintenance, handling and transportation by pipeline of stabilized crude on behalf of the shareholders and other oil and gas producing companies to downstream crude oil terminal facilities.

The associate has share capital consisting solely of Ordinary Shares, which are held in trust by Energia Limited for the Company's indirect subsidiary, Oando Production and Development Company Limited (OPDCL) in 2012 until the shares will be transferred to the joint venture company set up by both parties. The transfer was effected on 8 March 2019 to Ebegwati Pipeline Company Limited (a joint venture company set up to hold shares in UACL). Through the shareholder and heads of terms agreement, OPDCL is guaranteed a seat on the board of UACL and participates in all significant financial and operating decisions even though it only holds 11.25% ownership.

Oando PLC exerts significant influence over these associates as the Group has representatives on the board of the companies and is involved in management decisions taken by the entities. All the associates above have been fully accounted for in these consolidated financial statements.

Alliance Oil Producing Nigeria Limited

Alliance Oil Producing Nigeria Limited (Alliance) was incorporated on 22 November 1994 with ARC Oil and Gas Nigeria Limited owning 60% and Oando PLC owning 40% of the share capital.

The licence for OPL 282 has expired as such, the investment in the associate has been fully impaired.

Summarised financial information of the associate

Set out below are the summarised financial information of the associates:

	Umugini Pipeline Infrastructure Limited	Umugini Pipeline Infrastructure Limited
Summarised statement of financial position		
	2024	2023
	N'000	N'000
Total current assets	66,967,483	41,442,231
Total non-current assets	57,109,209	37,358,986
Total current liabilities	(43,051,841)	(27,533,118)
Total non-current liabilities	(11,315,291)	(6,409,075)
Net asset/equity	69,709,560	44,859,024
Summarised statement of comprehensive income		
Revenue	51,947,900	24,490,510
Profit after tax	24,688,441	10,220,091
Total comprehensive income	24,688,441	10,220,091
Share of profit in associate	2,777,443	1,149,865
Percentage holdings of the Group	11.25%	11.25%

The information above reflects the amounts presented in the financial statements of the associate adjusted for differences in accounting policies (if any) between the Group and the associate.

Reconciliation of the summarised financial information presented to the carrying amount of its interest in associates	Umugini Pipeline Infrastructure Limited	Umugini Pipeline Infrastructure Limited
	2024 N'000	2023 N'000
	11.25%	11.25%
Share of net asset	7,842,436	5,046,606
Carrying value of the associate	7,842,436	5,046,606

	Alliance Oil Producing Nigeria Limited	Umugini Pipeline Infrastructure Limited	Total
	2024	2024	2024
Carrying value:	N'000	N'000	N'000
As at beginning of the year	-	5,046,606	5,046,606
Share of profit in associate	-	2,777,443	2,777,443
Dividend paid		(3,585,389)	(3,585,389)
Exchange difference	-	3,603,776	3,603,776
At end of the year	-	7,842,436	7,842,436

	Alliance Oil Producing Nigeria Limited	Umugini Pipeline Infrastructure Limited	Total
	2023	2023	2023
Carrying value:	N'000	N'000	N'000
As at beginning of the year	-	1,747,385	1,747,385
Share of profit in associate	-	1,149,865	1,149,865
Exchange difference	-	2,149,356	2,149,356
At end of the year	-	5,046,606	5,046,606

The associates had no capital commitments at 31 December 2024 (2023: nil).
No dividend was received from the associates in the year under review (2023: nil).

The Group does not have any significant restrictions such as borrowing or any regulatory restrictions that impede the ability of the associates to transfer funds in form of dividend or cash to the Group.

20 Deferred income tax liabilities and deferred income tax assets

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

	Group 2024	Group 2023
The analysis of deferred tax liabilities and deferred tax assets is as follows:	N'000	N'000
Deferred tax liabilities		
Deferred tax liability to be recovered after more than 12months	81,011,280	16,459,336
Deferred tax assets		
Deferred tax assets to be recovered after more than 12months	(60,515,346)	-
Deferred tax liabilities, net	20,495,934	16,459,336
The gross movement in deferred income tax account is as follows:		
At start of the year	16,459,336	3,046,916
Debit to statement of profit or loss (Note 13a)	5,525,333	11,496,971
Acquisition of business	(7,267,594)	-
Exchange difference	5,778,859	1,915,449
At end of year	20,495,934	16,459,336

Consolidated deferred income tax assets and liabilities, deferred income tax (credit)/charge in the statement of profit or loss, in equity and other comprehensive income are attributable to the following items:

GROUP	1.1.2023	Charged/ (credited) to P/L	Exchange Differences	31.12.2023
	N'000	N'000	N'000	N'000
2023				
Deferred income tax liabilities*				
Property, plant & equipment and exploration & evaluation assets	446,459,650	4,725,325	434,148,362	885,333,337
Provisions	(473,103,519)	-	(459,237,276)	(932,340,795)
Exchange differences	3,793,660	5,493,964	-	9,287,624
Tax losses	(705,371)	334,092	-	(371,279)
Finance leases	27,236,246	-	27,314,203	54,550,449
	3,680,666	10,553,381	2,225,289	16,459,336
Deferred income tax assets				
Provisions	45,946,440	-	46,080,447	92,026,887
Property, plant & equipment and exploration & evaluation assets	(7,698,325)	944,051	(7,394,789)	(14,149,063)
Exchange differences	310	(461)	151	-
Tax losses	(38,882,175)	-	(38,995,649)	(77,877,824)
	(633,750)	943,590	(309,840)	-
Net deferred income tax liabilities	3,046,916	11,496,971	1,915,449	16,459,336

2024	1.1.2024 N'000	(Credited)/charged to P/L N'000	Business acquisition	Exchange Differences N'000	31.12.2024 N'000
Deferred income tax liabilities					
Property, plant & equipment and exploration & evaluation assets	885,333,337	65,530,472	1,997,435	615,854,390	1,568,715,634
Provisions	(932,340,795)	-	-	(648,484,110)	(1,580,824,905)
Exchange differences	9,287,624	(9,287,624)	-	-	-
Tax losses	(371,279)	371,281	-	-	2
Finance leases	54,550,449	-	-	38,570,100	93,120,549
	16,459,336	56,614,129	1,997,435	5,940,380	81,011,280
Deferred income tax assets					
Provisions	92,026,887	-	(9,265,029)	65,069,713	147,831,571
Property, plant & equipment and exploration & evaluation assets	(14,149,063)	(51,089,716)	-	(10,165,899)	(75,404,678)
Exchange differences	-	920	-	12	932
Tax losses	(77,877,824)	-	-	(55,065,347)	(132,943,171)
	-	(51,088,796)	(9,265,029)	(161,521)	(60,515,346)
Net deferred income tax	16,459,336	5,525,333	(7,267,594)	5,778,859	20,495,934

Deferred tax asset relating to unutilised tax losses carried forward are recognised if it is probable that they can be offset against future taxable profits or existing temporary differences. As at 31 December 2024, the Group had deferred tax assets of N2.6 trillion (2023: N878.3 billion) relating to deductible temporary differences and tax losses from Oando PLC (Company) and some other subsidiaries which were not recognised. Management is of the view that due to the structure of the companies, sufficient taxable profit may not be generated in the nearest future to absorb the reversal of the deferred tax. Tax losses can be carried forward indefinitely. Oando PLC (Company) and its subsidiaries do not have any unrecognised deferred tax liability.

At 31 December 2024, there was no recognised deferred tax liability (2023: Nil) for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries, associate or joint venture. The Group has determined that undistributed profits of its subsidiaries, joint venture or associate will not be distributed in the foreseeable future.

The Company has unused tax losses of N125.6 billion (2023: N336.2 billion) for which no deferred tax was recognised. There is no time limit within which the tax assets could be utilised.

21 Derivative financial assets

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Commodity option contracts	7,708,825	-	-	-
Analysis of total derivative financial assets				
Non current	7,708,825	-	-	-
Current	-	-	-	-
Total	7,708,825	-	-	-

(a) Net fair value loss on financial commodity contracts in the statement of financial position*

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Net fair value loss on financial commodity contracts	(3,272,642)	(1,985,860)	-	-
Net loss on derivative financial instruments	(3,272,642)	(1,985,860)	-	-

(b) Net fair value loss on financial commodity contracts in the statement of profit or loss*

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Premium paid on hedges (Note 40a)	(10,842,798)	(552,257)	-	-
Net fair value gain/(loss) on remeasurement of financial commodity contracts (Note 40a)	7,611,481	(923,937)	-	-
Net fair value loss on financial commodity contracts	(3,231,317)	(1,476,194)	-	-

Classification of derivatives

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at fair value through profit or loss. They are presented as current assets or liabilities to the extent that they are expected to be settled within 12 months after the end of the reporting period. Further information about the derivatives used by the Group is provided below.

Commodity option contracts

The table below summarizes the details of the financial commodity contracts in place as at December 31, 2024 as a result of these arrangements:

Position	Remaining term	Price/Unit Fixed ($)	Price/Unit Strike ($)₃	Premium₄	Volume (bbl/d)[2]	Fair value =N=
- Purchased put[1]		-	55 - 59	-	3,000	7,708,825

[1] Financial commodities contract.
[2] Average volume over the remaining life of the contract.
[3] Based on the weighted average price/unit for the remainder of contract.
[4] Premiums are deferred and payable quarterly and settled net of strike cash flows.

Derivatives, including financial commodity contracts, are initially recognized at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair values with the resulting gains or losses recognized as income or expense in the statement of profit or loss in the period. For the year ended December 31, 2024, OER recorded net fair value loss on financial commodity contracts of N3.3 billion/$2.1 million including premium paid of N10.8 billion/$7.2 million (2023: N1.9 billion/$2.2 million including premium paid of N0.6 billion/$0.8 million). OER also realized nil net gains (2023: nil) from monthly settlements on the financial commodity contracts. This resulted in a net loss of N3.3 billion/$2.1 million (2023: N1.9 billion/$2.2 million loss). The proceeds from hedge settlement is nil (2023: nil).

The fair value of commodity contracts is calculated based on observable inputs which include forward prices of crude oil.

22 Finance lease receivables

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Finance lease receivable - Current	9,289,527	2,314,138	36,706,936	16,934,283
Finance lease receivable - Non current	463,975,857	175,975,895	14,133,109	16,717,079
	473,265,384	178,290,033	50,840,045	33,651,362

(i) OER is party to a power purchase agreement which is accounted for as a finance lease. OER, as a party to the NAOC/POCNL/NNPC JV (now OERNL/OPNGL/OOL/NEPL JV) entered into a power purchase agreement with Power Holding Company of Nigeria ("PHCN") (now Nigerian Bulk Electricity Trading "NBET") in 2001, however, the agreement became effective May 2005. The agreement is to develop, finance, construct, own, maintain and operate as a joint operation an upstream gas project. The gas project is located in Kwale for the production of electric power ("the Kwale-Okpai Independent Power Plant" or "Kwale IPP"). The gas plant utilizes fuel source from the natural gas reserves in jointly operated oil fields operated by Nigeria Agip Oil Company Limited (NAOC) (now Oando Energy Resources Nigeria Limited (OERNL)). The agreement will continue in full force and effect for 20 years from the Commercial operations date with the option of renewal of 5 years. At the end of the 25th year, NBET shall have the option to purchase the Kwale IPP at a fair price determined by an expert. NBET will pay a contracted sum to the Joint operation partners throughout the tenure for capacity and for the purchase of electricity from the plant. The transaction has been accounted for as a finance lease.

Following the acquisition of the 20% participating interest in the OERNL JV (see note 41), OPNGL and Oil II acquired 19% and 1% respetively of the Kwale IPP.

The unguaranteed residual value has been estimated as N298.1 billion ($194.2 million). The lease payments grow over time but are lower than the interest income for the first five years and as such the finance lease receivables have been considered as non-current.

The net investment in finance lease receivables by the Group amounted to N473.3 billion/$308.3 million at December 31, 2024 (2023: N178.3 billion/$198.2 million) and will bear interest until their maturity dates of N278.2 billion/$181.2 million (2023: N119.8 billion/$133.2 million). The increase in net investment in finance lease is attributable to exchange difference. The fair value of the lease receivable at 31 December 2024 is N470.5 billion/$306.4 million (2023: N190.4 billion/$211.7 million).

(ii) The receivables under the finance leases are as follows

Finance lease receivables	Group 2024 N'000	Group 2023 N'000	*Company 2024 N'000	Company 2023 N'000
Finance lease - gross receivables	759,578,570	300,111,125	54,008,181	37,799,331
Unearned finance income	(278,248,020)	(119,839,094)	(1,895,021)	(3,349,177)
	481,330,550	180,272,031	52,113,160	34,450,154
Impairment	(8,065,165)	(1,981,998)	(1,273,115)	(798,792)
	473,265,385	178,290,033	50,840,045	33,651,362

No later than one year:	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Total future value	122,563,615	22,774,802	39,458,897	19,627,636
Unearned interest income	(61,500,242)	(20,435,312)	(1,478,847)	(1,894,560)
Total impairment	(8,065,165)	(1,981,998)	(1,273,115)	(798,792)
Present value	52,998,208	357,492	36,706,935	16,934,284
Between one and five years:				
Total future value	338,909,309	122,708,636	14,549,284	18,171,695
Unearned interest income	(216,747,778)	(95,140,100)	(416,174)	(1,454,617)
Present value	122,161,531	27,568,536	14,133,109	16,717,078
Later than five years:				
Total future value	-	6,542,630	-	-
Unguaranteed residual value	298,105,646	148,085,057	-	-
Unearned interest income	-	(4,263,682)	-	-
Present value	298,105,646	150,364,005	-	-
Finance lease receivables	473,265,385	178,290,033	50,840,045	33,651,362
Gross receivables from finance lease				
Not later than one year	122,563,615	22,774,802	39,458,897	19,627,636
Later than one year but not later than five years	338,909,309	122,708,636	14,549,284	18,171,695
Later than five years	298,105,646	154,627,687	-	-
	759,578,570	300,111,125	54,008,181	37,799,331
Unearned future finance income on finance lease	(278,248,020)	(119,839,094)	(1,895,021)	(3,349,177)
Opening impairment	(1,981,998)	(2,328,989)	(798,792)	(532,989)
(Impairment loss)/reversal of impairment loss of finance lease (Note 10d)	(4,622,704)	1,994,256	(474,323)	(265,803)
Exchange difference on impairment	(1,460,463)	(1,647,265)	-	-
Net investment in finance lease	473,265,385	178,290,033	50,840,045	33,651,362
The net investment in finance lease is analysed as follows:				
Not later than one year	52,998,208	357,492	36,706,935	16,934,284
Later than one year but not later than five years	122,161,531	27,568,536	14,133,109	16,717,078
Later than five years	298,105,646	150,364,005	-	-
	473,265,385	178,290,033	50,840,045	33,651,362

(iii) **Movement in finance lease receivables**

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Opening balance	178,290,033	88,458,693	33,651,362	18,446,135
Business acquisition (Note 41)	139,941,605	-	-	-
(Impairment loss)/reversal of impairment loss of finance lease (Note 10d)	(4,622,704)	1,994,256	(474,323)	(265,803)
Interest income (Note 12b)	44,108,018	15,353,192	3,773,958	3,486,081
Cash received	(5,996,123)	(22,217,942)	(10,298,980)	(5,957,642)
Exchange difference	121,544,555	94,701,834	24,188,028	17,942,591
	473,265,385	178,290,033	50,840,045	33,651,362

The finance lease in Company relates to subleases of office spaces (which is part of a leased building) and an aircraft to Oando Servco Nigeria Limited.

23 a) **Non-current receivables**

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Other non-current receivables (Note 23b)	495,590,553	-	-	-

b) **Other non-current receivable**

Other non-current receivables relate to Project Gazelle receivables represents the balance of the loan amounts due to Oando Trading DMCC (N180.2 billion), Oando Gazelle BVI (N90.1 billion) and GFront Enterprise Limited (now named Oando Gazelle Limited) (N225.3 billion). According to the original & the amended and restated debt facility agreement dated 29 December 2023 and 14 May 2024 respectively, the three entities within the Oando Group alongside four others through African Export-Import Bank, the original facility agent and intercreditor agent have an agreement to provide funding to Project Gazelle Funding Limited, the borrower. The amounts above represent the balances receivable as at December 2024 (2023: nil).

Classification of non-current receivables at amortised cost

The Group classifies its non-current receivables at amortised cost only if both of the following criteria are met: (i) the asset is held within a business model whose objective is to collect the contractual cash flows, and (ii) the contractual terms give rise to cash flows that are solely payments of principal and interest.

24 **Inventories**

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Crude oil	34,546,825	6,320,434	-	-
Materials	12,739,608	1,285,174	-	-
Consumables and engineering stock	12,324	9,600	-	-
	47,298,757	7,615,208	-	-
Provision for slow moving inventory	(451,507)		-	-
	46,847,250	7,615,208	-	-

The cost of inventories recognised as an expense (written down to net realisable value) and included in 'cost of sales' was N445.8 million (2023: nil).

25 a) **Trade, other receivables and contract assets**

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company* 2023 N'000
Trade receivables from third parties (Note 8d)	816,021,204	574,205,606	13,348,689	202,905,984
Trade receivables from related parties (Note 8d, 42xiii)	-	-	4,618,013	-
Less: impairment of trade receivables (Note 8d)	(208,124,945)	(12,955,337)	(13,350,049)	(7,876,878)
	607,896,259	561,250,269	4,616,653	195,029,106
Other receivables	652,589,135	487,137,897	65,548,020	36,917,496
Withholding tax receivable	4,680,766	4,492,656	3,737,823	3,737,823
Deposit for import/asset	51,357	44,999,735	-	-
Amount due from related parties (Note 42xiii)	-	-	229,888,471	214,753,069
Less: allowance for impairment of other receivables	(514,959,572)	(387,491,568)	(282,063,719)	(92,752,782)
	750,257,945	710,388,989	21,727,248	357,684,712

The Group's other receivables largely relate to receivable from Whitmore Asset Management Limited of N482.1 billion (2023:N282.4 billion), Cash calls from JV partners of N46 billion (2023:N27.3 billion), receivables from service agreements with customers (OES Integrated Services Limited, Oando Gas & Power Limited, OVH Energy BV and Gaslink Nigeria Limited) of N2.8 billion (2023:N1.8 billion), nil loan receivables from Lekki Refinery Funding Limited (2023: N59.9 billion), loan receivables from GANIC Foods Limited of N2.1 billion (2023: N1.8 billion), receivables with regards to project clearwater of N9.48 billion (2023: N5.6 billion), current portion of loan receivables from Project Gazelle of N80.8 billion (2023: nil)

The Company's other receivables largely relate to dividend receivable of N58.4 billion (2023: N34.2 billion), receivable from service agreements with customers (OES Integrated Services Limited, Oando Gas & Power Limited, OVH Energy BV and Gaslink Nigeria Limited) of N2.8 billion (2023: N1.8 billion).

The carrying amounts of trade and other receivables for 2024 and 2023 respectively approximate their fair values due to their short term nature. The fair values are within level 2 of the fair value hierarchy.

b) **Movement in provision for impairment of receivables for the year is as detailed below:**

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
At start of the year	400,446,905	203,431,255	100,629,660	72,461,764
Impairment loss of trade and other receivables, net (Note 10d, 40a)	71,604,924	3,224,431	194,784,108	28,167,896
Business acquisition (Note 41)	(50,449,472)	-	-	-
Exchange difference	301,482,160	193,791,219	-	-
At end of year	723,084,517	400,446,905	295,413,768	100,629,660

Trade & other receivables are non-interest bearing and are normally settled within one year.

26 Deposit for shares

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Opening balance	6,295,751	1,796,200	-	-
Payments made during the year	-	2,698,179	-	-
Deposits converted to shares during the period	(10,759,511)	-	-	-
Exchange difference	4,463,760	1,801,372	-	-
Closing balance	-	6,295,751	-	-

Following the guarantee disclosed in paragraph 10 on page 24, Calabar Power (through Oando PLC) paid $8.3 million (N3 billion) in 2018, $13.5 million (N4.9 billion) in 2019, $1.5 million (N615.4 million) in 2020 and $10 million (N4.35 billion) in 2021. Effective 31 May 2019, Goldeneye ("Transferor") and Calabar Power Limited ("Transferee") executed a Share Transfer Form for 5,236,626 Ordinary shares out of the 17,455,414 Ordinary Shares expected because of the guarantee with 12,218,788 transferred in April 2022.

Following the Share Sale and Purchase Agreement disclosed in paragraph 11 on page 24, Calabar Power (through Oando PLC) paid $5 million (N3 billion) to M1 Petroleum Limited in Q4 2020, $5 million on 12 November 2021, $2 million on 28 September 2022 and $3 million in Q4 2023. Effective 14 November 2022, M1 Petroleum Limited executed another Share Transfer Form for 1,761,465 Ordinary shares to Calabar Power out of the 17,614,649 Ordinary Shares expected. The third batch of 4,110,085 shares of OEPH for a total consideration of $7 million (N1.8 billion/$4 million at December 2022 plus $3 million payment made in Q4 2023) was transferred to Calabar Power on 16 February 2024.

27 Prepayments

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Non-current	4,815,723	46,320	-	-
Current	68,467,292	13,367,822	214,372	431,984
	73,283,015	13,414,142	214,372	431,984

Prepayments represent prepaid expenses such as prepaid interest, prepaid insurance, advance payment to vendors and upfront salaries paid to staff.

28 Financial assets at fair value through profit or loss

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Quoted and unquoted equity instruments - Current	442,671	138,654	422,562	138,654

Quoted and unquoted equity instruments - Current

This represents the Company's equity investments that are listed on the Nigerian Exchange Group. Each investment is carried at fair value based on current bid price on the Nigerian Exchange Group at 31 December of the reporting year. The movement is as follows:

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
At start of the year	138,654	59,560	138,654	59,560
Addition (Note 41)	20,857	-	-	-
Fair value gain (Note 9, 40a)	283,160	79,094	283,908	79,094
At the end of year	442,671	138,654	422,562	138,654

Classification of financial assets at fair value through profit or loss

The Group has classified the following financial assets at fair value through profit or loss (FVPL):
- equity investments that are held for trading, and
- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

29 Investment in subsidiaries

Investment in subsidiaries (cost)	Company 2024 N'000	Company 2023 N'000
Oando Exploration and Production Limited	3,898,288	3,898,288
Oando Benin	3,997	3,997
Oando Trading Limited Bermuda	3,435,950	3,435,950
OES Integrity Limited	6,538	6,538
Oando Terminal and Logistics Limited	10,000	10,000
UNITAB	20,400	20,400
Sierra Leone	4,399	4,399
Burkina Faso	6,070	6,070
Calabar Power	10,000	10,000
Oando Liberia Limited	6,538	6,538
OES Passion Limited	1,752	1,752
OES Professionalism Limited	10,000	10,000
Oando Resources Limited	10,000	10,000
Oando Trading DMCC	3,456,337	3,456,337
Oando Equator Holdings Limited	1,816	1,816
XRS 1 Limited	18	18
Oando Gazelle BVI	62,579	-
Oando Trading & Supply BVI Limited	65,192	-
Oando Supply & Trading DMCC	19,256	-
Oando Gazelle Ltd Mauritius	147	-
Oando E&P Holdings Limited	50,997,513	50,997,513
Oando Yield Ltd	153	-
Oando E&P IV Limited	1,000	-
Oando E&P Limited	1,000	-
Oando Hydrocarbons Limited	1,000	-
Oando V Limited	1,000	-
Oando Gazelle DMCC	38,278	-
Oando Investments Limited	1,000	-

	Company 2024 N'000	Company 2023 N'000
Oando Energies Limited	1,000	-
Oando Oil Holdings II Limited	2	-
Oando Treasure Limited	148	-
Oando Leopard Limited	165	-
Oando Pacific Limited	148	-
Oando Gulf Limited	148	-
	62,071,831	61,879,616
Allowance for impairment	(7,426,068)	(58,396,446)
	54,645,763	3,483,170

Movement in allowance for impairment of investments for the year is as detailed below:	Company 2024 N'000	Company 2023 N'000
At start of the year	58,396,446	39,390,007
Impairment of investment (Note 10d, 40a)	(50,970,378)	19,006,439
At end of year	7,426,068	58,396,446

30 Short-term investments

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Short-term investments	2,797,958	2,111,292	2,797,958	2,111,292

This relates to money market investment domiciled in Asset & Resource Management Company (ARM) and Access Bank UK. The weighted average effective interest rate on short-term investments at the year-end was 22.29% for ARM (2023: 10.64% for ARM and 4.85% for Access Bank UK).

31 Cash and bank balances

		Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
a	Cash and cash equivalents (excluding bank overdrafts)	221,775,277	73,588,961	4,410,854	999,848
	Impairment allowance on bank balances* (Note 10d)	-	(271,335)	-	-
		221,775,277	73,317,626	4,410,854	999,848
b	Restricted cash	54,243,431	4,484,430	-	-

*The difference between the impairment allowance on bank balances as shown in Note 10d and Note 31 is due to foreign currency translation differences.

Management assessed that fair value of cash and cash equivalents approximates their carrying amounts.

Restricted cash relates to cash collateral and is excluded from cash and cash equivalents for cash flows statement purposes. N51.4 billion ($33.5 million) out of the closing balance of N54.2 billion relates to the funding towards the decommissioning and abandonment obligation in respect of OML 60 - 63 as provided under section 233 of the Petroleum Indsutry Act 2021.

While cash and cash equivalents (including restricted cash; excluding petty cash) are also subject to the impairment requirements of IFRS 9, the identified impairment loss of N2.7 billion (2023: N0.75 billion) (represents 1% of the total cash and cash equivalents (including restricted cash; excluding petty cash) of the Group) is considered immaterial in these consolidated and separate financial statements.

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand, deposits held at call with banks, net of bank overdrafts. In the statement of financial position, bank overdrafts are included in borrowings under current liabilities.

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Cash at bank and in hand	221,775,277	73,317,626	4,410,854	999,848
Bank overdrafts (Note 34)	(66,428,996)	-	-	-
	155,346,281	73,317,626	4,410,854	999,848

Classification of cash and cash equivalents at amortised cost
The Group holds the cash and cash equivalents with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

Details of the Group's impairment policies and the calculation of the loss allowance are provided under significant accounting policies.

32 Share capital and share premium

	Number of shares (thousands)	Ordinary shares N'000	Share premium N'000
At 31 December 2023	12,431,412	6,215,706	176,588,527
At 31 December 2024	12,431,412	6,215,706	176,588,527

33 Other reserves

Group	Remeasurement gain/(loss) on defined benefit plan N'000	Share based payment reserve N'000	Currency translation reserve[1] N'000	Total N'000
At 1 January 2023	66,585	-	195,766,139	195,832,724
Exchange difference on translation of foreign operations	-	-	245,034,153	245,034,153
Exchange loss on net investment in foreign operations	-	-	(369,298,175)	(369,298,175)
Remeasurement gain on defined benefit plan	294,797	-	-	294,797
Share of associate's foreign currency translation reserve	-	-	2,149,356	2,149,356
At 31 December 2023	361,382	-	73,651,473	74,012,855

Other reserves	Remeasurement gain/(loss) on defined benefit plan	Share based payment reserve	Currency translation reserve[1]	Total
Group	N'000	N'000	N'000	N'000
At 1 January 2024	361,382	-	73,651,473	74,012,855
Exchange difference on translation of foreign operations	-	-	74,973,050	74,973,050
Exchange loss on net investment in foreign operations	-	-	(370,181,873)	(370,181,873)
Remeasurement gain on defined benefit plan	721,730	-	-	721,730
Change in ownership interests in subsidiaries that do not result in a loss of control	-	-	992,536	992,536
Share of associate's foreign currency translation reserve	-	-	3,603,776	3,603,776
At 31 December 2024	1,083,112	-	(216,961,038)	(215,877,926)

[1]Currency translation reserve
The translation reserve comprises all foreign currency difference arising from the translation of the financial statements of foreign operations, as well as intercompany balances arising from net investment in foreign operations.

34 Borrowings

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Borrowings are made up as follows:				
(a) Non-current - Bank loans	1,458,388,478	46,945,871	10,525,847	7,964,855
(b) Current				
Bank overdraft	66,428,996	-	-	-
Bank loans	1,247,066,414	771,397,980	113,615,915	97,026,866
Total borrowings	2,771,883,888	818,343,851	124,141,762	104,991,721

(c) Non-current borrowings are analysed as follows:

Group Loan type	Purpose	Tenure/ Interest rate	Loan Start Date	Security	Borrower/Lender	Available facility	2024 Balance	2023 Balance
						N'000	N'000	N'000
Medium Term Loan	Restructuring of Short to Long Term Debt	11 years/25% p.a.	30 June 2016	Mortgage on assets of Oando PLC and some subsidiaries	Oando PLC/MTL lenders	108,320,834	92,242,104	92,242,104
Promissory Note	Term loan	10 years/SOFR+2%	31 October 2020	None	Oando PLC/ConocoPhillips	22,423,314	13,596,483	9,763,641
Term Loans	Medium term borrowing	5 years/8.5% + SOFR p.a	15 October 2019 and 5 March 2020	None	OOL/African Export-Import Bank (AFREXIM)	805,274,081	153,531,759	196,517,371
Term Loan	General corporate purpose	4 years/9.5% +SOFR p.a	30 September 2021	None	Oando Servco/Ecobank	76,765,880	60,267,554	35,196,121
Term Loan	General corporate purpose	5 years/33% p.a.	31 March 2021	None	Oando Servco/Access Bank	15,000,000	4,478,476	6,646,083
Term Loan	Project finance	5 years/12% p.a.	9 August 2024	None	Oando Clean Energy Limited (OCEL)/Bank of Industry	5,000,000	4,780,690	-
Term Loan	Reserve based lending	7 years/SOFR + 8.55%	1 August 2024	None	OPNGL/AFREXIM	767,658,800	693,815,549	-
Term Loan	Reserve based lending	7 years/SOFR + 10.55%	1 August 2024	None	OPNGL/Mercuria	230,297,640	240,689,853	-
Term Loan	Project finance	11.82208% (Interpolated Term SOFR + Margin +Liquidity Prem.)/5 years	17 May 2024	None	OTD/ OQ Trading LTD	307,063,520	244,820,911	-
Term loan	Project finance	5 years/11.82208% (Interpolated Term SOFR + Margin +Liquidity Prem.)	17 May 2024	None	Oando Gazelle Limited/Vitol SA	38,382,940	306,026,139	-

Loan type	Purpose	Tenure/ Interest rate	Loan Start Date	Security	Borrower/Lender	Available facility	2024 Balance	2023 Balance
						N'000	N'000	N'000
Term loan	Project finance	5 years/11.82208% (Interpolated Term SOFR + Margin +Liquidity Prem.)	17 May 2024	None	Oando Gazelle BVI/MCB	153,531,760	132,572,451	-
Term Loan	Medium term borrowing/ Augmentation of Working capital	6 years/ 12.5%+SOFR	29 September 2020	None	ORL/MCB	46,059,528	16,230,886	15,765,481
Term Loan	Aircraft Lease	5 years/12.5% + SOFR p.a.	24 June 2022	Share Charge	XRS 11/Shearwater*	13,971,390	10,693,899	6,975,730
						2,629,749,687	1,973,746,754	363,106,531
Less current portion						-	(515,358,276)	(316,160,660)
Total non-current borrowing (See a above)						2,629,749,687	1,458,388,478	46,945,871

***Security and share charge on the Bombardier Aircraft owned by XRS II**

On 24 June 2022 (the effective date), XRS II Limited, a subsidiary of Oando PLC, signed an Aircraft Lease Agreement with SAC Leasing OXRS, LLC ("SAC"). The Lease Agreement provides that XRS II desires to transfer to the Bombardier Inc. Model BD-700-1A10 (Aircraft) to SAC and in turn lease it back from SAC. Whereas both parties agreed the value of the Aircraft as US$14 million, they also agreed that SAC will provide a finance amount of US$9.1 million to XRS II on the delivery date of the Aircraft to SAC by XRS II. The period of the lease and the agreed lease rate of return is sixty months and 12.5% respectively. On the effective date above, XRS II and SAC also entered into a Warranty Bill of Sale under which the former, for and in consideration of US$10 and other good and valuable consideration, the receipt and sufficiency of which was conclusively acknowledged, granted, bargained, sold, transferred and assigned the legal, equitable and beneficial right, title and interest in and to Aircraft to SAC. Consequently, the Aircraft was registered in the name of SAC as the new owner vide a certificate of registration dated 27 June 2022 and issued by the Civil Aviation Authority of the Republic of San Marino as intended by the parties.

Although certain sections of the Agreement suggest a sale and leaseback transaction, the provisions of IFRS 16 para 103 in relation to whether the transfer of the Aircraft qualified as a sale under IFRS 15, was applied in accounting for the Agreement. Consequently, management has accounted for the Agreement as a financing arrangement backed up by an asset – the Aircraft. This implies that XRS II does not de-recognise the Aircraft and it accounts for the US$9.1 million received from SAC as a financial liability. The expected credit loss (ECL) on the financial guarantee contract by Oando PLC has been accounted for and disclosed in these consolidated and separate financial statements under Note 10.

Company Loan type	Purpose	Tenure/ Interest rate	Loan Start Date	Security	Borrower/Lender	Available facility	Balance	Balance
							2024	2023
						N'000	N'000	N'000
Medium Term Loan	Restructuring of Short to Long Term Debt	11 years/25% p.a.	30 June 2016	Mortgage on assets of Oando PLC and some subsidiaries	Oando PLC/MTL lenders	108,320,834	92,242,104	92,242,104
Promissory Note	Term loan	10 years/SOFR+2%	31 October 2020	None	Oando PLC/ConocoPhillips	22,423,314	13,596,483	9,763,641
						130,744,148	105,838,587	102,005,745
Less current portion						-	(95,312,740)	(94,040,890)
Total non-current borrowing (See a above)						130,744,148	10,525,847	7,964,855

(d) **Current borrowings are analysed as follows:**

Loan type	Purpose	Tenure/ Interest rate	Loan Start Date	Security	Borrower/Lender	Balance	Balance
						2024	2023
						N'000	N'000
Import finance facility	Project Finance	3 years/11.13% (3 month term SOFR+Margin+ CAS)	20 October 2022	None	OTD/Mauritians Commercial Bank	-	59,875,640
Import finance facility	Working capital	30-90days (revolving) (3.5%-4.5% + SOFR p.a.)	1 December 2023	None	OTD/Mauritians Commercial Bank	-	66,830,993
Short-term loan	Letter of Credit	1.5%-2.5% + LIBOR p.a./ 30-90 days (Revolving)	1 September 2024	None	OTD/AFREXIM	186,452,606	-
Short-term loan	Working capital	9 months/SOFR+2.5%	1 July 2024	None	OTD/Litasco SA	30,706,352	-
Short-term loan	Working capital	Less than 1 year/39% p.a	1 July 2022	None	Oando PLC/Services Liquid & Gas Limited	-	35,976

Loan type	Purpose	Tenure/ Interest rate	Loan Start Date	Security	Borrower/Lender	Balance 2024 N'000	Balance 2023 N'000
Short-term loan	Letter of Credit	13.39% (3 month term SOFR+Margin)/5 quarterly	1 July 2023	None	OTD/Glencore	15,353,176	35,975,720
Short-term loan	Working capital	3 years/12.35% (3 month term SOFR+Margin)	2 March 2023	None	OTD/BB Energy	-	38,129,494
Corporate finance facility	Acquisition of the COP assets	12 years/9.50% + SOFR p.a.		Oando legacy assets	OER/Corporate Facility lenders	343,793,649	201,395,204
Short-term loan	Term loans	1 year/12.5% p.a.	17 January 2014 31 October 2024	None	Oando Servco/Access Bank	76,765,880	-
Term Loan	Trade finance	4 years/19.5% p.a.	1 July 2024	None	CPL/BB Energy	60,268,613	-
Short-term loan	Project Finance	9 months/20%		None	OPNGL/Indorama	-	50,000,000
Short-term loan	Working capital	1 year/42% p.a.	19 October 2023	None	Oando PLC/Industrial Supply Venture	450,000	450,000
Term loan	Working capital	180days/48% p.a.	16 June 2023 27 May 2024	None	Oando PLC/Olatunde loan	2,500,000	2,500,000
Term loan	Working capital	1 year/SOFR+12%		None	Oando PLC/Providus Bank	15,353,175	-
Short-term loan	Working capital		30 October 2024 N/A	None	Oando Logistics Services/HSBC UK	64,686	44,293
Overdraft		1 month/32%	15 August 2024	None	OPNGL/Access Bank	37,235,364	-
Overdraft		60 days/15%	13 December 2024	None	OERNL/Fidelity Bank	29,193,633	-
						798,137,134	455,237,320
Current portion of non-current borrowings (See c above)						515,358,276	316,160,660
Total current borrowing (See b above)						1,313,495,410	771,397,980

Company Loan type	Purpose	Tenure/ Interest rate	Loan Start Date	Security	Borrower/Lender	2024 N'000	2023 N'000
Short-term loan	Working capital	Less than 1 year/39% p.a	1 July 2022	None	Oando PLC/Services Liquid & Gas Limited	-	35,976
Term loan	Working capital	1 year/SOFR+12%	30 October 2024	None	Oando PLC/Providus Bank	15,353,175	
Short-term loan	Working capital	1 year/42% p.a.	16 June 2023	None	Oando PLC/Industrial Supply Venture	450,000	450,000
Term loan	Working capital	180days/48% p.a.	27 May 2024	None	Oando PLC/Olatunde loan	2,500,000	2,500,000
						18,303,175	2,985,976
Current portion of non-current borrowings (See c above)						95,312,740	94,040,890
Total current borrowing (See b above)						113,615,915	97,026,866

Weighted average effective interest rates at the year end were:	2024	2023
- Bank loans	15.9%	19.0%
- Import finance facility	3.7%	4.0%
- Other loans	14.6%	13.1%

Fair values are based on cash flows using a discount rate based upon the borrowing rate that directors expect would be available to the Group at the reporting date. Set out below is a comparison of the carrying amounts and fair values of the Company's borrowings that are carried in the financial statements.

Group	Carrying amounts		Fair values	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
Bank loans	2,771,883,888	818,343,851	2,338,523,613	747,459,994

Company	Carrying amounts		Fair values	
	2024 N'000	2023 N'000	2024 N'000	2023 N'000
Bank loans	124,141,762	104,991,721	121,879,474	123,776,903

The carrying amounts of the Group's borrowings are denominated in the following currencies:	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Nigerian Naira	141,686,632	151,838,188	124,141,762	104,991,721
US Dollar	2,630,132,570	666,461,370	-	-
British Pounds	64,686	44,293	-	-
	2,771,883,888	818,343,851	124,141,762	104,991,721

35 Decommissioning provisions

Decommissioning provisions relate to oil and gas assets abandonment restoration obligation, asset restoration obligation and other liabilities as follows:

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Oil and gas fields provision	698,078,803	426,539,536	-	-
Asset restoration obligation - leased space	241,474	122,325	241,474	122,325
	698,320,277	426,661,861	241,474	122,325

Movement during the year in provisions for decommissioning cost is as follows:	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
At 1 January				
- Opening balance	426,661,861	142,287,995	122,325	146,010
Business acquisition (Note 41)	363,658,946	-	-	-
(Reduction)/addition in provisions in the year:				
- Oil and gas field	(376,179,827)	101,203,052	-	-
- Leased space (Note 17)	102,833	(40,623)	102,833	(40,623)
Charged to the statement of profit or loss:				
- Unwinding of discount (Note 40a,12a)	(4,316,099)	30,230,336	16,316	16,938
Exchange differences	288,392,563	152,981,101	-	-
At 31 December	698,320,277	426,661,861	241,474	122,325

Analysis of decommissioning provisions	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Non current	672,710,465	426,661,861	241,474	122,325
Current	25,609,812	-	-	-
Total	698,320,277	426,661,861	241,474	122,325

36 Lease liabilities

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Opening balance	5,880,935	3,617,209	38,961,674	21,654,897
Additions	280,229	173,862	-	165,758
Business acquisition (Note 41)	26,067,092	-	-	-
Interest expense (Note 12a)	1,092,621	565,263	4,815,580	3,120,718
Payments	(3,659,958)	(2,006,815)	(13,048,035)	(6,226,650)
Adjustment	(1,306,356)	-	(3,001)	-
Transfer to withholding tax (WHT) liability (Note 38)	(11,006)	(13,927)	(11,006)	(13,927)
Exchange difference	3,063,204	3,545,343	27,202,546	20,260,878
At 31 December	31,406,761	5,880,935	57,917,758	38,961,674

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Current lease liabilities	8,043,281	2,336,333	43,799,278	19,531,974
Non-current lease liabilities	23,363,480	3,544,602	14,118,480	19,429,700
	31,406,761	5,880,935	57,917,758	38,961,674

37 Retirement benefit obligations

GROUP	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
(a) Statement of financial position obligations for retirement benefit obligations	2,114,213	1,556,851	-	-
(b) Statement of profit or loss charge (Note 11b):	1,996,677	757,563	-	-

(c) Other comprehensive income

Remeasurement gain recognised in the statement of other comprehensive income in the period	(721,730)	(294,797)	-	-

The movement in the defined benefit obligation over the year is as follows:	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
At 1 January:				
Opening balance	1,556,851	470,826	-	-
Business acquisition (Note 41)	11,927,186	-	-	-
Current service cost				
- Oando Trading DMCC	1,999,315	757,563	-	-
- OERNL's share	11,082	-	-	-
- Other OERNL JV partners' share	1,097,075	-	-	-
Interest cost	-	-	-	-
- Oando Trading DMCC	-	-	-	-
- OERNL's share	(5,821)	-	-	-
- Other OERNL JV partners' share	(576,309)	-	-	-
Remeasurement gain recognised in statement of profit or loss	-	-	-	-
- OERNL's share	(7,899)	-	-	-
- Other OERNL JV partners' share	(781,962)	-	-	-
Remeasurement gain recognised in other comprehensive income	-	-	-	-
- Oando Trading DMCC	(721,730)	(294,797)	-	-
- OERNL's share	-	-	-	-
- Other OERNL JV partners' share	(11,082,586)	-	-	-
Benefits paid	(1,607,653)	(8,671)	-	-
Exchange loss	306,664	631,930	-	-
At 31 December	2,114,213	1,556,851	-	-

(d) The amount recognised in the statement of profit or loss are as follows

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Current service cost	2,010,397	-	-	-
Interest cost	(5,821)	-	-	-
Actuarial gain on long service award	(7,899)	-	-	-
	1,996,677	-	-	-

i) Oando Trading DMCC (OTD) operates an unfunded employees' end of service benefits ("EOSB") for its employees in accordance with the respective laws in Dubai. The movement in EOSB for the year ended is as follows:

Key assumptions and quantitative sensitivity analyses

The cost of the defined benefit plan is determined using actuarial valuations carried out by AON Reinsurance Solutions, an United Arab Emirates actuarial firm - represented by Philippos Mannaris, on 31 December 2024. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and price inflation. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the yields on long term United States (US) corporate bonds as at reporting date since the local currency in United Arab Emirates (UAE) is heavily pegged to the US Dollar, suggesting that the liability could effectively be settled by purchasing a portfolio of US bonds of high quality. The applied rate is generally intended to represent the average yield on AA-rated bonds. Future salary increase is based on expected future inflation rate in UAE. The key assumptions and their sensitivity analyses are discussed further below:

	Group 2024 N'000	Group 2023 N'000
Discount rate	5.48%	4.84%
Salary increase rate per annum	5.0%	5.0%
Employee turnover / withdrawal rates	nil	nil
Retirement Age	60 years	60 years

The sensitivity of EOSB to changes in the weighted principal assumptions is as follows:

	2024		2023	
	Change in assumption by	Impact in N'000	Change in assumption by	Impact in N'000
Discount rate	-0.42%	(163,870)	-0.5%	(55,552)
Salary increase rate per annum	0.45%	175,575	0.5%	60,181

The average duration of the defined benefit plan obligation at the end of the reporting period is 9.95 years (2023: 10.43 years).

ii) OERNL operates various post employment benefit plans including pension plan, gratuity, long term service awards, post retirement medical benefits, Fuel and Diesel for Divisional and General Managers. The details of the post employment benefit plan are as follows:

Present value of defined benefit obligation by plan	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Present value of the defined benefit obligation-wholly unfunded	(99,856,071)	-	-	-
Fair value of plan - pension plan	124,019,502	-	-	-
Gratuity scheme -	(23,883,211)	-	-	-
Fair value of plan - gratuity plan	26,791,066	-	-	-
Post retirement medical liabilities	(9,547,756)	-	-	-
Long service award	(2,095,443)	-	-	-
Fuel and Diesel for Div & General Managers	(13,590,735)	-	-	-
Present value of defined benefit obligation	1,837,352	-	-	-

Net expense recognised in profit or loss	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Current service cost	1,108,157	-	-	-
Interest cost	8,433,323	-	-	-
Actual admin expenses paid	(577,149)	-	-	-
Expected return on plan assets	(8,438,304)	-	-	-
Actuarial gain on long service award	(789,860)	-	-	-
Exchange rate realignment	(814,209)	-	-	-
	(1,078,042)	-	-	-
Expenses recognised in other comprehensive income for the defined benefits obligations:		-	-	-
Actuarial losses/(gains) on economic assumptions	(72,466,536)	-	-	-
Actuarial losses/(gains) on demographic assumptions	61,383,949	-	-	-
	(11,082,587)	-	-	-

The Group's share of 1% of the costs have been recognised in the statement of profit or loss and other comprehensive income. OERNL JV Partners shares of 99% have been recognised in other receivables. The Group's share of amounts recognised in other comprehensive income is net of deferred tax (as shown in note 37c).

The defined benefit plans is determined using the projected unit credit method. Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. Alexander Forbes Consulting Actuaries Nigeria is engaged separately for this purpose.

37.1.1 Staff pension fund

OERNL's defined benefit plan provides for payment of pension to Nigerian employees at exit, which requires contributions to be made to a separately administered Closed Pension Fund (NACPFA). This plan is governed by the Pension Reform Act, which require final pensionable salary to be determined upon retirement. The level of benefits provided depends on the member's length of service and pensionable salary at retirement age. NACPFA is responsible for the administration of the plan assets and for the definition of the investment strategy. Governance on the plan is determined by the appropriate sections of the Pension Reform Act. The gratuity plan is unfunded and payment is made lumpsum to the employee at retirement

Carrying Amount	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Present value of the defined benefit obligation	99,856,071	-	-	-
Fair value of plan assets	(124,019,502)	-	-	-
Surplus of plan asset	(24,163,431)	-	-	-

37.1.2 Reconciliation of change in defined benefit obligation

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Present value of fund obligations at acquisition	117,410,669	-	-	-
Current service cost	743,163	-	-	-
Interest cost	6,384,109	-	-	-
Benefit paid	(3,005,213)	-	-	-
Actuarial losses/(gains) on economic assumptions	(56,191,370)	-	-	-
Actuarial losses/(gains) on demographic assumptions	33,709,305	-	-	-
Exchange rate realignment	805,408	-	-	-
Present value of Fund obligations at end of the year	99,856,071	-	-	-

37.1.3 Reconciliation of change in plan assets

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Fair value of plan assets at acquisition	127,067,250	-	-	-
Return on plan assets	7,009,495	-	-	-
Employer's contribution	2,141,202	-	-	-
Benefit paid	(3,005,213)	-	-	-
Actual admin expenses paid	577,149	-	-	-
Actuarial (losses)/gains on demographic assumptions	(10,108,497)	-	-	-
Exchange rate realignment	338,116	-	-	-
Fair value of Plan assets at end of the year	124,019,502	-	-	-

Fair value of plan assets at year end split by major asset class (%)

	Group 2024		Company 2024	
	Precentage	N'000	Precentage	N'000
Cash and cash equivalents	17.9%	22,224,295	-	-
Equity securities	0.1%	161,225	-	-
Debt securities	80.4%	99,736,484	-	-
Mutual funds	1.5%	1,897,498	-	-
	100.0%	124,019,502	-	-

37.1.4 Movement for the year

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
The movement in the staff pension fund during the period is as follows:				
Net funded obligations at acquisition	(9,656,581)	-	-	-
Current service cost	743,163	-	-	-
Interest cost	6,384,109	-	-	-
Actual admin expenses paid	(577,149)	-	-	-
Employer's contribution	(2,141,202)	-	-	-
Return on plan assets	(7,009,495)	-	-	-
Actuarial losses/(gains) on economic assumptions	(46,082,873)	-	-	-
Actuarial losses/(gains) on demographic assumptions	33,709,305	-	-	-
Exchange rate realignment	467,293	-	-	-
Fair value of Plan assets at end of the year	(24,163,431)	-	-	-

37.1.5 Net expense recognised in profit or loss

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Current service cost	743,163	-	-	-
Interest cost	6,384,109	-	-	-
Expected return on plan assets	(7,009,495)	-	-	-
Actual admin expenses paid	(577,149)	-	-	-
Exchange rate realignment	467,293	-	-	-
	7,921	-	-	-

37.1.6 Remeasurement recognized in other comprehensive income

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Actuarial losses/(gains) on economic assumptions	(46,082,873)	-	-	-
Actuarial losses/(gains) on demographic assumptions	33,709,305	-	-	-
	(12,373,568)	-	-	-

37.1.7 Actuarial financial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages) relates to the pension scheme are as follows:

Long-term average discount rate	14.70%
Future average pay increase	10.53%
Average rate of inflation	15.50%
Pension Increase rate	2.50%
Average age of scheme members	

Actuarial demographic assumptions

Mortality in Service

The rate of mortality assumed for employees are the rates published in the A67/70 Ultimate Tables, published jointly by the Institute and Faculty of Actuaries in the UK.

Voluntary Withdrawal from Service	Number of deaths
Age Band	in year out of 1,000
Less than or equal to 30	lives
31-39	1.50%
40-44	2.00%
45-54	2.00%
55-59	2.00%
60	100.00%

Sensitivity analysis for pension

A 0.5 percent increase in the actuarial assumptions would have increased/(decreased) the present value of funded obligation as at 31 December 2024 by the amounts shown below:

	Group 2024 N'000
Main result	(37,870,144)
Discount rate +0.5%	(36,529,812)
Salary increase +.05%	(38,522,654)
Age rating + 1 year	(37,549,263)
Pension rate increase rate +0.5%	(38,774,446)

A 0.5 percent decrease in the actuarial assumptions would have increased/(decreased) the present value of funded/unfunded obligation as at 31 December 2024 by the amounts show below:

Main result	(37,870,144)
Discount rate (-0.5%)	(39,297,989)

Expected benefit payments for future years

2025	14,871,086
2026	15,020,012
2027	19,690,448
2028	26,100
2028 - 2032	-

37.2.1 Gratuity

OERNL has a defined benefit plan which comprises of gratuity provision and is based upon independent actuarial valuation performed by Alexander Forbes Consulting Actuaries Nigeria using the projected unit credit basis.

Carrying Amount	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Present value of the defined benefit obligation	23,883,211	-	-	-
Fair value of plan assets	(26,791,066)	-	-	-
Surplus of plan asset	(2,907,855)	-	-	-

37.2.2 Reconciliation of change in defined benefit obligation

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Present value of unfunded obligations at acquisition	22,398,376	-	-	-
Current service cost	232,140	-	-	-
Interest cost	1,026,892	-	-	-
Benefits paid	(102,152)	-	-	-
Actuarial losses/(gains) on economic assumptions	(9,298,458)	-	-	-
Actuarial losses/(gains) on demographic assumptions	9,553,717	-	-	-
Exchange rate realignment	72,697	-	-	-
Present value of Fund obligations at end of the year	23,883,211	-	-	-

37.2.3 Reconciliation of change in plan assets

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Fair value of plan assets at acquisition	26,125,244	-	-	-
Return on plan assets	1,428,809	-	-	-
Employer's contribution	(2,155,384)	-	-	-
Benefit paid	(102,152)	-	-	-
Exchange rate realignment	1,494,549	-	-	-
Fair value of Plan assets at end of the year	26,791,066	-	-	-

37.2.4 Net expense recognised in profit or loss

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Current service cost	232,140	-	-	-
Interest cost	1,026,892	-	-	-
Expected return on plan assets	(1,428,809)	-	-	-
Exchange rate realignment	(1,421,853)	-	-	-
	(1,591,630)	-	-	-

37.2.5 Remeasurement gain on other long term employee benefits

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Actuarial losses/(gains) on economic assumptions	(9,298,458)	-	-	-
Actuarial losses/(gains) on demographic assumptions	9,553,717	-	-	-
	255,259	-	-	-

37.2.6 Actuarial financial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages) relates to the gratuity scheme as follows:

Discount rates	21%	-	-	-
Salary increase rate	11%	-	-	-

Sensitivity analysis for pension

A 0.5 percent increase in the actuarial assumptions would have increased/(decreased) the present value of funded obligation as at 31 December 2024 by the amounts shown below:

Discount rate (+0.5%)	6,813,740
Salary increase rate (+.05%)	7,209,851
Age rating - 1 year	6,964,201

A 0.5 percent decrease in the actuarial assumptions would have increased/(decreased) the present value of funded/unfunded obligation as at 31 December 2024 by the amounts show below:

Discount rate +0.5%	7,200,640
Salary increase rate+.05%	6,804,528
Age rating - 1 year	7,039,431

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur and the changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Expected benefit payments for future years

2024	(1,394,068)
2025	(1,985,166)
2026	(2,421,196)
2027	(2,180,151)
2028	(3,618,744)
2028 - 2032	(21,712,461)

37.3.1 Post employment medical plan liabilities

Present value of the defined benefit obligation	9,547,756	-	-	-
	9,547,756	-	-	-

37.3.2 Reconciliation of change in defined benefit obligation

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Present value of unfunded obligations at acquisition	6,575,591	-	-	-
Current service cost	23,098	-	-	-
Interest cost	216,755	-	-	-
Benefits paid	(1,353,277)	-	-	-
Actuarial losses/(gains) on economic assumptions	(5,861,044)	-	-	-
Actuarial losses/(gains) on demographic assumptions	9,989,655	-	-	-
Exchange rate realignment	(43,022)	-	-	-
Present value of Fund obligations at end of the year	9,547,756	-	-	-

37.3.3 Net expense recognised in profit or loss

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Current service cost	23,098	-	-	-
Interest cost	216,755	-	-	-
Exchange rate realignment	(43,022)	-	-	-
	196,831	-	-	-

37.3.4 Remeasurement gain on other long term employee benefits

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Actuarial losses/(gains) on economic assumptions	(5,861,044)	-	-	-
Actuarial losses/(gains) on demographic assumptions	9,989,655	-	-	-
	4,128,611	-	-	-

37.3.5 Actuarial financial assumptions

Discount rates	21.74%
Benefit Inflation rate	12.50%

Actuarial demographic assumptions

The rate of mortality assumed for employees are the rates published in the A67/70 Ultimate Tables, published jointly by the Institute and Faculty of Actuaries in the UK.

Sample age	
25	7
30	7
35	9
40	14
45	26
50	48
55	84
60	144

Voluntary withdrawal from service

It was assumed that voluntary withdrawals would be in accordance with the following table:

Age band	
Less than or equal to 30	
31-39	**1.5%**
40-44	**-**
45-54	**-**
55-59	**2.0%**
60	**100.0%**

Sensitivity analysis

Change in discount rate	Base Liability	+5% Change	-5% Change
Defined benefit obligation	9,907,404	9,557,352	10,283,557

Change in medical inflation rate				
Defined benefit obligation	9,907,404	10,331,152	9,511,293	

37.4.1 Long service award

OERNL has other long term employee benefits which is the long term service award.

The provision was based on independent actuarial valuation performed by Alexander Forbes Consulting Actuaries Nigeria using the projected unit credit as at 31 December 2024. The scheme is funded on a pay as you go basis by OERNL

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Balance at acquisition	2,701,788	-	-	-
Current service cost	46,168	-	-	-
Interest cost	120,899	-	-	-
Benefit paid	(16,310)	-	-	-
Actuarial losses/(gains) on economic assumptions	(925,200)	-	-	-
Actuarial losses/(gains) on demographic assumptions	135,340	-	-	-
Exchange rate realignment	32,758			
	2,095,443	-	-	-

37.4.2 Net expense recognised in the profit or loss

Current service cost	46,168	-	-	-
Interest cost	120,899	-	-	-
Actuarial losses/(gains) on economic assumptions	(925,200)	-	-	-
Actuarial losses/(gains) on demographic assumptions	135,340	-	-	-
Exchange rate realignment	32,758	-	-	-
	(590,035)	-	-	-

37.4.3 Actuarial financial assumptions

Discount rate (p.a)	21.74%
Benefit inflation rate (p.a)	14.70%

Actuarial Demographic Assumptions

The rate of mortality assumed for employees are the rates published in the A67/70 Ultimate Tables, published jointly by the Institute and Faculty of Actuaries in the UK.

Voluntary withdrawal from service	
Age band	
Less than or equal to 30	1.50%
31 - 39	0.00%
40 - 44	0.00%
45 - 54	5.00%
55 - 59	5.00%
60	100.00%

37.5.1 Post employment fuel EOS liabilities

The movement in the fuel EOS liabilities during the period is as follows:

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Balance at acquisition	16,037,000	-	-	-
Current service cost	63,589	-	-	-
Interest cost	684,668	-	-	-
Benefits paid	(252,248)	-	-	-
Actuarial losses/(gains) on economic assumptions	(11,224,160)	-	-	-
Actuarial losses/(gains) on demographic assumptions	8,131,271	-	-	-
Exchange rate realignment	150,615			
Balance, end of the year	13,590,735	-	-	-

37.5.2 Expense recognized in profit or loss:

Current service cost	63,589	-	-	-
Past service cost	684,668	-	-	-
Interest cost	(252,248)	-	-	-
Exchange realignment	150,615	-	-	-
	646,624	-	-	-

Expenses recognized in other comprehensive income

Actuarial (losses)/gains on assumptions	(11,224,160)	-	-	-
Actuarial loss on experience	8,131,271	-	-	-
	(11,224,160)	-	-	-

37.5.3 Actuarial financial assumptions

Discount rates	13.80%
Salary increase rate	11.50%

Actuarial demographic assumptions

The rate of mortality assumed for employees are the rates published in the A67/70 Ultimate Tables, published jointly by the Institute and Faculty of Actuaries in the UK.

Sample age	
25	7
30	7
35	9
40	14
45	26
50	48
55	84
60	144

Voluntary withdrawal from service
It was assumed that voluntary withdrawals would be in accordance with the following table:

Age band	
Less than or equal to 30	
31-39	1.5%
40-44	-
45-54	-
55-59	2.0%
60	100.0%

Sensitivity analysis

Change in discount rate	**Base Liability**	**+5% Change**	**-5% Change**
Defined benefit obligation	14,101,892	13,791,758	14,427,379
Change in medical inflation rate			
Defined benefit obligation	14,101,892	14,444,268	13,773,334
Change in medical inflation rate			
Change in benefit increase rate	14,101,892	14,240,071	14,032,803

38 Trade and other payables

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Trade payables - Products	1,265,994,349	1,047,936,359	7,973,286	-
Trade payables - Other vendors	22,944,638	13,172,788	-	-
Other payables	492,910,665	106,362,885	18,406,443	9,540,291
Statutory payables (WHT, VAT, PAYE and NCDF deductions)	47,384,806	25,972,326	9,477,721	8,324,379
WHT transferred from lease liability (Note 36)	11,006	13,927	11,006	13,927
Accrued expenses	717,560,828	284,860,197	66,413,522	84,353,564
Amount due to related parties (Note 42xiv)	-	-	184,470,110	606,581,321
Deferred income	637,090	300,574	-	-
	2,547,443,382	1,478,619,056	286,752,088	708,813,482

Trade & other payables are non-interest bearing and are normally settled within one year. The carrying amounts of trade and other payables for 2024 and 2023 respectively approximate their fair values.

The Group's other payables largely relates to royalties payable of N198.5 billion (2023:N98.6 billion), payable to QPR N235.6 million (2023:N138 million), payables on overlift of N6.3 billion (2023: N2.3 billion) bid deposits received on the attempted sale of Alausa prior to 2017 which is yet to be fully refunded to the initial buyer of N217.4 million (2023: N217.4 million), deferred consideration payment to ENI in relation to the NAOC acquisition of N65.7 billion (2023: nil) and amounts payable to partners N203.4 billion (2023: nil).

The Company's other payables largely relates to non-trade payables to vendors N5.84 billion (2023: N4.3 billion), payable to QPR N235.6 million (2023:N138 million), provision for financial guarantee of N9.1 billion (2023: N3.6 billion) and bid deposits received on the attempted sale of Alausa prior to 2017 which is yet to be fully refunded to the initial buyer of N217.4 million (2023: N217.4 million).

NAOC JV Funding, Audit Claims, Arbitration and Acquisition of NAOC

The Arrears Settlement Agreement

In 2019, OOL and NAOC entered into an Arrears Settlement Agreement to provide for the settlement of OOL's cash call arrears due to the OMLs 60-63 JV (the "JV"). for the period between 2018-2019 (the "ASA"), and a Cash Call Funding Agreement (the "CCFA") for the settlement of OOL's cash calls for the remaining period from September 2019 (not covered by the ASA) to 2021.

However, after the completion of the acquisition of Nigerian Agip Oil Company Limited (NAOC), (now known as Oando Energy Resources Nigeria Limited) by the Oando Group in August 2024, NAOC and OOL became affiliates.

Arbitration between Oando & NAOC

In February 2021, OOL commenced arbitration proceedings against NAOC through a notice of Arbitration "the notice" for the recovery of the sum of $240.47 million and N13.49 billion (the "Audit Credit") and damages for NAOC's wilful misconduct, concealing and refusing to disclose JV information, keeping of inaccurate records and misrepresentation of OOL's financial position.

NAOC filed a counter claim for alleged unpaid cash calls up until October 2022 in the sum of N125.9 billion and $366.9 million, and alleged consequential damages for loss of production in the sum of $837.4 million as a result of OOL's alleged underfunding since 2020.

Amicable Settlement of the dispute and Oando's Acquisition of NAOC:

The settlement of the dispute is a consequential result and part of a broader transaction under the Sale and Purchase Agreement ("SPA"") between the Eni Group and Oando Group, the parent companies of Nigerian Agip Oil Company Limited ("NAOC") and Oando Oil Limited ("OOL") for the acquisition of NAOC.

The transaction involves the acquisition of NAOC's interest in OMLs 60, 61, 62 and 63 and the JOA (the underlying asset for the dispute), among other assets. The SPA has been signed by the parties and a formal announcement issued.

The disputes between the parties encompassed activities under the Joint Operating Agreement related to the OMLs. These matters were factored into the negotiations for the SPA, resulting in a mutually agreed settlement of both parties' claims.

Completion of the SPA constituted settlement of the dispute between OOL and NAOC. Accordingly, one the key commercial arrangements contemplated by the parties was the suspension of the right to access the Award until the SPA was concluded seeing as the issues in dispute are part of the broader exchange of considerations for the acquisition of NAOC. Therefore, the award was held by an escrow agent pending the completion of the SPA.

Following completion of the SPA in August 2024, and in line with the agreement between the parties, the arbitration award was destroyed by the escrow agent. At the completion of the transaction, NAOC became an affiliate of OOL - the parties in the arbitration.

39 Dividend payable

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Unpaid dividend (Note 40b)	1,650,277	1,650,277	1,650,277	1,650,277

40 Supplementary cash flows information

(a) Cash generated from/(used in) operations

Reconciliation of profit/(loss) before income tax to cash generated from operations:	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Profit/(loss) before income tax	383,820,117	102,978,050	122,291,080	(208,403,444)
Adjustment for:				
Interest income (Note 12b)	(47,197,353)	(16,903,484)	(4,061,008)	(3,609,568)
Interest expenses (Note 12a)	240,151,919	103,311,104	52,848,721	31,429,259
Depreciation (Note 10a, 10c,15)	68,066,535	28,077,781	463,012	413,757
Depreciation to right-of-use asset (Note 10c, 17)	3,176,870	2,682,594	1,511,782	1,531,945
Amortisation of intangible assets (Note 10c, 16)	-	14,964	-	14,964
Impairment of intangible assets (Note 10d, 16)	-	3,915,646	-	-
Impairment allowance on current receivables (Note 25b)	71,604,924	3,224,431	194,784,108	28,167,896
Impairment allowance/(reversal of impairment) on finance lease (Note 22ii)	4,622,704	(1,994,256)	474,323	265,803
Impairment allowance on bank balances (Note 31a)	-	201,705	-	-
Impairment allowance on investment (Note 29)	-	-	(50,970,378)	19,006,439
Gain on bargain purchase (Note 9)	(784,815,612)	-	-	-
Share of gain of associate (Note 19)	(2,777,443)	(1,149,865)	-	-
Disposal of property, plant and equipment (Note 10b)	3,190,292	-	-	-
Unwinding of discount on provisions (Note 12a, 35)	(4,316,099)	30,230,336	16,317	16,938
Premium paid on hedges (Note 21)	10,842,798	552,257	-	-
Net foreign exchange (gain)/loss	(157,028,384)	(187,129,737)	11,334,992	8,252,466
Gratuity provisions (Note 11b)	2,004,575	757,563	-	-
Fair value (gain)/loss on commodity options (Note 21)	(7,611,481)	923,937	-	-
Fair value gain on valuation of investment properties (Note 18)	(3,135,050)	(7,610,900)	(3,135,050)	(7,610,900)
Fair value gain on financial assets at fair value through profit or loss (Note 28)	(283,160)	(79,094)	(283,908)	(79,094)
Non-cash other income	(3,189,736)	-	-	-
Changes in working capital				
Decrease/(increase) in receivables and prepayments (current)	1,171,295,147	(575,017,900)	141,390,966	(122,567,561)
Decrease/(increase) in inventories	22,524,193	(4,026,905)	-	-
Increase in short-term investments	(686,666)	(1,187,591)	(686,666)	(1,187,591)
(Decrease)/increase in payables and accrued expenses	(1,470,569,514)	716,077,655	(473,007,506)	255,737,911
	(500,310,425)	197,848,291	(7,029,215)	1,379,220

(b) Changes in liabilities arising from financing activities

GROUP

2024	1-Jan-24	Cash flows - proceeds	Cash flows - payment	Foreign exchange movement	Other	31-Dec-24
	N'000	N'000	N'000	N'000	N'000	N'000
Interest bearing loans and borrowings (current and non-current)	818,343,851	2,236,904,097	(752,930,279)	469,566,219	-	2,771,883,888
Interest bearing lease liabilities (current and non-current)	5,880,935	-	(3,659,958)	3,063,204	26,122,580	31,406,761
Dividends payable (Note 39)	1,650,277	-	-	-	-	1,650,277
Total liabilities from financing activities	825,875,063	2,236,904,097	(756,590,237)	472,629,423	26,122,580	2,804,940,926

2023	1-Jan-23	Cash flows - proceeds	Cash flows - payment	Foreign exchange movement	Other	31-Dec-23
	N'000	N'000	N'000	N'000	N'000	N'000
Interest bearing loans and borrowings (current and non-current)	507,336,741	310,007,796	(400,719,664)	403,529,101	(1,810,123)	818,343,851
Interest bearing lease liabilities (current and non-current)	3,617,209	-	(2,006,815)	3,545,343	725,198	5,880,935
Dividends payable (Note 39)	1,650,277	-	-	-	-	1,650,277
Total liabilities from financing activities	512,604,227	310,007,796	(402,726,479)	407,074,444	(1,084,925)	825,875,063

COMPANY

2024	1-Jan-24	Cash flows - proceeds	Cash flows - payment	Foreign exchange movement	Other*	31-Dec-24
	N'000	N'000	N'000	N'000	N'000	N'000
Interest bearing loans and borrowings (current and non-current)	104,991,721	16,646,000	(4,050,101)	9,536,801	(2,982,659)	124,141,762
Interest bearing lease liabilities (current and non-current)	38,961,674	-	(13,048,035)	27,202,546	4,801,573	57,917,758
Dividend payable (Note 39)	1,650,277	-	-	-	-	1,650,277
Total liabilities from financing activities	145,603,672	16,646,000	(17,098,136)	36,739,347	1,818,914	183,709,797

2023	1-Jan-23	Cash flows - proceeds	Cash flows - payment	Foreign exchange movement	Other	31-Dec-23
	N'000	N'000	N'000	N'000	N'000	N'000
Current interest bearing loans and borrowings	101,966,394	450,000	(1,292,369)	6,324,953	(2,457,257)	104,991,721
Interest bearing lease liabilities (current and non-current)	21,654,897	-	(6,226,650)	20,260,878	3,272,549	38,961,674
Dividend payable (Note 39)	1,650,277	-	-	-	-	1,650,277
Total liabilities from financing activities	125,271,568	450,000	(7,519,019)	26,585,831	815,292	145,603,672

*The 'Other' column includes provision for interest expense on lease liabilities, additions/modification of leases, transfer to withholding tax liability and amortization of transaction costs.

41 Business acquisitions

a) Business acquisition and completion of the sale and purchase of Agip's 20% working interests in OML 60 - 63

On 22 August 2024, Oando PLC through its subsidiaries, Oando Petroleum and Natural Gas LTD ("OPNGL") and Oando Oil II Cooperatief U.A.("Oil II"), completed the acquisition of Eni's subsidiary, Nigerian Agip Oil Company Limited ("NAOC") by acquiring 100% of its issued share capital from Eni Oil Holdings B.V.OPNGL obtained a $500 million Reserve Based Lending (RBL) Facility from Indorama Capital Holdings Pte. Ltd. ($350 million) and African Export-Import Bank ($350 million) and a $150 million Junior Facility from Mercuria Asia Resources Pte Limited for the financing of the acquisition with OER acting as the guarantor for the facilities.

Following the acquisition, NAOC was renamed Oando Energy Resources Nigeria Limited ("OERNL") with OPNGL now holding 19% non-operating interest in the Oil Mining Leases ("OMLs") 60, 61, 62, and 63 as well as related infrastructure and facilities in the NAOC Joint Venture ("NAOC JV") with residual 1% interest retained in OERNL. The other joint interest owners currently are the NNPC Exploration and Production Limited ("NEPL") with a 60% interest and Oando Oil Limited ("OOL") (20% interest).

OPNGL's 19% interest acquisiiton was accounted for as a business combination as OML 60 - 63 is an existing joint operation in the production phase with input, activities and output, which meets the definition of a busness under IFRS 3.

b) Acquisition of Oando Gazelle Limited - Mauritius, formerly GFront Enterprise Limited

Oando PLC (the 'Buyer') through its Company Secretary (Ms. Ayotola Jagun) in line with a nominee agreement wherein she was holding the equity interests for and on behalf of Oando PLC acquired 100% equity stake in GFront Enterprise Limited ("Gfront') from Fei Peng (the 'Seller') on 18 April 2024. The shares were transferred to Oando PLC on 28 June 2024. The Buyer received the entire Ordinary Shares (100 Ordinary Shares) of Gfront from the Seller for a consideration of US$100 and the name of the entity was changed from Gfront Enterprise Limited to Oando Gazelle Limited on 23 July 2024. The transaction has been accounted for as a business combination in these consolidated and separate financial statements.

c) Acquisition of Oando Yield Ltd (OYL), formerly Nziza Hospitality Ltd

Oando PLC (the 'Buyer') through its Company Secretary (Miss Ayotola Olubunmi Jagun) in line with a nominee agreement wherein she was holding the equity interests for and on behalf of Oando PLC acquired 100% equity stake in Nziza Hospitality Limited ("Nziza') from Bernard Alineitwe (the 'Seller') on 17 April 2024. The shares were transferred to Oando PLC on 28 June 2024. The Buyer received the entire Ordinary Shares (100 Ordinary Shares) of Nziza from the Seller for a consideration of US$100 and the name of the entity was changed from Nziza Hospitality Limited to Oando Yield Limited on 23 July 2024. The transaction has been accounted for as a business combination in these consolidated and separate financial statements.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	Share acquisition with residual 1% interest through Oil II N'000	19% non-operating interest acquisition through OPNGL N'000	Oando Gazelle Limited - Mauritius N'000	Oando Yield Ltd (OYL) N'000	Total N'000
Purchase consideration					
Cash consideration	81,747,765	796,233,500	-	-	877,981,265
Cargo proceeds	46,334,420	-	-	-	46,334,420
Deferred consideration	137,959,131	-	-	-	137,959,131
Net purchase price adjustment	13,557,015	-	147	147	13,557,309
Total purchase consideration	279,598,331	796,233,500	147	147	1,075,832,125

			Fair value		
The assets and liabilities recognised as a result of the acquisition are as follows:	Share acquisition with residual 1% interest through Oil II	19% non-operating interest acquisition through OPNGL	Oando Gazelle Limited - Mauritius	Oando Yield Ltd (OYL)	Total
	N'000	N'000	N'000	N'000	N'000
Assets					
Property, plant and equipment (Note 15)	78,795,690	1,406,128,492	-	-	1,484,924,183
Decommissioning costs (Note 15)	18,182,947	345,475,998	-	-	363,658,946
Right-of-use assets (Note 17)	-	23,559,514	-	-	23,559,514
Inventory	3,025,024	57,475,454	-	-	60,500,478
Trade and other receivables	1,451,829,573	-	147	147	1,451,829,867
Deferred tax assets (Note 20)	-	9,265,028	-	-	9,265,028
Finance lease receivables	6,997,080	132,944,525	-	-	139,941,605
Cash	76,580,050	-	-	-	76,580,050
Equity Investment (Note 28)	20,857	-	-	-	20,857
					-
Liabilities					-
Trade payables	(908,725,029)	-	-	-	(908,725,029)
Current income tax liabilities (Note 13b)	(47,087,515)	-	-	-	(47,087,515)
Overlift	(8,008,509)	-	-	-	(8,008,509)
Lease liabilities (Note 36)	(1,303,355)	(24,763,738)	-	-	(26,067,092)
Retirement obligation (Note 37c)	(11,927,186)	-	-	-	(11,927,186)
Provisions	(250,844,561)	(131,316,518)	-	-	(382,161,079)
Deferred tax liability (Note 20)	(1,997,435)	-	-	-	(1,997,435)
Decommissioning liability (Note 35)	(18,182,947)	(345,475,998)	-	-	(363,658,946)
Net identifiable assets acquired	387,354,685	1,473,292,759	147	147	1,860,647,738
Less: non-controlling interest	-	-	-	-	-
Add: goodwill arising on acquisition	-	-	-	-	-
Less: gain on bargain purchase	(107,756,355)	(677,059,258)	-	-	(784,815,613)
Net assets acquired	279,598,331	796,233,501	147	147	1,075,832,125

The Group acquired the companies to increase its upstream activities.

The net assets recognised above were based on assessment of their fair value on the date of acquisition using the income, cost and market approach as required by the IFRS 3 fair value assessment. Valuation of items such as property, plant and equipment valued using the replacement cost approach was concluded within the measurement periods in line with the requirements of IFRS 3 and the fair values have been adjusted. This adjustment will impact on the goodwill already reported in the financial statements.

Following the acquisition of NAOC now OERNL:

Revenue and profit
From the date of acquisition, OERNL contributed N10.7 billion of revenue and loss of N127.7 billion to loss before tax from continuing operations of the Group.

Trade and other payables
The acquisition date fair value of the trade and other payables amounts to N908.7 billion. It is expected that the full contractual amount will be settled.

Property, plant & equipment (PPE)
From the date of acquisition, NAOC acquisition increased the Group's PPE by N93.4 billion. The PPE asset acquired includes production wells, WIP capital construction, exploration wells, pipeline terminals, independent power plant and machinery, and other equipment.

Inventories
From the date of acquisition, NAOC acquisition increased the Group's inventories by N924.4 million. The inventories includes material & supplies and crude/petroleum products from the fields.

Trade and other receivables - net of provisions
The acquisition date fair value of the trade and other receivables amounts to N1.5 Trillion. The trade and other receivables relates to amount due from trade receivables, JV receivable from Partners and other receivables. It is expected that the full contractual amounts can be collected. .

Bank balances
Bank balances acquired relates to bank balances in various banks used by the acquiree as at the acquisition date.

Retirement benefit obligation
This relates to the defined benefit plan for funded pension trust fund for employees at exit. The value has been determined in line with the requirements of IAS 19 based on the values reported on the actuarial valuation reports.

Deferred tax liabilities
The deferred tax relates to timing differences arising from property, plant and equipment, inventory, miscellaneous items and right of use asset. This also includes deferred tax impact of all acquiree's asset and liabilities that has been fair valued in line with the requirement of IFRS 3.

Provisions for decommissioning obligations
This relates to the provisions made for the abandonment and decommissioning of the oil facilities. The abandonment facilities consist of the wells and the associated infrastructure.

Lease Liabilities
The lease liabilities relate to the lease of plant and machineries. The carrying amounts have been adjusted for the impact of IFRS 16.

Deferred Consideration
The Group's deferred consideration (through Oando Oil II) relating to the acquisition of NAOC amounts to N263.2 billion. In accordance with IFRS 3, the deferred consideration has been discounted to its present value, resulting in a balance of N137.9 billion as at the acquisition date, which has been used in determining the total purchase consideration. The total amount which is due to be paid within one year from December 2024 is N65.7 billion (Note 38), while the remaining portion would be settled in equal installments annually up till 31st October 2034.

Previously identified assets
The application of the recognition principle and conditions may result in recognising some assets and liabilities that the Group had not previously recognised as assets and liabilities in its financial statements. Based on the valuation report to identify and measure any previously unrecognized intangible assets, it was determined there were no such assets in NAOC. Further to this, the existing intangible assets have also been excluded from the net assets acquired because they are outside the transaction perimeter.

Transaction costs
Transaction costs of N75.6 billion in respect of the acquisition have been recognised in the statement of profit or loss of OPNGL. They include solicitors fees, transaction advisers fees, brokers, IT & personnel costs and services rendered as part of the operations readiness work, amongst others.

42 Related party transactions

Ocean and Oil Development Partners Limited (OODP) has the shareholding of 57.37% in Oando PLC at 31 December 2024 (2023: 57.37%). The remaining 42.63% shares are widely held. OODP is ultimately owned 66.67% by the Group Chief Executive and 33.33% by the Deputy Group Chief Executive of the Company.

The following transactions existed between Oando PLC (the "Company") and some related parties during the year under review:

(i) Shareholder Agreements dated July 24, 2012 between Oando PLC and Oando Netherlands Holding 2 BV (Holdco 2) in respect of Oando Akepo Limited (Oando Akepo); Oando PLC and Oando Netherlands Holding 3 BV (Holdco 3) in respect of Oando Petroleum Development Company Limited ("OPDC2") (which owns 95% of the shares of OPDC); Oando PLC and Oando OML 125 & 134 BVI in respect of Oando OML 125&134. Shareholder agreements dated April 30, 2013 between Oando PLC and Oando Netherlands Holding 4 BV (Holdco 4) and Oando Netherlands Holding 5 BV (Holdco 5) in respect of Oando Qua Ibo Limited (OQIL) and Oando reservoir and Production Services Limited (ORPSL), respectively. Shareholder agreements dated July 31, 2014 between Oando PLC and Oando OPL 214 Holding BV (Holdco 214), Oando OML 131 Holding BV (Holdco 131), Phillips Oil Company Nigeria Limited (POCNL – name subsequently changed to Oando Oil Limited - OOL), Phillips Deepwater Exploration Nigeria Limited (PDENL – name subsequently changed to Oando Deepwater Exploration Limited - ODEL), and Conoco Exploration and Production Nigeria Limited (CEPNL – name subsequently changed to Oando 131 Limited), respectively Oando PLC owns Class A shares and each of Holdco 2, Holdco 3, Oando OML 125&134 BVI, Holdco 4, Holdco 5, Holdco 214, and Holdco 131 (together the "Holdco Associates") owns Class B shares, in each of Oando Akepo, OPDC2, Oando OML 125&134, OQIL, ORPSL, OOL, ODEL, and Oando 131 Limited (the "Operating Associates"), respectively. Ownership of the Class A shares by Oando PLC provides it with 60% voting rights but no rights to receive dividends or distributions from the applicable Operating Associate, except on liquidation or winding up. Ownership of the Class B shares entitles the Holdco Associates (each an indirectly wholly-owned subsidiary of the Corporation) to 40% voting rights and 100% dividends and distributions, except on liquidation or winding up. Pursuant to each of these agreements, Oando PLC, on the one hand, and the respective Holdco Associates, on the other hand, agreed to exercise their respective ownership rights in accordance with the manner set forth in the shareholder agreements.

Pursuant to the shareholder agreements, each of Oando PLC and the respective Holdco Associate is entitled to appoint two directors to the board of Oando Akepo, OPDC2, Oando OML 125&134, OQIL, ORPSL, POCNL, PDENL, and CEPNL respectively, with the Holdco Associate being entitled to appoint the Chairman, who has a casting vote. In addition, the applicable Holdco Associate has the power to compel Oando PLC to sell its Class A shares for nominal consideration. The shareholder agreements in respect of most of the Operating Associates were filed on www.sedar.com under "Oando Energy Resources Inc.". No amounts have been paid or are due to be paid by either party to the other under the shareholder agreements. During the period, the Corporation didn't incur any amounts under this agreement (2023 - Nil).

(ii) Right of First Offer Agreement ("ROFO Agreement") dated September 27, 2011, as amended, between Oando PLC and OER. Pursuant to the ROFO Agreement, OER has the right to make an offer to Oando PLC in respect of certain assets owned by Oando PLC in accordance with the terms of the ROFO Agreement. No amounts have been paid or are due to be paid under the ROFO Agreement. On September 27, 2013, the ROFO agreement between OER and Oando PLC was amended. The amendment terminates the ROFO agreement on the first date on which Oando PLC no longer holds, directly or indirectly, at least 20% of the issued and outstanding common shares of OER. Prior to the amendment, the right of first offer in the ROFO would have terminated on September 27, 2013. OER has no amounts due to Oando PLC under this agreement (2023 - Nil). During the year, OER didn't incur any amounts under this agreement (2023 - Nil).

(iii) Referral and Non-Competition Agreement dated July 24, 2012 between Oando PLC and OER. Pursuant to this agreement, Oando PLC is prohibited from competing with OER except in respect of the assets referred to in the ROFO Agreement until the later of July 25, 2014 and such time as Oando PLC owns less than 20% of the shares of OER. Oando PLC is also required to refer all upstream oil and gas opportunities to OER pursuant to this agreement. In addition, in the event that Oando PLC acquired any upstream assets between September 27, 2011 and July 24, 2012, Oando PLC is required to offer to sell these assets to OER at a purchase price consisting of the amount paid by Oando PLC for the assets, together with all expenses incurred by Oando PLC to the date of the acquisition by OER, plus an administrative fee of 1.75%. OER has no amounts due to Oando PLC under this agreement in respect of the COP acquisition (2023 – Nil).

(iv) Cooperation and Services Agreement dated July 24, 2012 between Oando PLC and OER. Pursuant to this agreement, Oando PLC agreed, until the later of July 24, 2017 and such time as Oando PLC owns less than 20% of the shares of OER, to provide certain services to OER, including in respect of legal services in Nigeria, corporate secretariat and compliance services in Nigeria, corporate finance, procurement, corporate communications, internal audit and control, information technology, human capital management, environment, health, safety, security and quality and administrative services. These services are to be provided to OER on the basis of the cost to Oando PLC plus a margin of 10%. The independent directors of OER are entitled to approve all such cost allocations. At any time, OER may elect to terminate any of the services under the agreement provided such notice is effective only on December 31 or June 30 of any year and such notice has been given at least 60 days in advance. Once terminated, Oando PLC shall have no further obligation to make available the services as have been so terminated and equitable adjustments shall be made as to the cost for the remaining services, if any, that are continued to be supplied by Oando PLC to OER under the agreement. During the period, OER incurred $5.2 million under this agreement (2023 - $7.5 million).

(v) Pursuant to the completion of the Oando reorganization in July 2012, the cumulative amount advanced by Oando PLC to Equator Exploration Limited ("EEL"), subsidiary of OER of N1.1billion (US$7.2 million) as of 21 December 2012 was classified as loan payable in EEL's books and loan receivable in Oando PLC's books. The carrying amount of the loan using effective interest method was N1.3 billion at 31 December 2012. The amount increased to N2.4 billion at 31 December 2015 (2014: N2.0 billion) due to accrued interest. During 2016, the Company impaired the receivable and accrued interest of N2.7 billion. In 2024, the Company accrued an interest of N1.8 billion (2023: N793.3 million) and impaired the receivable (interest inclusive) in line with IFRS 9. The impairment was reversed on consolidation. In addition, the receivables and payables in the books of the Company and EEL respectively have been eliminated on consolidation.

(vi) The Company signed an amendment to the operating lease agreement with a subsidiary, XRS II Ltd in 2015. The Company, the lessee in the agreement, agreed to lease the Bombardier XRS aircraft owned by XRS II Ltd, the lessor, for a period of earlier of eighty-four months from the execution date and date of termination of the agreement. The Agreement shall terminate in the following circumstances i) the termination of the Aircraft Facility Agreement by the Lender (Investec Bank (Mauritius) Limited) ii) mutual consent of Oando PLC and XRS II provided consent has been sought from the Lender, iii) upon notice from the Lender than an event of default has occurred and is continuing under the Aircraft Facility Agreement and iv) at any time after the end of the Availability Period (as defined in the Aircraft Facility Agreement). An addendum to this agreement was signed on the 19th of November 2021, the new lease term will be for 5 years from the execution date. XRS II sold its main asset - 2009 Bombardier Global Express Aircraft to Shearwater Aero Capital Leasing OXRS, LLC a company incorporated in Delaware, USA. On 24 June 2022, this same asset was leased by Shearwater Aero Capital – 'Lessor' (the new owner) to the former owner (XRS II Limited)- 'Lessee'.

XRS II Ltd recognized income of N16.3 billion ($10.7 million) which arose from the agreement in 2024 (2023: N7.2 billion/$10.7 million) and received payments amounting to N10.4 billion ($6.9 million) during the year. In addition, the outstanding loan amount from XRS II to the Company was N14.1 billion (2022: N4.1 billion). The net receivables in the books of the Company at year-end was N4.9 billion/$3.2 million (2023: N2.1 billion/$2.3 million) and this amount was fully impaired. The income, impairment and loan have been eliminated on consolidation.

(vii) Oando was awarded an Extension contract by the Nigerian National Petroleum Corporation (NNPC) for the supply of petroleum product under the Emergency Procurement of PMS Intervention Agreement for January to March 2023 dated 1 February 2023 (the "EPI") (pursuant to sustain PMS deliveries for which an EPI Petroleum Products Agreement dated 1 September 2022 was signed between Oando and NNPC) whereby Oando would deliver refined petroleum product to the NNPC for a period of 3 months. On 1 April 2023, Oando entered into a contract with NNPC Trading SA (NTSA) under the petroleum products supply agreement ("PPSA") whereby Oando would deliver refined petroleum products to the NTSA prior to and in exchange for crude oil to be delivered by NTSA for a duration of 3 months and thereafter extended for another 3 months effective 1 July 2023 . Pursuant to the above, Oando entered into a Master Sales and Purchases Agreement with OTD to purchase from OTD, its trading subsidiary, all petroleum product to be supplied by Oando under the PPSA and OTD agreed to deliver refined petroleum product to Oando and purchase the Crude Oil from Oando in accordance with the terms of this Agreement and the terms of the PPSA. There are no new contracts in 2024, the Crude Oil lifted in 2024 were to close out the net balances under the PPSA contract of 2023.

Specifically, during the year, the Company sold crude oil worth N344 billion (2023: N894.5 billion) to OTD and purchased nil refined petroleum products (2023: N641.0 billion). In addition to the trade contracts, Oando PLC and OTD engaged in other non-trade transactions including assistance to make payment for travel cost, payroll expenses, medical cost, etc. on behalf of each other. The non-trade transactions amounted to N47 billion in 2024 (2023: N61.5 billion) on a net-off basis. The intercompany receivables/payables have been impaired in the respective companies as appropriate in line with the provisions of IFRS 9. The resulting sales, purchases, profits, impairments and any unrealized profit in inventory have been eliminated on consolidation.

(viii) The Company donated N1.45 billion (2023: N363.5 million) to Oando Foundation (a member of the Group). The expense and inflow in the books of Oando PLC and Oando Foundation have been eliminated on consolidation.

(ix) Oando Servco Nigeria Limited provided payment assistance on shared services costs and vendor related costs to Oando PLC amounting to $31.7 million (2023: $17.2 million) during the year. The net receivables from Oando PLC have been impaired in the books of Oando Servco Nigeria Limited and both the impairment and receivables have been eliminated on consolidation.

(x) Loan cost reimbursement between OTD and some entities in the group (Oando PLC and CPL)

Oando PLC, Calabar Power Limited (CPL) and OTD entered a Crude Sale and Purchase Agreement in 2024, the agreement is tied to BB Energy providing a facility to CPL to support the group's strategic initiatives. CPL and OTD also signed a loan cost reimbursement agreement dated 28 June 2024. As agreed in the contract, any under-delivery compensation incurred by OTD under the Crude Sale and Purchase Agreement shall be treated as a cost of financing (transaction cost) and shall be assumed by CPL. OTD charged CPL $950,000 (2023: nil) in relation to the contract. The income and expense have been eliminated on consolidation.

On 10 January 2024, Oando PLC and OTD entered into an agreement to amend an original loan agreement dated 30 August 2023 to extend the maturity date of the loan to 31 March 2025 and further amend the clause which states that Oando PLC would bear the transaction costs incurred by OTD in connection with the funding of the facility in the initial loan agreement. In relation to this, Oando PLC incurred $5.2 million (2023: nil) as transaction cost. The income and expense have been eliminated on consolidation.

Services agreement between OTD and Oando Servco Nigeria Limited

On 5 February 2024, OTD and Oando Servco Nigeria Limited (Servco) signed a services agreement, under which OTD will provide advisory, technical and other services as may be reasonably required or requested by Oando Servco in connection with the sale and marketing of its affiliates' crude oil entitlements in Nigeria. In 2024, Servco incurred a $2 million (2023: nil) service fee payable to OTD. The revenue and expense have been eliminated on consolidation.

(xi) Other related party transactions include:

i. Broll Properties Services Limited provided facilities management services consisting of structural, electrical and equipment maintenance and consumables to Oando PLC for which the Company reimbursed Broll N176.5 million. In addition, the Company paid N8.2 million fees for the services rendered (2023: fees – N6.7 million, reimbursement - N70.1 million). The GCE has control over one of the joint interest owners of the company.

ii. SCIB Nigeria and Co. Ltd. ("SCIB") provided insurance brokerage services to some entities in the Group. A beneficial owner of SCIB is related to the GCE. Although a sum of N950.4 million (2023: N2.1 billion) was paid to insurance companies for some specific policies through SCIB, the brokerage services agreement provides that service fees will be paid by the insurance companies who undertook the insurance policies.

iii. Triton Aviation Limited provided management services consisting of consumables, jet fuel, handling charges, third party charters, aircraft maintenance and crew maintenance (and charges a 5% markup on all cost incurred on behalf of XRS II) to XRS II, an indirect subsidiary of the Company and was paid fees of N45.8 million and reimbursement of N1.5 billion (2023: fees – N17.7 million, reimbursement - N540.9 million) for the provision of the services. Triton Aviation Limited is owned by the GCE.

iv. Olajide Oyewole & Co. rendered professional services worth N84.7million to Oando Servco Nigeria Limited(2023: N294.7 million to Oando PLC and OER Inc.). A close family member of the GCE has significant influence over the firm.

v. Lagoon Waters Limited sold petroleum products and liquefied petroleum gas worth N58.2 million (2023: N24.5 million) to Oando PLC. Lagoon Waters Limited is controlled by a close family member of the GCE.

vi. A donation of N27 million (2023: 28 million) was made to Abeokuta Golf Club as sponsorship of the Alake of Egbaland's Golf Tournament. The grand patron of the golf club served as the Chairman of Board of Directors of Oando PLC during the year under review.

(xii) ***Key management personnel***

Key management includes members of the Group Leadership Council. The compensation paid or payable to key management for employee services is shown below:

	2024 N'000	2023 N'000
Salaries and other short-term employee benefits*	4,340,757	2,857,772

*Included in salaries and other short-term employee benefits of key management personnel are board duty allowance of N12.7 million (2023: N12.7 million) received by the Company Secretary and Chief Compliance Officer, N167.9 million (2023: N91.7 million) received by Group Chief Financial Officer, N198.2 million (2023: N105 million) received by Chief Operating Officer of OER, N486.3 million (2023: N232.1 million) received by Deputy Group Chief Executive, N641.4 million (2023: N302.5 million) received by Group Chief Executive.

Year-end balances arising from transactions with related parties

The following receivables or payables at December 31, 2024 arose from transactions with related parties:

(xiii) *Receivables from related parties:*	Company 2024 N'000	Company 2023 N'000
Churchill C-300 Finance Ltd	4,076,519	2,388,035
XRS II	4,935,619	2,069,077
Oando E&P Holdings Limited	12,016,733	7,039,434
Oando Equator Holdings	21,822,391	12,782,860
Equator Exploration Ltd (BVI)	35,245,166	19,578,178
Calabar Power Ltd	40,608,474	63,405,340
Oando Exploration & Production Limited	33,709,104	33,709,104
Oando Petroleum and Natural Gas Limited	67,455	67,454
Oando Oil Limited	61,292,423	22,035,129
Road Bits Limited	753,703	392,705
XRS I	28,586	16,746
Lakel Afrik Petroleum	51,054	525
Bitumen Resources Limited	392,360	520,026
Oando Resources Ltd.	-	50,748,456
Fast Energy Investments Ltd	195,016	-
Trans-Africa Mining Resources Limited	69,859	-
Carmine Energy Investments Ltd	300	-
Lithiwave Nigeria Limited	567	-
Oando Oil II Cooperatief U.A	14,613,142	-
Oando Clean Energy Limited	10,000	-
	229,888,471	214,753,069
Trade receivables from Oando Trading DMCC	4,618,012	-
	234,506,483	214,753,069

(xiv) *Payables to related parties:*	Company 2024 N'000	Company 2023 N'000
0902702 B.C. Limited	2	1
OES Passion	10,388	5,930
Oando Liberia	78,240	45,833
OES Professionalism	4,851	4,851
Burkina Faso	6,070	6,070
Oando Terminals & Logistics	5,229	6,250
Oando Trading DMCC	96,058,094	279,183,086
Oando Trading Bermuda	-	91,743,301
OML 125/134 Limited	-	39,256,568
OER Servco Nigeria Limited	56,071,024	196,329,431
Oando Supply & Trading DMCC	21,041	-
Oando Gazelle Ltd Mauritius	154	-
Oando Reservoir & Production Limited	5,000	-
Oando Trading & Supply BVI	76,766	-
Oando Gazelle BVI Ltd	76,766	-
Oando Resources Ltd	626,931	-
Oando Energy Resources Nig Ltd	30,369,513	-
Oando V Ltd	1,000	-
Oando Hydrocarbons Ltd	1,000	-
Oando E&P IV Ltd	1,000	-
Oando E&P Ltd	1,000	-
Oando Investments Ltd	1,000	-
Oando Energies Ltd	1,000	-
OML56 Oando Production and Development Co Limited	1,011,191	-
Oando Gazelle DMCC	42,083	-
Oando Yield	154	-
Oando Oil Holdings II Ltd	2	-
Oando Leopard Ltd	154	-
Oando Treasures Ltd	154	-
Oando Gulf Limited	154	-
Oando Pacific Ltd	154	-
	184,470,110	606,581,321

43 Commitments

The Group had outstanding capital expenditure contracted but not provided for under property, plant and equipment of N356.4 billion (2023: N82.43 billion) at December 31, 2024.

44 Events after the reporting period

a) **Oando PLC's 'Go- Private' arrangement**

Venus Construction Limited & 13 others v Oando PLC & Ors

On March 25, 2021, a petition was filed by fourteen (14) shareholders of the Company holding a total of 299,257,869 shares (the "Petition"). The Petition (in Suit No: FHC/L/CP/494/2021) was filed for and on behalf of Oando's minority shareholders led by Venus Construction Company Limited and is brought pursuant to sections 353, 354 and 355 of the Companies and Allied Matters Act 2020 ("CAMA"). Ocean and Oil Development Partners Limited ("OODP") and the Company were listed as 1st and 2nd Respondents (together, the "Respondents"). The Petitioners requested that the Court ordered the buyout of their entire shareholding either by OODP or the Company. OODP in response to the Petition, filed an Answer and a Cross Petition dated 15th March 2022 stating that it is willing and ready to buy out the minority shareholders via a members' scheme of arrangement to the Company for presentation to its shareholders at a general meeting, in order to place itself in a position to inject further capital into the Company and facilitate the reorganization of the Company's capital structure. On March 30, 2023, Oando PLC notified Nigerian Exchange Limited ("NGX") and Johannesburg Stock Exchange Limited ("JSE Limited") that OODP has offered to acquire the shares of all minority shareholders in the Company ("Scheme Shareholders"). Upon receipt of all requisite approvals the Company will subsequently be delisted from NGX and JSE and re-registered as a private company (the "Transaction").

It is intended that the Transaction will be executed through a Scheme of Arrangement ("Scheme"), in accordance with Section 715 of the Companies and Allied Matters Act, 2020 (as amended), and other applicable laws, rules, and regulations. Under the Scheme, the current proposal that each Scheme Shareholder shall be entitled to receive the sum of N7.07 in cash or its equivalent in South African Rand (ZAR) for every ordinary share held by the qualified Scheme Shareholders at the Effective Date of the Scheme ("Scheme Consideration"). The proposed Scheme Consideration represented a 58% premium to the last traded share price of Oando on 28 March 2023, being the day prior to the date of submission of the Scheme application to the Securities and Exchange Commission ("SEC").

Consequently, Oando PLC has applied for the SEC's 'No Objection' to the Scheme. The effectiveness of the Scheme is however subject to the approval of the shareholders of Oando at the Court-Ordered Meeting of the Company, as well as the sanction of the Federal High Court. The terms and conditions of the Transaction will be provided in the Scheme Document which will be dispatched to all shareholders following the receipt of an order from the Federal High Court to convene a Court-Ordered Meeting. If the conditions of the Transaction are satisfied and same is sanctioned by the Federal High Court, the Company will be delisted from NGX and JSE and re-registered as a private company.

On May 22, 2023, Honourable Justice Aneke sitting at the Federal High Court, Ikoyi, Lagos Division (the "Court") further adjourned the matter to 10th October 2023. The adjournment to 10th October 2023 is to enable report by the Company of its compliance with the Court's order dated June 7, 2022 directing the Company to file its Scheme of Arrangement document with the Securities and Exchange Commission (SEC) and the NGX within 30 days, among other orders (the "Court Order"), and update the Court on the status of the Scheme of Arrangement.

Minority Shareholder Objection Suits

I) Navida Global Limited & v Oando PLC & SEC

The matter was adjourned to April 17, 2024 on which date the Court heard the application brought by certain interveners led by a shareholder, Navida Global Limited seeking to be joined to the Petition and asking the Court to set its order dated June 7, 2022, and reserved its ruling till 24th June 2024 on which date the ruling was not ready. On 17th July, 2024, the Court delivered its ruling on the Interveners' application, granting leave to the Interveners to be joined as Respondents in this suit on the basis that there was lack of evidence to prove that the Minority shareholders were served with the original court processes. The Court also varied the Court Order dated 7th June 2022 by restricting the said order to only shares owned by the Petitioners/Respondents in this suit. Matter was adjourned to 5th November,2024 for mention. On 5th November, 2024 the Court did not sit consequently, the matter was adjourned to 6th February 2025 for mention.

OODP has filed a Notice of Appeal against the Court's ruling on the ground that the Court failed to consider all arguments brought before it and it lacked the power to vary its own order as it was seized of jurisdiction after the ruling.

The Navida (FOI matter) came up on 27th November 2024 for hearing of pending applications. On 27th November, 2024 the Court announced that it would hear only non-contentious applications on the day, and directed parties with contentious applications to select further dates. Consequently, it has been adjourned to 11th February 2025, for the hearing of Oando's Preliminary Objection and the Originating Application. On 11th February, 2025, Counsel moved Oando Plc's Preliminary Objection dated 6th September, 2024 and the Applicants' Counsel argued in opposition to the Preliminary Objection.

The Applicants also argued their Originating Summons filed on 23rd February 2024. Counsel to Oando Plc and SEC respectively, adopted their Written Addresses and argued in opposition to the Applicants' Originating Summons. The matter was subsequently adjourned to 24th of April 2025 for Ruling. On 24th April 2025, the matter was scheduled for Ruling before Justice Allagoa at the Federal High Court, Ikoyi Lagos. However, the Court was on Easter Vacation and did not sit. Counsel is to communicate further adjourned date for the ruling to be taken

ii) Aderemi Engunjobi & Ors v Oando PLC & Ors

The applicants instituted the action at the Federal High Court Lagos via Originating Summons dated 26th July, 2023 and filed on 27th July, 2023, seeking inter-alia for orders of the Court restraining Oando Plc, Ardova Plc, and Coronation Insurance Plc from passing resolutions approving the Scheme of Arrangement and "forcefully" purchasing the shares at the proposed price, restraining the CAC and SEC from sanctioning or approving the purchase of the shares "compulsorily" or "forcefully" by the Respondents , the sum of N10,000,000 against the Respondents in general damages and costs as may be determined by the Court.

The court granted the ex-parte application of the applicants to urgently hear the matter during the Courts vacation, setting 14th August, 2023 as the return date to hear the motion for interlocutory injunction. However, on the said date the Court noted that the Application was not ripe for hearing since most of the parties had not been served and adjourned the matter to 22nd August 2023 for the hearing. On 22nd August, 2023 the matter was not on the cause list and could not be heard because the Registry had failed to transmit the files from the previous vacation Judge (Honourable Justice Oweibo) to the newly assigned vacation Judge (Honourable Justice Aluko). Counsel to the Applicants informed the Court that there were several cases with the same subject matter as this instant suit before different Judges and of his intention to write to the Administrative Judge to assign all matters similar with this suit to a single Judge to avoid conflicting decisions. The Court stated that it was its duty to hear all matters filed during this period hence the matter was adjourned to 6th September 2023. On 6th September, 2023 the Applicants and their counsel were unrepresented in Court. Consequently, submissions were made by counsel to the Respondents respectively, urging the Court to set aside the Order granting leave for the matter to be heard during the vacation period and striking out the pending motion for interlocutory injunction. Consequently, the Court ruled that there was no justification for the absence of the Applicants who initiated the legal action against the Respondents, set aside the Order granting leave to hear the matter during the vacation period and ordered that the case file be returned to the Court Registry. The matter was assigned to Justice Aluko and adjourned to 25th of April 2024 for Hearing of the Plaintiff's Application to set aside the Orders made on the 6th of September 2023 and for the hearing of the pending preliminary objection filed by the Respondents in the suit.

On 25th April, 2024 the application to set aside proceedings of 6th September was argued and the matter was adjourned to 28th of June 2024 for ruling on the plaintiff's motion to set aside the orders. On 28th June, 2024 the Court ruled in the claimant/applicant's favour setting aside the ruling of the court on September 6, 2023 where costs were awarded against the claimant. The matter came up on 23rd of January,2025 for hearing of Oando's Originating Summons and Preliminary Objection. The Court proceeded to hear all pending applications of other counsel in the matter. Consequently, the matter was adjourned to 21st March, 2025 for hearing or further direction.

On 21st March, 2025 the matter was scheduled for the hearing of the Originating Summons and Pending Applications. However, the matter could not go on as scheduled due to the Court's busy schedule. The matter was subsequently adjourned to 15th May 2025 for hearing of the Originating Summons and Pending Applications. On 15th May, 2025 the matter was slated for the hearing of the Originating Summons and Pending Applications. However, the matter could not go on as scheduled due to absence of the Judge. A new date for hearing is yet to be communicated

b) Successful Bid for Block KON 13 in Angola

The Angolan National Agency for Petroleum, Gas, and Biofuels (ANPG) via its letter dated 15 January 2025 notified that Oando PLC through its upstream subsidiary, Oando Energy Resources Inc. (OER), has been awarded operatorship of and the 45% participating interest in Block KON 13 in Angola's Onshore Kwanza Basin, following a competitive bidding process organized by the ANPG.

Block KON 13 is strategically located in the prolific Kwanza Onshore Basin which represents significant exploration potential in both pre-salt and post-salt plays, with estimated prospective resources of 770 to 1,100 million barrels of oil. The block has two (2) exploration wells previously drilled to a target depth of 3,000m, with oil and gas observed across various depths. With a 45% participating interest, OER will lead the development of the block as operator, alongside Effimax (30%) and Sonangol (15%) as co-venturers. Oando Energy Resources Inc paid the entry fee of USD70,000 on 29 January 2025 for the block within the timeline as per established tender rules and procedures.

c) Oando Selected as Preferred Bidder for Guaracara Refinery Lease

The Honourable Minister for Energy in Trinidad and Tobago via a letter dated 27 February 2025 notified Oando PLC through its trading subsidiary, Oando Trading DMCC of its selection as the preferred bidder for the lease of the Guaracara Refining Company Limited (GRC)'s refinery assets from Trinidad Petroleum Holdings (THPL). The Refinery, located in Pointe-à-Pierre, Trinidad and Tobago, is a vital energy asset in the Caribbean. It was established over a century ago and historically has been the cornerstone of Trinidad and Tobago's oil industry. With a capacity of 175,000 barrels per day and a Nelson Complexity Index of 8.0, the refinery is well-suited for processing regional crude oils and supplying both domestic and regional markets with refined products. Oando Trading DMCC will proceed with discussions at finalizing the lease agreement and operational framework with the government and regulatory authorities.

d) Oando Announces share distribution to shareholders

The shareholders of Oando PLC at the 45th Annual General Meeting (AGM) on 17 December 2024, approved a restructuring which culminates into a distribution of all or part of the existing shares received from Ocean & Oil Development Partners Limited (OODP Nigeria) as repayment of loan due to the Company, to shareholders on a pro-rata basis. On 5 February 2025, Oando PLC notified the Nigerian Exchange Limited and the public that the distribution of the shares will be in two (2) tranches in its first phase. The total number of ordinary shares to be distributed is 1,283,712,601 under Phase 1. For the first tranche under Phase 1, a total of 641,856,301 existing shares will be distributed on the basis of 1 (one) new ordinary shares of 50 kobo each for every twelve (12) existing ordinary shares held by members at the qualifying date of 14 February 2025. The qualification date for the second tranche will be 30 June 2025, and the distribution ratio will be determined and approved by the board in due course. The distribution will be effected upon receipt of relevant regulatory approvals and within 36 months commencing 30 January 2025.

e) Ministerial Consent on Participating Interest in OML 60-63

On 7 November 2023, Nigeria AGIP Oil Company Limited (now Oando Energy Resources Nigeria Limited (OERNL) requested for ministerial consent to assign 19% participating interest in OML 60 - 63 (NAOC JV OMLs) to Oando Petroleum and Natural Gas Limited (OPNGL)(Asset Sale) and transfer of 1% participating interest in the NAOC JV OMLs to Oando Cooperatief (Asset Sale and Share Sale). On 2 April 2025, Nigerian Upstream Petroleum Regulatory Commission(NUPRC) notified OPNGL and OERNL of the fulfilment of conditions for obtaining Ministerial Consent and approved the new composition of the participating interest in OML 60-63 JV. In addition, NUPRC confirmed the payment of the sum of $40,000 (Forty Thousand Dollars) as consent fee for the creation of the Security Interest for the 20% participating interest in OMLs 60 - 63.

f) Memorandum of Understanding ("MoU") between Oando Clean Energy Limited and Rural Electrification Agency

'On 10 March 2025, Oando Clean Energy Limited ("OCEL") (an indirect subsidiary of Oando PLC) entered into a Memorandum of Understanding ("MoU") with the Rural Electrification Agency ("REA"), an agency of the Federal Government of Nigeria. The MoU outlines a strategic framework for collaboration on the development and deployment of solar and clean energy infrastructure to facilitate rural electrification across Nigeria (the "Electrification Project"). The MoU has a term of two (2) years or until the execution of definitive agreements by the parties, whichever is later. Under the terms of the MoU, OCEL is responsible for 100% of the funding, procurement, development, deployment, operations, and maintenance of the solar infrastructure. Revenue from the Electrification Project is expected to be derived through community-based tariff arrangements.

g) Land Allocation for PET Recycling Plant Development

On 10 March 2025, His Excellency Prince Dapo Abiodun approved the provisional offer of allocation for 7.523 hectares of land on a 50-year grant to Oando Clean Energy Limited (an indirect subsidiary of Oando Plc). The total amount for the allocation is N183,531,600.00, following a 60% rebate granted by the Ogun State Government. This rebate significantly reduced the cost from the initial amount of N454,359,600.00. The allocated land is situated in Onipepeye, along the Abeokuta–Sagamu Express Road, Ogun State, and is designated for the development of a 2,750 tonnes-per-month PET recycling plant. This initiative aligns with our corporate mandate to design and develop climate-friendly and bankable projects, contributing meaningfully to sustainable environmental practices and economic development in the region.

No other significant events occurred between the year-end and date of approval of these audited consolidated and separate financial statements by the Board of directors.

45 Contingent liabilities

(i) (a) **Guarantees to third parties**

Guarantees, performance bonds, and advance payment guarantees issued by the Group to commercial banks and third parties amounted to N2.6 trillion (2023: N733.3 billion).

(b) **Charge on the assets of the Company and other relevant members of the Group in accordance with paragraph 49 of First Schedule of CAMA 2020**

Entity	Instrument (Deed, mortgage trust etc.)	Description	Summary of charges/pledge	Beneficiary
Oando PLC	Deed of Share Charge	Deed of Share Charge dated 5th May 2014 between Oando Plc and FBNQuest Trustees Limited in relation to the OER Corporate Facility	Pledge over Oando Plc's shares (including all related rights) in the following entities: i. Oando Qua Ibo Limited ii Petroleum Development Company iii.Oando OML 125 & 134 Limited iv.Oando Akepo Limited	FBNQuest Trustees Limited
Oando PLC	Share Charge	Deed of Share Charge dated 8th October 2014 between amongst others Oando Plc, Wings Mauritius Limited (formally RMB Westport Wings), SB Wings Development Limited as Chargors, Stanbic IBTC Trustees Limited as Trustee and Oando Wings Development	Pledge over Oando Plc's shares in Oando Wings Development Limited	Stanbic IBTC Trustees Limited
Oando OML 60 - 63 Limited	Share Charge	Deed of Variation dated 11th October 2019 in respect of the Deed of Share Charge Originally dated 31st July 2014 as subsequently replaced on 21st December 2015 between Oando OML 60,61,62&63 Limited, Oando Oil Limited, Standard Chartered Bank and African Export Import Bank	Charge over shares of Oando OML 60,61,62&63 Limited in Oando Oil Limited in relation to the RBL agreement dated 31st July 2014, as amended from time to time	African Export-Import Bank
Oando OML 60 - 63 Limited.	Share Charge	Deed of share charge dated 11th October 2019 between Oando OML 60,61,62&63 Limited, Oando Oil Limited, and African Export Import Bank	Charge over shares of Oando OML 60,61,62&63 Limited in Oando Oil Limited in relation to Oando Oil Limited's $524,590,723.97 RBL facility (RBL 2)	African Export-Import Bank
Oando OML 60 - 63 Limited	Security assignment deed	Deed of variation in respect of the security assignment deed dated 31 July 2014 as subsequently replaced on 21st December 2015	Assignment of rights under shareholders' agreement in relation to the RBL agreement dated 31st July 2014, as amended from time to time	African Export-Import Bank
Oando OML 60 - 63 Limited	Security assignment deed	Security assignment deed dated 11th October 2019 between Oando OML 60,61,62 & 63 Limited, Oando OML 60,61,62 & 63 Limited and African Export-Import Bank	Assignment of rights under shareholders' agreement to secure debt under in relation to a $524,590,723.97 RBL facility (RBL 2)	African Export-Import Bank
Oando Servco Nigeria Limited	Security assignment in respect of services agreement	Deed of Security assignment dated 11th October 2019 in respect of the Oando Servco Nigeria services agreement (as amended by a supplemental deed of security assignment)	Assignment of rights under services agreement as security for the $524,590,723.97 RBL facility (RBL 2) and Oando Servco Nigeria/Ecobank $50million facility	African Export-Import Bank

Oando Servco Nigeria Limited	Debenture	Composite Security Debenture dated 30th December 2019 between Oando Servco Nigeria Limited and African Export-Import Bank	Charge over assets of Oando Servco Nigeria Limited as security for the $524,590,723.97 RBL facility (RBL 2) and Oando Servco Nigeria Limited/Ecobank $50million facility		
Oando Production and Development Company Limited	All Asset Debenture	All Asset Debenture between Oando Production and Development Company Limited and FBNQuest Trustees Limited in relation to OER's corporate facility	Charge over Oando Production and Development Company Limited assets	FBNQuest Trustees Limited	
Oando Akepo Limited	All Asset Debenture	All Asset Debenture between Oando Akepo Limited and FBNQuest Trustees Limited in relation to OER's corporate facility	Charge over Oando Akepo Limited's assets	FBNQuest Trustees Limited	
Oando Qua Ibo Limited	Debenture	All assets debenture between Qua Ibo Limited and FBNQuest Trustees Limited in relation to OER's corporate facility lenders	Charge over the assets of Oando Qua Ibo Limited	FBNQuest Trustees Limited	
Oando OML 125 & 134 Limited	Debenture	All assets debenture between Oando OML 125 & 134 Limited and FBNQuest Trustees Limited in relation to OER's corporate facility	Charge over the assets of Oando OML 125&134 Limited	FBNQuest Trustees Limited	
OANDO ENERGY RESOURCES NIGERIA LIMITED	Security Deed	Security deed dated 22nd August 2024 relating to a charge over 1% participating interest held by Oando Energy Resources Nigeria Limited in OML 60-63 between Oando Energy Resources Nigeria Limited and African Export Import Bank in connection with Oando Petroleum and Natural Gas Company	Relating to a charge Over 1% Participating Interest Held by the Chargor In Oil Mining Leases 60, 61, 62 And 63	African Export-Import Bank	
OANDO CLEAN TRANSPORT SOLUTIONS LIMITED	Debenture	Fixed and Floating debenture between Oando Clean Transport Solutions Limited and Wema Bank Plc in connection with the financial accommodation provided to Oando Clean Energy Limited by Wema Bank Plc	Charge over assets of Oando Clean Transport Solutions Limited	Wema Bank Plc	

(c) Open letters of credit in respect of Project Gazelle amounted to N15.2 billion/$9.9 million (2023: N27.1 billion/$30.18 million) at the reporting date from which no material liability is anticipated to arise.

(ii) Pending litigation

There are a number of legal suits outstanding against the Group for stated amounts of N14.9 trillion (2023: N2.8 trillion). Of the total legal suits outstanding, N14.9 trillion (2023: N1.7 trillion) was filed against the E&P's division portion of OML 60-63. On the advice of Counsel, the Board of Directors are of the opinion that no material losses are expected to arise. Therefore, no provision has been made in these consolidated and separate financial statements and the Group has not pledged any valuable security in connection to the liabilities.

(iii) Bilabri Oil Field (OML 122)

In 2007, OER transferred, under the Bilabri Settlement Agreement, the full responsibility for completing the development of the Bilabri oil field in OML 122 to Peak Petroleum Industries (Nigeria) Limited ("Peak"). Peak specifically assumed responsibility for the project's future funding and historical unpaid liabilities. In the event that Peak fails to meet its obligations to the projects creditors, it remains possible that OER may be called upon to meet the debts. Therefore, a contingent liability of $21.7 million exists at December 31, 2020 (2020 – $21.7 million).

On May 26, 2015, Peak and Equator Exploration (OML 122) Limited signed a Settlement Agreement which set out the terms under which Peak would pay Equator Exploration (OML 122) Limited the sum of $52.2 million ("Settlement Amount") as full and final settlement of its indebtedness to Equator Exploration (OML 122) Limited, three months from the date of the Settlement Agreement. Peak requested for an extension of time to pay the Settlement Amount which was granted by Equator Exploration (OML 122) Limited. Peak failed to pay the Settlement Amount leading to a termination of the agreement on February 16, 2017. Equator Exploration (OML 122) Limited has deemed this to be a contingent asset until such time as when the inflow of economic benefit from Peak becomes virtually certain. As a result of Peak's failure to pay the Settlement Amount, Equator commenced and has successfully obtained court orders to wind up Peak. These orders are under appeal by Peak on the following grounds, that; (a) The Court had no jurisdiction to hear the Petition because there was an extant order of the Court restraining Equator from taking any steps to wind-up Peak; (b) The Court breached Peak's right to fair hearing when it proceeded to hear and determine the Petition on a day the matter was set down for Report of Settlement; and (c) Peak had filed and entered the 1st and 2nd appeal at the Court of Appeal against the orders of the lower Court. The appeals last came up on 2nd December 2020 for report for settlement/hearing of pending applications. However, the court did not sit, and the court is yet to fix a further date for the hearing of the appeal. The judgement of the Appeal Court would be subject to further appeal to the Supreme court if the unsuccessful party decides to file an appeal to the Supreme court.

(iv) OPL 321 and OPL 323

Equator joined a consortium, comprising ONGC Videsh and Owel to form a bidding group for the deepwater blocks OPL 321 and OPL 323 (Blocks") in the 2005 round and won the bids for the Blocks. However, the Korea National Oil Corporation (KNOC) sought to exercise a prior right of first refusal that had been negotiated with the FGN and the Blocks were awarded to KNOC, ONGC and an LCV. ONGC rejected its portion and Equator was appointed to replace ONGC in the award.

In January 2009, the Nigerian government voided the allocation of the Blocks to the operator, KNOC and re-allocated the Blocks to the initial winning consortium of the 2005 licensing round comprising ONGC Videsh, Equator and Owel. KNOC brought a lawsuit against the government and a judgement was given in their favor. The government and Owel appealed the judgement. The Court of Appeal ruled against KNOC on the grounds that it instituted its original action wrongly. KNOC filed an appeal to the Supreme Court in June 2012. In February 2017, the Supreme Court affirmed the decision of the Court of Appeal. In 2009, the government refunded the signature bonus paid by Equator. Equator has not recognized a liability to the government for the blocks subsequent to the refund of the signature bonus. Following the decision of the Supreme Court, Equator declared its intention to continue to invest in the blocks. ONGC declined further interest in the Blocks.

Two of Equator's bidding partners were not included in the original bid as direct participants in the PSCs, as a result, Equator granted those bidding partners 3% and 1% carried economic interests respectively in recognition of their contribution to the consortium. During 2007, in order to pave way for a potential farm-out of the Blocks by Equator, it was agreed with the bidding partners that they would surrender their carried interests in the Blocks in return for warrants in Equator and payments of $4 million and $1 million. The warrants were issued immediately but it was agreed that the cash payments would be deferred until the farm-out is completed and Equator receives payment thereof. The warrants have expired. In the first instance, payment would be made within 5 days after the closing of the farm out to a subsidiary of BG Corporation PLC (BG). However, BG terminated the farm out agreement. Under the successor obligation, Equator issued loan notes with an aggregate value of $5 million to the two entities which are redeemable out of the first $5 million of proceeds received on the occurrence of any one of the following events related to OPL 321 or OPL 323:

- A farm out with another party;
- A sale or partial sale of the interests; and
- A sale or partial sale of subsidiaries holding the relevant PSCs

During 2010, one of the two entities successfully sued Equator in an arbitration tribunal for the sum of $1 million, claiming rights under the successor obligation. This has been paid in full. The other entity did not commence any arbitration against Equator. On the advice of legal counsel, Equator maintains that the remaining $4 million owed to the other party is not yet due as none of the triggers for the payment has occurred and that any second arbitration hearing can be successfully defended. If none of the above events occur, it is assumed that Equator will not need to settle the $4 million loan note and can defer payment indefinitely. The above contingencies are based on the best judgements of the board of directors and management.

On 26 June 2024, the Plaintiff (Owel Petroleum Services Limited), filed a Motion seeking the Court to grant an Interlocutory Injunction restraining the Nigerian Upstream Petroleum Regulatory Commission ("NUPRC") from re-awarding the OPLs 321 and 323 whether under the 2024 Bid Round or at all, until the determination of the suit. The suit remains ongoing.

46 Subsidiaries' information

(a) Below is a summary of the principal subsidiaries of the Group

Entity name	Country of incorporation	Investment Currency	Nature of business	Issued share capital	Percentage interest held	Percentage interest held
Operational subsidiaries					**2024**	**2023**
Direct Shareholding						
Oando Logistics and Services Limited	United Kingdom	GBP	Logistics and services	1	100%	100%
Oando Resources Limited	Nigeria	Naira	Exploration and Production	10,000,000	100%	100%
Oando Terminals and Logistics	Nigeria	Naira	Storage and haulage of petroleum products	2,500,000	100%	100%
Oando Trading DMCC	Dubai	Dirhams	Supply of crude oil and refined petroleum products	36,600,000	100%	100%
XRS 1	Cayman Islands	USD	Investment company	50,000	100%	100%
Oando Trading Limited	Bermuda	USD	Supply of crude oil and refined petroleum products	3,500,000	100%	100%
Oando Equator Holdings Limited	Bermuda	USD	Financial holding company	12,000	100%	100%
Calabar Power Limited	Nigeria	Naira	Financial holding company	2,500,000	100%	100%
Oando Exploration and Production Limited	Nigeria	Naira	Exploration and Production	12,500,000	100%	100%
Oando Netherlands Holdings 2 Cooperative U.A	Netherlands	Euro	Financial holding company	-	100%	100%
Oando Netherlands Holdings 3 Cooperative U.A	Netherlands	Euro	Financial holding company	-	100%	100%
0902702 BC Limited	British Columbia	USD	Exploration and Production/Holding Company	1	100%	100%
Oando E&P Holdings Limited	Canada	CDN$	Financial holding company	792,228,566	12.03%	12.03%
Oando Gazelle BVI	BVI	USD	Project Gazelle	50,000	100%	-
Oando Trading & Supply BVI Limited	BVI	USD	Trading Company	50,000	100%	-
Oando Supply & Trading DMCC	UAE	Dirhams	Trading Company	50,000	100%	-
Oando Gazelle Ltd Mauritius	Mauritius	USD	Project Gazelle	100	100%	-
Oando Yield Ltd	Mauritius	USD	Project Yield	100	100%	-
Oando E&P IV Limited	Nigeria	Naira	Exploration & Production	1,000,000	100%	-
Oando E&P Limited	Nigeria	Naira	Shelf company	1,000,000	100%	-
Oando Hydrocarbons Limited	Nigeria	Naira	Exploration & Production	1,000,000	100%	-
Oando V Limited	Nigeria	Naira	General Contracts	1,000,000	100%	-
Oando Gazelle DMCC	UAE	Dirhams	Trading Company	100,000	100%	-
Oando Investments Limited	Nigeria	NGN	Investment Holding Company	1,000,000	100%	-
Oando Energies Limited	Nigeria	NGN	Investment Holding Company	1,000,000	100%	-
Oando Oil Holdings II Limited	Cayman Islands	USD	Exploration & Production	1	100%	-
Oando Treasures Limited	Mauritius	USD	Investment Holding Company	100	100%	-
Oando Leopard Limited	Mauritius	USD	Project Leopard	100	100%	-
Oando Pacific Limited	Mauritius	USD	Investment Holding Company	100	100%	-
Oando Gulf Limited	Mauritius	USD	Investment Holding Company	100	100%	-
Indirect Shareholding						
Ebony Oil and Gas South Africa Proprietary Limited	South Africa	Rand	Storage, Trading and Distribution of Petroleum and Gas Products	120	100%	100%
Royal Ebony Terminal Proprietary Limited	South Africa	Rand	Storage, Trading and Distribution of Petroleum and Gas Products	980	49%	49%

Indirect Shareholding (cont.)

Ebony Trading Rwanda Limited	Rwanda	Rwandan Francs	Storage, Trading and Distribution of Petroleum and Gas Products	100,000,000	100%	100%
Petrad Mozambique Limitada	Mozambique	MZM	Storage, Trading and Distribution of Petroleum and Gas Products	200,000	100%	100%
XRS 11	Cayman Island	USD	Aviation	50,000	100%	100%
Churchill Finance C300-0462 Limited	Bermuda	USD	Aviation	1	100%	100%
*Oando E&P Holdings Limited	Canada	CDN$	Financial holding company	792,228,566	86.76%	86.24%
Ebony Energy Limited	Uganda	UGND	Storage, Trading and Distribution of Petroleum and Gas Products	1,000,000	100%	100%
Bitumen Resources Limited	Nigeria	Naira	Holding Company	10,000,000	100%	100%
Lakel Afrik Petroleum Limited	Nigeria	Naira	Bitumen Exploration and Production	25,000,000	100%	100%
Road Bit Limited	Nigeria	Naira	Shelf company	6,250,000	100%	100%
Trans-Africa Mining Resources Limited	Nigeria	Naira	Shelf Company	10,000,000	100%	100%
Bit Mines Resources Limited	Nigeria	Naira	Holding Company	6,250,000	100%	100%
Oando Petroleum and Natural Gas Company Limited (OPNGL)	Nigeria	Naira	Exploration and Production	100,000,000	100%	100%
Oando Oil II Coöperatief U.A	Netherlands	Euro	Financial holding company	100	100%	100%
Carmine Energy Investments Limited	Nigeria	Naira	Shelf Company	1,000,000	100%	-
Fast Energy Investments Limited	Nigeria	Naira	Shelf Company	1,000,000	100%	-
Oando Oil III Coöperatief U.A	Netherlands	Euro	Financial holding company	100	100%	-
Lithiwave Nigeria Limited	Nigeria	Naira	Mineral Exploration and Production	1,000,000	100%	-
Litherium Development Company Limited	Nigeria	Naira	Mineral Exploration and Production	1,000,000	100%	-
Oando Oil Holdings Limited	Bermuda	USD		50,000	100%	-
Ife North Gold Limited	Nigeria	NGN	Minning Activities	10,000,000	100%	-
Oando Oil IV Cooperatief U.A.	Netherlands	EUR		100	100%	-
Oando Oil V Cooperatief U.A.	Netherlands	EUR		100	100%	-
Oando CPFA Limited	Nigeria	NGN	Closed Pension Fund Administrator	5,000,000	100%	-
Oando Energy Resources Nigeria Limited (OERNL)	Nigeria	NGN	Exploration and Production Company	100,000,000	100%	-
Stanhope Energy DMCC	UAE	Dirhams	Trading Company	50,000	100%	-
Oando Oil III Limited	Nigeria	NGN	Project Okinawa	100,000,000	100%	-

*At the balance sheet date, Oando PLC holds an indirect interest of 86.76% (2023: 86.24%) in Oando E&P Holdings Limited through Calabar Power Limited 21.05% (2023: 20.54%) and Oando Resources Limited 65.7% (2023: 65.7%).

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of Ordinary Shares held.

(b) **Summarised financial information on subsidiaries with material non-controlling interests**

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group as at 31 December.

	Oando Energy Resources	
Summarised statement of profit or loss	**2024**	**2023**
	N'000	**N'000**
Revenue	286,641,895	126,778,214
(Loss)/profit before income tax	(60,540,616)	38,163,433
Taxation	(37,806,128)	(20,449,273)
(Loss)/profit after taxation	(98,346,744)	17,714,160
Total comprehensive (loss)/profit	(98,346,744)	17,714,160
Non-controlling interest proportion	1.2%	1.7%
Loss allocated to non-controlling interests	(4,736,213)	(1,719,018)
Dividends paid to non-controlling interests	-	-

Summarised statement of financial position

Current:		
Asset	275,263,467	84,461,406
Liabilities	(2,825,787,112)	(1,487,988,263)
Net current liabilities	(2,550,523,645)	(1,403,526,857)

Non-current:	Oando Energy Resources	
	2024	**2023**
	N'000	**N'000**
Asset	2,781,940,504	1,846,921,604
Liabilities	(366,619,520)	(464,391,403)
Net non-current assets	2,415,320,984	1,382,530,201
Net liabilities	(135,202,661)	(20,996,656)
Accumulated non-controlling interest	(35,390,833)	(17,971,295)

	Oando Energy Resources	
	2024	2023
Summarised cash flows	**N'000**	**N'000**
Cash generated from operations	439,830,643	271,000,799
Interest paid	(32,096,193)	(35,701,090)
Income tax paid	(1,690)	(1,902,729)
Net cash generated from operating activities	407,732,760	233,396,980
Net cash used in investing activities	(36,115,276)	(43,489,249)
Net cash used in financing activities	(325,969,421)	(188,828,460)
Net increase in cash and cash equivalents	45,648,063	1,079,271
Cash and cash equivalents at beginning of year	26,238,966	12,561,762
Exchange gain on cash and cash equivalents	18,552,517	12,597,933
Cash and cash equivalents at end of year	90,439,546	26,238,966

(c) **Change in ownership interests in subsidiaries that do not result in a loss of control**

The third batch of 4,110,085 shares of OEPH for a total consideration of $7 million (N1.8 billion/$4 million at December 2022 plus $3 million payment made in Q4 2023) were transferred to Calabar Power on 16 February 2024 thereby increasing Oando PLC's (direct and indirect) percentage interest in OEPH to 98.789% at same date (see page 24).

The loss on the deemed disposal has been recognised directly in equity.

Impact of change in ownership interests in subsidiary that do not result in a loss of control reflected in statement of changes in equity is as analysed below:	Group 2024 N'000	Group 2023 N'000
Consideration paid to non-controlling interest	(10,759,511)	-
Decrease in non-controlling interest	405,446	-
Group's loss on deemed disposal	(10,354,065)	-

47 (a) **Financial instruments by category**

GROUP - 2024	Financial assets at fair value through profit and loss	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income	Total
Assets per statement of financial position:	**N'000**	**N'000**	**N'000**	**N'000**
Financial assets at fair value through profit or loss (FVPL)	442,671	-	-	442,671
Trade and other receivables **	-	745,577,179	-	745,577,179
Derivative financial assets	7,708,825	-	-	7,708,825
Restricted cash	-	54,243,431	-	54,243,431
Cash and cash equivalents	-	221,775,277	-	221,775,277
	8,151,496	1,517,186,440	-	1,525,337,936

** Excluding non-financial assets.

2024	Financial liabilities at fair value through profit and loss	Financial liabilities at amortised cost	Total
Liabilities per statement of financial position:	**N'000**	**N'000**	**N'000**
Borrowings	-	2,771,883,888	2,771,883,888
Lease liabilities	-	31,406,761	31,406,761
Trade and other payables	-	2,500,047,570	2,500,047,570
	-	5,303,338,219	5,303,338,219

** Excluding non-financial liabilities.

2023	Financial instruments at fair value through profit and loss	Loans and receivables	Financial assets at fair value through other comprehensive income	Total
Assets per statement of financial position:	**N'000**	**N'000**	**N'000**	**N'000**
Financial assets at fair value through profit or loss (FVPL)	138,654	-	-	138,654
Trade and other receivables**	-	705,896,333	-	705,896,333
Restricted cash	-	4,484,430	-	4,484,430
Cash and cash equivalents	-	73,317,626	-	73,317,626
	138,654	783,698,389	-	783,837,043

** Excluding non-financial assets.

	Financial instruments at fair value through profit and loss	Financial liabilities at amortised cost	Total
2023			
Liabilities per statement of financial position:	**N'000**	**N'000**	**N'000**
Borrowings	-	818,343,851	818,343,851
Lease liabilities	-	5,880,935	5,880,935
Trade and other payables	-	1,452,632,803	1,452,632,803
	-	2,276,857,589	2,276,857,589

** Excluding non-financial liabilities.

	Financial assets at fair value through profit and loss	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income	Total
COMPANY - 2024				
Assets per statement of financial position:	**N'000**	**N'000**	**N'000**	**N'000**
Financial assets at fair value through profit or loss (FVPL)	422,562	-	-	422,562
Trade and other receivables**	-	17,989,425	-	17,989,425
Cash and cash equivalents	-	4,410,854	-	4,410,854
	422,562	22,400,279	-	22,822,841

** Excluding non-financial assets.

	Financial liabilities at fair value through profit and loss	Financial liabilities at amortised cost	Total
2024			
Liabilities per statement of financial position:	**N'000**	**N'000**	**N'000**
Borrowings	-	124,141,762	124,141,762
Lease liabilities	-	57,917,758	57,917,758
Trade and other payables	-	277,263,361	277,263,361
	-	459,322,881	459,322,881

** Excluding non-financial liabilities.

	Financial instruments at fair value through profit and loss	Loans and receivables	Financial assets at fair value through other comprehensive income	Total
2023				
Assets per statement of financial position:	**N'000**	**N'000**	**N'000**	**N'000**
Financial assets at fair value through profit or loss (FVPL)	138,654	-	-	138,654
Trade and other receivables **	-	353,946,889	-	353,946,889
Cash and cash equivalents	-	999,848	-	999,848
	138,654	354,946,737	-	355,085,391

** Excluding non-financial assets.

	Financial instruments at fair value through profit and loss	Financial liabilities at amortised cost	Total
2023			
Liabilities per statement of financial position:	**N'000**	**N'000**	**N'000**
Borrowings	-	104,991,721	104,991,721
Lease liabilities	-	38,961,674	38,961,674
Trade and other payables	-	700,475,176	700,475,176
	-	844,428,571	844,428,571

** Excluding non-financial liabilities.

(b) **Financial Instruments: Carrying values and fair values**

Group	Carrying amounts		Fair values	
	2024	**2023**	**2024**	**2023**
	N'000	**N'000**	**N'000**	**N'000**
Finance lease receivables	473,265,384	178,290,033	470,478,263	190,368,786
Derivative financial assets	7,708,825	-	7,708,825	-
Financial assets available for sale measured at the fair value	442,671	138,654	442,671	138,654
Lease liabilities	31,406,761	5,880,935	7,314,954	5,028,346
Borrowings	2,771,883,888	818,343,851	2,338,523,613	747,459,994

Company	Carrying amounts		Fair values	
	2024	**2023**	**2024**	**2023**
	N'000	**N'000**	**N'000**	**N'000**
Finance lease receivables	50,840,045	33,651,362	40,878,660	29,326,023
Financial assets available for sale measured at the fair value	422,562	138,654	422,562	138,654
Lease liabilities	57,917,758	38,961,674	45,765,046	33,304,052
Borrowings	124,141,762	104,991,721	121,879,474	123,776,903

48 Upstream activities

(a) **Details of upstream assets**

	Mineral rights acquisition	Land and Leasehold improvements	Expl. costs and producing wells	Production Well	Oil and gas properties	Other fixed assets	Total
	N'000	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
Opening NBV 1 January 2023							
Opening net book amount	9,619,206	827,398	38,565,398	349,753,828	46,559,326	7,289,648	452,614,804
Decommissioning costs	-	-	-	-	101,419,031	-	101,419,031
Additions	-	1,128,650	-	21,281,430	17,464,088	4,137,180	44,011,348
Depletion/depreciation charge*	(20,140)	-	-	(21,017,135)	(4,937,622)	(127,880)	(26,102,777)
Exchange difference	9,639,950	829,780	39,019,485	343,266,643	44,884,751	7,266,640	444,907,249
At 31 December 2023	19,239,016	2,785,828	77,584,883	693,284,766	205,389,574	18,565,588	1,016,849,655

	Mineral rights acquisition	Land and Leasehold improvements	Expl. costs and producing wells	Production Well	Oil and gas properties	Other fixed assets	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Opening NBV 1 January 2024							
Opening net book amount	19,239,016	2,785,828	77,584,883	693,284,766	205,389,574	18,565,588	1,016,849,655
Decommissioning costs	-	-	-	-	(363,694,768)	-	(363,694,768)
Decommissioning costs (business acquisition - Note 41)	-	-	-	-	363,658,946	-	363,658,946
Additions	221,611	(241,003)	1,437,698	(192,436)	9,088,117	5,508,480	15,822,467
Additions - Business acquisition (Note 15)	-	-	50,579,786	559,784,781	856,901,254	12,378,013	1,479,643,834
Transfer from exploration and evaluation asset	-	-	-	33,508,222	-	-	33,508,222
Depletion/depreciation charge	(67,052)	-	(3,190)	(39,538,047)	(22,491,427)	(674,947)	(62,774,663)
Exchange difference	13,602,276	1,969,747	53,283,789	468,854,788	101,583,649	12,674,237	651,968,486
At 31 December 2024	32,995,851	4,514,572	182,882,966	1,715,702,074	1,150,435,345	48,451,371	3,134,982,179

See Note 15 for inclusion of upstream assets in the Group's property, plant and equipment.

(b) **Joint arrangements**

The Group participates in various upstream exploration and production (E&P) activities through joint operations with other participants in the industry. Details of concessions are as follows:

	License	Operator	Working/Participating interest	Location	License type	Expiration date	Status
Oando Oil Limited	OML 60, 61, 62 and 63	Oando Energy Resources Nigeria Limited	20% working interest	Onshore	JV	July 22, 2027	Producing
Oando Petroleum and Natural Gas Company Limited (OPNGL)	OML 60, 61, 62 and 63	Oando Energy Resources Nigeria Limited	19% working interest	Onshore	JV	July 22, 2027	Producing
Oando Energy Resources Nigeria Limited (OERNL)	OML 60, 61, 62 and 63	Oando Energy Resources Nigeria Limited	1% working interest	Onshore	JV	July 22, 2027	Producing
Oando Deepwater Exploration Nigeria Limited	OML 145	ExxonMobil	20% working interest	Offshore	PSC	June 12, 2034	Non- Producing
Oando 131 Limited	OML 131	Oando 131 Limited	95% participatory interest	Offshore	PSC	April 13, 2025	Non- Producing
Medal Oil Company Limited	OML 131	Oando 131 Limited	5% participatory interest	Offshore	PSC	April 13, 2025	Non- Producing
Equator Exploration Nigeria 323 Limited	OPL 323	KNOC	30% participating interest	Offshore	PSC	March 10, 2036	Non- Producing
Equator Exploration Nigeria 321 Limited	OPL 321	KNOC	30% participating interest	Offshore	PSC	March 10, 2036	Non- Producing
Equator Exploration STP Block 5 Limited	Block 5	Kosmos Energy	20% participating interest	Offshore	PSC	May 13, 2046	Non- Producing
Equator Exploration STP Block 12 Limited	Block 12	Kosmos Energy	22.5% participating interest	Offshore	PSC	February 22, 2046	Non- Producing
Oando Energy Resources Nigeria Limited (OERNL)	OPL 282	OERNL	90% participating interest	Onshore	PSC		Non- Producing
Oando Energy Resources Nigeria Limited (OERNL)	OML 149	Global Energy Company Ltd	48% participating interest	Onshore	PSC		

49 Going concern

The Company recorded total comprehensive profit for the year-ended 31 December 2024 of N111.8 billion (2023: comprehensive loss of N216.2 billion) and negative operating cash flows of N7.3 billion (2023: positive operating cash flows of N1.4 billion). As at that date, the Company also recorded net current liabilities of N410.5 billion (2023: net current liabilities of N469.2 billion) and net liabilities of N348.3 billion (2023: net liabilities of N460.1 billion). The Group recorded total comprehensive loss for the year ended 31 December 2024 of N83.0 billion (2023: N69.9 billion total comprehensive loss) and negative operating cash flows of N531.2 billion (2023: N148.2 billion positive). As of that date, the Group also recorded net current liabilities of N3.3 trillion (2023: net current liabilities of N1.6 trillion) and net liabilities of N360.9 billion (2023: net liabilities of N267.2 billion). The board of the Company on May 23, 2025 approved the convening of an Extra-Ordinary General Meeting to address the status of the Company's net liability in compliance with Section 137 of the Companies and Allied Matters Act (CAMA) 2020.

As of the balance sheet date, the Group through the Company and OER (together referred to as the "borrowers") could not achieve payment of the outstanding principal on the Medium-Term Loan ("MTL") of N92.2 billion and the Corporate Facility ("CF") of N343.8 billion respectively. The Group was also unable to pay the total accrued interest of N258.9 billion and achieve settlement of other net current liabilities (excluding current borrowings and accrued interest) of N1.7 trillion.

Corporate Facility
The maturity date of the CF was 30 June 2020. Although the maturity date has expired without full payment by the borrower, management has continued to service the loan, and the lenders have not notified of their intention to enforce their rights in the security provided by OER and the guarantors (the obligors under the loan). The lenders have the following rights in the security provided by OER and the guarantors. The guarantors are Oando OML 125 and 134 Limited, Oando Petroleum Development Company Limited, Oando Production and Development Company Limited, Oando Akepo Limited, Oando Qua Ibo Limited, Oando OML 125 & 134 (BVI) Limited, Oando Netherlands Holding 2 B.V., Oando Netherlands Holding 3 B.V. and Oando Netherlands Holding 4 B.V.

Management has classified the CF outstanding balance as of 31 December 2024 under current liabilities in these consolidated and separate financial statements.

Fixed and floating demand debenture on OER assets

- mortgages and charges (subject to some leaseholds exceptions) by way of a fixed and specific mortgage and charge to and in favour of the Security Trustee for and on behalf of the lenders. Such debenture will cover all present and after acquired real and immovable property (including, all leases and leasehold lands and also mortgages and charges such as leasehold lands by way of sub-lease), all OER's present and after acquired buildings, erections, improvements, fixtures and plant (whether the same form part of the realty or not) and all appurtenances to any of the foregoing, including without limitation, leases and lands.
- mortgages and charges to the Security Trustee for and on behalf of the lenders as and by way of a fixed and specific mortgage and charge, and all OER's present and after acquired goods and equipment, including without limitation, all fixtures, plant, machinery, tools and furniture now or hereafter owned or acquired.
- continuing security interest in all OER's present and after acquired inventory, including without limitation, all raw materials, goods in process, finished goods and packaging material and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service, all present and after acquired intangibles, book debts, accounts and other amounts receivable, contract rights, insurance rights arising from or out of the property referred to above, goodwill, chattel paper, instruments, documents of title, investments, money and investment property other than the Borrower's interest in Oando Netherlands Holding 1 Cooperatief ("ONHC").
- continuing security interest in all of its present and after acquired real and personal property, assets, and undertaking, tangible and intangible, legal and equitable, moveable and immovable, of whatsoever nature and kind.

- proceeds arising from any dealing with the property above in the form of any real and immovable property, goods, investment property, instruments, documents of title, chattel paper, intangibles or money other than OER's interest in ONHC.

Deed of share charge on the assets of each guarantor

First Ranking Fixed Charge

In addition, each guarantor (the Chargor) listed above as a legal and beneficial owner with a full title guarantee, and as continuing security for the payment and discharge of all the secured obligations for good and valuable consideration unconditionally charges in favour of the Security Trustee by way of a first ranking fixed charge, the following:

- the Shares, including all proceeds of sale derived from them.
- all Shares in which the Chargor may in the future acquire any interest (legal or equitable), including all proceeds of sale derived from them.
- all derivative assets of a capital nature or of an income nature now or in the future accruing or offered at any time in respect of the Shares.

The Shares charged are Oando OML 125 & 134 (BVI) Ltd. 4,000,000 class B shares in Oando OML 125 & 134 Ltd., Oando Netherlands Holding 3 B.V. 4,000,000 class B shares in Oando Petroleum Development Company Ltd., Oando PLC's 6,000,000 class B shares in each of (i) Oando Qua Ibo Limited (ii) Oando Petroleum Development Company Limited (iii) Oando OML 125&134 Limited and (iv) Oando Akepo Limited, Oando Netherlands Holding 4 B.V.'s 4,000,000 class B shares in Oando Qua Ibo Ltd., Oando Petroleum Development Company Ltd.'s 9,500,000 shares in Oando Production and Development Company Ltd.

Shares also include all warrants, options or other rights to subscribe for, purchase or otherwise acquire those shares.

Derivative assets mean allotments, rights, money or property arising at any time in relation to any of the shares by way of conversion, exchange, redemption, bonus, preference, option or otherwise; and dividends, distributions, interest and other income paid or payable in relation to any of the Shares; and stock, shares and securities offered in addition to or substitution for any of the shares.

All assets debenture

Fixed charge

Oando OML 125 & 134 Ltd, Oando Production and Development Company Ltd., Oando Qua Ibo Ltd., and Oando Akepo Ltd., by way of a first ranking fixed charge, all their present and future rights, benefits, title interest and claims under and in respect of the following:
- all plants and machinery.
- all Shares and Dividends.
- all the rights to and title, benefit and interest present and future, in, to and under the deposits in the following charged accounts and all related rights in respect of same:
    > Collection account
    > Cost reserve account
    > Insurance and compensation account.

- all rights in the intellectual property or similar rights now or hereafter owned by or licensed to them and all related rights in respect of same.
- all present and future goodwill and uncalled capital for the time being.
- all rights, title and interest to and in the book debts and the benefits of all rights, securities and guarantees of any nature whatsoever now or at any time enjoyed or held by them.
- all the insurances.

Floating charge

By way of first ranking floating charge, the real property, any tangible moveable property and all the undertakings and assets, rights and income of the chargors listed under fixed charge above whatsoever and wherever situate, whether movable, immovable, present or future, all of which are not otherwise effectively charged under the fixed charge above. On the basis of these audited consolidated and separate financial statements for the year ended 31 December 2024, the obligors (the borrower and guarantors) book values of the fixed and floating demand debenture, deed of share charge and all asset debenture are shown in the table below:

S/No	Security	Value (N'million)
	Non-current assets:	
1	Plant & machinery	76,514
2	Exploration and evaluation assets	377
3	Investments in associates	2,591
4	Restricted cash	1,676
	Total non-current assets	**81,158**
	Total current assets	**1,241,418**

The above non-current asset amount of N81.2 billion has not been reclassified to current assets in these consolidated and separate financial statements.

Medium-Term Loan

The borrower successfully renegotiated the MTL with the lenders effective April 2023. The terms of the renegotiation include a moratorium of eighteen months from the effective date and a tenor of four years from that date subject to the full settlement of the outstanding interest and fees on or before 27 October 2024. Failure to pay outstanding interest and fees on that date by the borrower could result in the lenders issuing a notification of default to the former. The possibility of issuance of and communication of an event of default has necessitated the accounting reclassification of the outstanding principal amount of N92.2 billion to current liabilities in these consolidated and separate financial statements. The lenders may, in addition to the declaration of an event of default, seek to enforce their rights in the Security Deed dated 30 June 2016. Under the Security Deed, the borrower agreed to the following fixed charge and floating charge securities in favour of the Security Trustee for the benefit of the lenders:

First-ranking fixed charge

- First-ranking fixed charge on its plant and machinery.
- All present and future rights, benefits, interests and claims under and in respect of debt service account, debt proceeds account, stamp duties escrow account, the disbursement account, and the operations account and all monies from time to time credited to, and for the time being standing to its credit and all interests and other amounts from time to time payable in respect of or accruing thereto.

First-ranking floating charge

- All monies in the operating account and all future rights, benefits, interests and claims under and in respect of the account.
- Procced of all receivables, revenues, claims (including without limitation), the benefits of all insurances, full benefit of guarantees, indemnities and securities, and all liens, other than Excluded Assets and rights thereto.
- All stocks, shares, debentures, bonds or loan capital of any other body corporate, other than any Excluded Assets, and all rights to redeem, convert other securities into or otherwise acquire any of the same which may now or thereafter belong to the borrower.
- All intellectual property rights of the borrower.
- The goodwill of the borrower.
- All the borrower's present and future business accounts with any bank or other person in which the borrower has an interest as principal for its own accounts including all monies standing to the credit of all debts represented by and all investments of whatever nature held in or acquired using monies from any of its business accounts or other accounts, and all interests, dividends and other income receivable in respect of such accounts, save for the debt service account, debt proceeds account, stamp duties escrow account, the disbursement account, and the operations account.
- All undertaking and property (including inventory), assets and rights, whatsoever and wherever, present and future.

Furthermore, the borrower entered into an agreement with the Security Trustee creating a charge in favour of the Security Trustee on the shares of the borrower in the share capital or membership (in relation to Oando Netherlands Holdings 2 Cöoperatief U.A. only) of the following guarantors (also obligors):

- the Oando Trading DMCC (OTD) Share Charge
- the Oando Trading Limited, Bermuda (OTB) Share Charge
- the Oando E&P Holdings Ltd (OEP) Share Charge
- the Oando Netherlands Holdings 2 Cöoperatief U.A. (ON) Share Charge

The only guarantor in operations and with cash flows capability is OTD. This implies the possibility of OTD fully paying the outstanding principal and interest to the lenders in the event the guarantee is called by them. OTD's cash and bank balance on 30 September 2024 was USD 25 million. This represents 21.75% of the outstanding principal and interest amount of USD 114.9 million (N183.9 billion) as of that date. Inability of OTD to generate sufficient cash flows to fully pay the lenders, should the guarantee be called, poses a major threat to the going concern of the company.

On the basis of these audited consolidated and separate financial statements for the year ended 31 December 2024, the book values of the fixed and floating charge and share charge are shown in the table below:

S/No	Security	Notes to the Financial Statements	N'million
	Non-current assets:		
1	Plant & machinery of Oando PLC	15	11
2	Oando PLC's 100% share in OTD's Share Capital	29	3,456
3	Oando PLC's 100% share in OTB Share Capital	29	3,436
4	Oando PLC's 12.03% share in OE&P Holdings Share Capital	29	50,998
5	Oando PLC: right-of-use assets	17	1,493
6	Oando PLC's share in ON Share Capital	29	-
7	Oando PLC: investment properties	18	15,196
8	Oando PLC: finance lease receivables	22	14,133
	Total non-current assets		**88,723**
	Total current assets (per the statement of financial position on page 20)		**66,280**

The above non-current asset amount of N88.7 billion has not been reclassified to current assets.

BB Energy (Gulf) DMCC Facility

A subsidiary of Oando PLC, Calabar Power Limited (the borrower) obtained a facility of US$40million (N60.3 billion) from BB Energy (Gulf) DMCC (the lender) by entering into an agreement on June 28, 2024. Oando PLC is the guarantor of this facility. The principal repayment will commence in July 2026 and the facility will mature in July 2028. Although the repayment is not due, an event of default has occurred under the terms of the agreement as the value of the assets of the guarantor is less than its liabilities for the year ended December 31, 2024.

Pledge and Security Interest.
The borrower grants to and in favour of the lender a first continuing, fixed and specific pledge as security interest in 79,223,857 units of shares (pledged securities) held by the borrower in Oando E&P Holdings Limited. The lender has not notified the borrower of their intention to exercise any or all its rights on the pledged securities. As at 31 December 2024, the value of the pledged securities was US$95.7million (N147 billion).

Management has classified the entire BBE Facility outstanding balance above as of 31 December 2024 under current liabilities in these consolidated and separate financial statements.

Ecobank Facility

As at 31 December 2024, Oando Servco Nigeria Limited (the borrower) is in default under the terms of the US$50million Ecobank Development Company Limited Facility Agreement. This default is based on the total outstanding amount of US$42.5 million (N60.3 billion) which remains unpaid. The lender is in the process of restructuring the facility for a period of 4.5 years, however, a critical condition to the implementation of the restructuring is the payment of an outstanding upfront amount of US$2.5million.

Management has classified the outstanding balance above as of 31 December 2024 under current liabilities in these consolidated and separate financial statements.

The following agreements were signed as collateral for the facility:

- Deed of share charge between Oando Servco Netherlands B.V. and the security agent over the shares held in Oando Servco Nigeria Limited,

- Debenture between Oando Servco Nigeria Limited and the security agent in respect of the assets of Oando Servco Nigeria Limited; and

- Deed of security assignment between Oando Servco Nigeria Limited and the security agent in respect of a services agreement between Oando Servco Nigeria Limited and Oando Oil Limited

On the basis of these audited consolidated and separate financial statements for the year ended 31 December 2024, the book values of the all asset debenture and deed of security assignment of the borrower are shown in the table below:

S/No	Security	Value (N'million)
	Non-current assets:	
1	Plant & machinery	2,048
2	Right of use assets	26,112
	Total non-current assets	**28,160**
	Total current assets	**84,540**

The above non-current asset amount of N28.2 billion has not been reclassified to current assets.

Had the total non-current assets in respect of the security disclosures of the CF, MTL, BBE and Ecobank facilities amounting to N345 billion been reclassified to current assets, the effect would be reducing the funding gap of the Group to N3.0 trillion from the audited N3.3 trillion at 31 December 2024 and N2.9 trillion from the unaudited projected position of N3.2 trillion as of 2025.The same reclassification would reduce the projected unaudited net current liabilities to N4.0 trillion from N4.3 trillion (as referenced below) at the end of 2026. In addition, exercising the lenders right in the securities pledged by obligors under the CF and MTL could lead to preparing the consolidated and separate financial statements on a break-up basis and accounting for disposal of subsidiaries, business and non-current assets under IFRS 5. Based on impairment tests performed by the Group, the fair value of the Group assets is above the book value, yet not adequate to reverse the funding gap at 31 December 2024 and projection for the year ended 31 December 2025.

Furthermore, after 31 December 2024, the Group has increased borrowings, whose use include working capital and partial repayment of borrowings and interest expenses to lenders.

The Group's outstanding borrowings amounted to N2.8 trillion (unaudited) excluding interest as of 31 March 2025 with N1.2 trillion out of the N2.8 trillion being due within twelve months. On that date, the unaudited accrued but unpaid interest was N282.7 billion.

The Group has recorded slight increases in daily production since its subsidiary took over the operatorship of the OML 60 – 63 assets effective 22 August 2024. Management plans to sustain the increases and perform all required production-increase activities and security surveillance to arrest crude oil theft.

The Group's outstanding borrowings due for repayment within twelve months after 31 March 2025 of N1.2 trillion and accrued but unpaid interest of N282.7 billion as of that date (as mentioned above) are part of the working capital deficiency of N3.2 trillion and N4.3 trillion (unaudited) in the Group forecast for the year ending 31 December 2025 and 31 December 2026. Management plans to mitigate the going concern uncertainties on profitability, working capital deficiency and negative shareholder's funds by raising equity of N360 billion.

The equity raise of N360 billion, if successful, will address 11.4% and 8.4% of the Group's projected working capital deficiency on 31 December 2025 and 31 December 2026 respectively. Management has additional plans to address the remaining 88.6% and 91.6% of the projected working capital deficiency for the two years through vendor financing until such a time that profit and healthy cash flows from profitable operations will be achieved. Management is currently making efforts to sign a binding agreement with each prospective equity provider. Management is hopeful, yet uncertain of the success and timing of the bond and equity raises.

In addition, Ocean and Oil Development Partners Limited (the Company's majority shareholder) confirmed to the Company and its subsidiaries through a Letter of Guarantee dated May 23, 2025 that they will ensure that the Company and its subsidiaries will be put in a position to meet their financial obligations as they fall due and that the Company and its subsidiaries will duly perform and comply with all their financial obligations. The Letter of Guarantee constitutes a contract for the benefit of all creditors of the Company and its subsidiaries, present and future, and that benefit will be capable of acceptance, express or implied, by any or all of those creditors, who may then enforce the undertakings given in this Letter of Guarantee. Furthermore, OODP undertakes to the extent of their obligations as shareholders of the Company to provide funding and/or other support needed to make the undertaking effectual.This undertaking will remain in full force and effect for a term of one year from May 23, 2025, or as long as the liabilities (including contingent liabilities) of the Company and its subsidiaries exceed their assets.This undertaking will lapse in one year or upon the date that the fair value of the assets of the Company and its subsidiaries exceed their liabilities (including contingent liabilities), whichever is earlier.

The above conditions indicate significant uncertainty that the Group and Company may be able to continue as a going concern and, therefore may be unable to realise its assets and discharge its liabilities in the normal course of business.

'These consolidated and separate financial statements are yet to include any adjustments relating to the recoverability and classification of recorded asset amounts as noted in paragraph 20 above and the reclassification of the remaining non-current liabilities that may be necessary if the Group is unable to continue as a going concern as there is no intention by the directors to liquidate or cease the operations of the Group, nor is there any formal event of default declared by lenders or legislation to cause the same.

Other National Disclosures

Oando PLC
Consolidated and Separate Financial Statements
Value Added Statement
For the year ended 31 December 2024

Group	2024 N'000	%	2023 N'000	%
Turnover	4,086,650,996		2,845,598,308	
Other income	1,100,879,352		399,986,733	
Interest received	47,197,353		16,903,484	
	5,234,727,701		3,262,488,525	
Bought in goods and services				
- Local purchases	(1,496,533,330)		(1,188,451,995)	
- Foreign purchases	(3,048,799,853)		(1,788,981,384)	
Value added	**689,394,518**	**100**	**285,055,146**	**100**
Distributed as follows				
Employees				
- To pay salaries and wages and other staff costs	10,773,057	2	26,366,088	9
Government				
- To pay tax	158,174,730	23	31,203,911	11
Providers of capital				
- To pay interest on borrowings	235,835,820	34	133,380,885	47
Non-controlling interest	(17,014,094)	(2)	(10,149,270)	(4)
Maintenance and expansion of assets				
- Deferred tax	5,525,334	1	11,496,971	4
- Depreciation	71,243,405	10	30,760,375	11
- Retained in the business	224,856,266	31	61,996,186	22
Value distributed	**689,394,518**	**99**	**285,055,146**	**100**

Company	2024 N'000	%	2023 N'000	%
Turnover	343,861,081		1,540,594,843	
Other income	836,911,482		331,590,706	
Interest received	4,061,008		3,609,568	
	1,184,833,571		1,875,795,117	-
Bought in goods and services				
- Local purchases	(1,007,064,316)		(1,409,387,021)	
- Foreign purchases	-		(641,046,088)	
Value added/(eroded)	**177,769,255**	**100**	**(174,637,992)**	**100**
Distributed as follows				
Employees				
- To pay salaries and wages and other staff costs	638,343	-	373,553	-
Government				
- To pay tax	10,484,456	6	7,794,006	(4)
Providers of capital				
- To pay dividend	-		-	-
- To pay interest on borrowings	52,865,038	30	31,446,197	(18)
Maintenance and expansion of assets				
- Depreciation	1,974,794	1	1,945,702	(1)
- Retained in the business	111,806,624	63	(216,197,450)	123
Value distributed	**177,769,255**	**100**	**(174,637,992)**	**100**

GROUP	2024 N'000	2023 N'000	2022 N'000	2021 N'000	2020 N'000
Property, plant and equipment	3,166,414,760	1,034,448,760	462,706,448	906,995,130	394,228,600
Intangible exploration assets, other intangible assets and goodwill	1,031,074,278	622,436,397	312,500,299	301,877,711	270,871,563
Right-of-use assets	26,904,265	6,069,139	7,818,960	14,386,973	16,267,406
Investment properties	15,195,950	12,060,900	4,450,000	3,138,000	2,808,000
Deferred income tax assets	60,515,346	-	633,750	-	3,595,526
Investments accounted for using the equity method	7,842,436	5,046,606	1,747,385	2,339,216	1,782,799
Other non-current assets	1,026,334,389	180,506,645	92,161,634	89,986,622	79,539,060
Net current liabilities	(3,318,667,111)	(1,632,578,647)	(818,743,209)	(578,158,281)	(432,605,696)
Non current borrowings	(1,458,388,478)	(46,945,871)	(110,465,837)	(166,132,553)	(130,635,428)
Deferred income tax liabilities	(81,011,280)	(16,459,336)	(3,680,666)	(3,171,132)	(12,657,924)
Other non-current liabilities	(837,193,932)	(431,763,314)	(146,334,532)	(638,944,880)	(126,186,187)
	(360,979,377)	(267,178,721)	(197,205,768)	(67,683,194)	67,007,719
Share capital	6,215,706	6,215,706	6,215,706	6,215,706	6,215,706
Share premium	176,588,527	176,588,527	176,588,527	176,588,527	176,588,527
Retained earnings	(292,497,851)	(506,007,516)	(568,003,702)	(424,258,964)	(304,753,294)
Other reserves	(215,877,926)	74,012,855	195,832,724	155,734,328	150,856,601
Non controlling interest	(35,407,833)	(17,988,293)	(7,839,023)	18,037,209	38,100,179
	(360,979,377)	(267,178,721)	(197,205,768)	(67,683,194)	67,007,719
Revenue from contract with customers	4,086,650,996	2,845,598,308	1,993,754,362	477,070,471	576,571,857
Profit/(loss) before income tax	383,820,117	102,978,050	(61,840,466)	(134,282,770)	(377,414,971)
Income tax (expense)/credit	(163,700,064)	(42,700,882)	(19,390,350)	(6,391,693)	170,336,677
Profit/(loss) for the year	220,120,053	60,277,168	(81,230,816)	(140,674,463)	(207,078,294)
Per share data					
Weighted average number of shares	12,431,412	12,431,412	12,431,412	12,431,412	12,431,412
Basic and diluted earnings/(losses) per share (Naira)	18	5	(6)	(10)	2
Dividends per share (Naira)	-	-	-	-	-

COMPANY	2024 N'000	2023 N'000	2022 N'000	2021 N'000	2020 N'000
Property, plant and equipment	1,641,670	1,467,590	1,499,606	1,508,958	1,696,350
Intangible exploration assets, other intangible assets and goodwill	-	-	14,964	435,321	613,534
Right-of-use assets	1,493,090	2,905,040	4,311,850	9,375,875	13,458,959
Investment properties	15,195,950	12,060,900	4,450,000	3,138,000	2,808,000
Investments accounted for using the equity method	-	-	-	2,716,431	2,716,431
Investment in subsidiaries	54,645,763	3,483,170	22,467,109	22,467,109	26,638,421
Other non-current assets	14,133,109	16,717,079	18,455,598	8,199,931	9,367,416
Net current liabilities	(410,490,453)	(469,190,195)	(273,988,316)	(202,422,681)	(163,203,658)
Non current borrowings	(10,525,847)	(7,964,855)	(6,026,823)	-	-
Other non-current liabilities	(14,359,954)	(19,552,025)	(15,059,834)	(19,510,453)	(22,877,743)
	(348,266,672)	(460,073,296)	(243,875,846)	(174,091,509)	(128,782,290)
Share capital	6,215,706	6,215,706	6,215,706	6,215,706	6,215,706
Share premium	176,588,527	176,588,527	176,588,527	176,588,527	176,588,527
Retained earnings	(531,070,905)	(642,877,529)	(426,680,079)	(356,895,742)	(311,586,523)
	(348,266,672)	(460,073,296)	(243,875,846)	(174,091,509)	(128,782,290)
	-	-	-		-
Revenue from contract with customers	343,861,081	1,540,594,843	1,556,744,962	320,702,465	424,734,190
Profit/(loss) before income tax	122,291,080	(208,403,444)	(33,852,292)	(44,507,463)	(62,090,219)
Income tax expense	(10,484,456)	(7,794,006)	(7,807,649)	(801,756)	(1,061,835)
Profit/(loss) for the year	111,806,624	(216,197,450)	(41,659,941)	(45,309,219)	(63,152,054)
Per share data					
Weighted average number of shares	12,431,412	12,431,412	12,431,412	12,431,412	12,431,412
Basic and diluted earnings/(losses) per share (Naira)	9	(17)	(3)	(4)	(5)
Dividends per share (Naira)	-	-	-	-	-

Oando Plc Free Float Computation

Shareholding Structure/Free Float Status

Description	31-Dec-24	
	Unit	Percentage
Issued Share Capital	12,431,412,481	100%
Substantial Shareholdings (5% and above)		
BSI/SA Ocean and Oil Development Partners Limited	7,131,736,673	57.37%
Equity Leaf Limited	1,968,512,614	15.83%
Total Substantial Shareholdings	9,100,249,287	73.20%
Directors' Shareholdings (direct and indirect), excluding directors with substantial interests		
Mr. Jubril Adewale Tinubu (Indirect - Representing BSI/SA Ocean and Oil Development Partners Limited)	3,670,995	0.03%
Mr. Omamofe Boyo (Indirect Representing BSI/SA Ocean and Oil Development Partners Limited)	2,354,713	0.02%
HRM. Oba A. Gbadebo, CFR (Direct)	437,500	0.004%
Mr. Adeola Ogunsemi (Indirect)	105,941	0.001%
Mrs Fatima Nana Mede (Direct)	3,093	0.000%
Mrs Ronke Sokefun (Indirect)	564,826	0.005%
Mr. Ademola Akinrele (Direct)	96,510	0.001%
Mr. Ike Osakwe (Direct)	139,343	0.001%
Mr. Tanimu Yakubu (Direct)	5,999,947	0.05%
Mr. Tanimu Yakubu (Indirect)	5,998,700	0.05%
Total Directors' Shareholdings	19,371,568	0.16%
Other Influential Shareholdings		
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	--	--
Total Other Influential Shareholdings	0	0.00%
Free Float in Units and Percentage	3,311,791,626	26.64%
Free Float in Value	**₦ 24,838,437,195.00**	

Declaration:

(A) Oando Plc with a free float percentage of 26.64% as at 31 December 2024, is compliant with The Exchange's free float requirements for companies listed on the Main Board.
(B) Oando Plc with a free float value of N24,838,437,195.00 as at 31 December 2024, is compliant with The Exchange's free float requirements for companies listed on the Main Board.