

Building on Our Past, Forging New Frontiers

Annual Report 2024



We are Africa, We Are Oando

HUMANS OFOANDO



Introduction

Oando PLC, with a primary listing on the Nigeria Stock Exchange and a secondary listing on the Johannesburg Stock Exchange, is Nigeria's leading indigenous energy solutions provider. With operations across the full energy spectrum, Oando is committed to harnessing Africa's vast natural resources, offering wealth creation, growth, and investment opportunities in the continent's development.

The company's four (4) business subsidiaries include:

Oando Energy Resources, with a substantial upstream portfolio including total reserves of 1.0 Bnboe and significant infrastructure capacity across four (4) states.

Oando Trading facilitates access to key African energy markets, ensuring a reliable supply of crude oil and refined petroleum products.

Oando Clean Energy (OCEL) invests in climate-friendly and bankable energy solutions across Africa.

Oando Mining and Infrastructure Development pursues strategic mineral resource development.

Through **Oando Foundation** the company also actively contributes to social development across Nigeria.

Vision

To be the premier company driven by excellence.

Mission

To be the leading integrated energy solutions provider.



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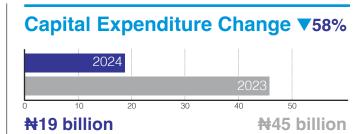
Admission Card - Extraordinary General Meeting

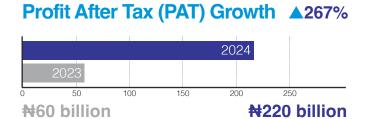
Key Highlights 2024

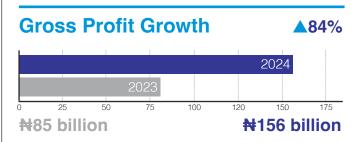


Financial Performance

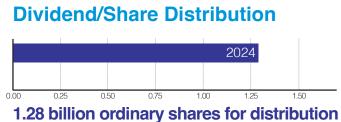
Revenue Growth 2024 2023 Number 2023 Number 2023 Number 2024 Numb











Key Highlights 2024

STRATEGIC REPORT



FINANCIAL STATEMENTS

Upstream & Production

NAOC Acquisition

Completed 100% acquisition for

\$754million

Increased working interest in OML 60 – 63 from

20% to 40%

2P reserves nearly doubled

to 983 MMboe (505 MMboe)

Production

Average Production

2.8%

to 23,911 boepd (23,258 boepd)

Crude oil Production

27%

to 7,894 bopd (6,211 bopd)

In 2024, we recorded an operational uptime of

setting a new baseline for future performance monitoring

Safety

7.35 million

LTI-free hours; LTIF at 0.05

Zero Routine Flaring

reduction achieved;

2027 completion target on track

STRATEGIC REPORT



FINANCIAL STATEMENTS

Clean Energy Initiatives

Mass Transit

121,145_{km}

205,152 passengers transported

Avoided over

163,500_{kg} CO, emissions

Circular Economy

Secured

5.100 tons/month **PET offtake**

Renewables Expansion

MoUs signed for

275MW

wind projects

1.2gw solar module plant nearing OEM phase

Geothermal

feasibility study launched with NNPC

Key Highlights 2024

STRATEGIC REPORT



FINANCIAL STATEMENTS

Trading

Crude Oil Trading

3/%

to 20.7 million bbl

(2023: 32.8 million bbl) due to market realignment

Refined Products

to 599.692 MT

(2023: 1,645,535 MT) due to changes in Nigeria's domestic supply framework

Project Gazelle

Contributed

to NNPC's crude prepayment programme

Mining & Infrastructure

Advanced fieldwork on lithium, gemstone, and limestone assets.

Completed ESIA for Nigeria's first commercialscale bitumen mine.

2025 Outlook

Target production: 30,000 - 40,000 boepd.

Trading projection: 25 - 35 million barrels crude; 750k - 1 million MT refined products.

Launch of 50 new electric buses.

Key Highlights 2024

STRATEGIC REPORT



FINANCIAL STATEMENTS

Oando Foundation Initiatives and Achievements

Education & Access

Focused on expanding access and improving retention among underserved children nationwide:

60,955

out-of-school children

successfully enrolled

77% retention rate achieved across adopted schools

public primary schools adopted across Nigeria

Special focus on marginalised children, particularly girls in **Northern Nigeria**

Infrastructure Development

Implemented in 52 adopted schools to improve learning environments and hygiene:

classrooms constructed or renovated

boreholes installed to provide access to clean water

sanitation facilities built to improve hygiene standards

wash bays installed to support WASH initiatives



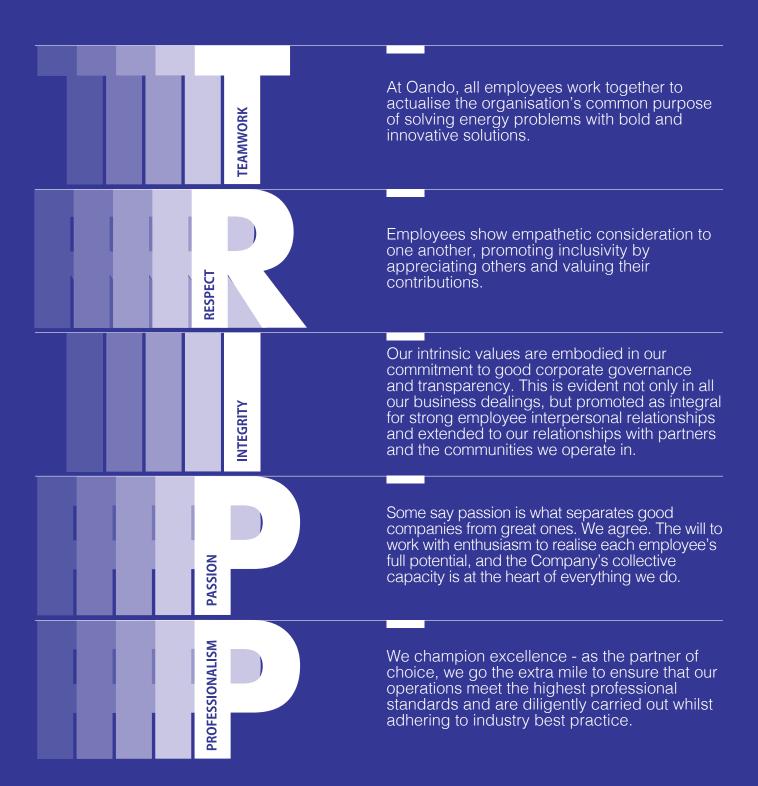
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Our Corporate Culture

At Oando, our investment in people is based on the belief that success in any situation is built around a strong gathering of minds. From the start of our journey, audacity, innovation and tenacity were at the heart of our philosophy. We combined these traits to create a company culture driven by 5 core values known as **TRIPP.**







Our Heritage: Oando Through the Years

The company commenced business in 1956 with operations as a petroleum marketing company in Nigeria under the name "ESSO West Africa Incorporated", a subsidiary of Exxon Corporation of the USA

The Federal Government of Nigeria (FGN) bought Esso's interest in 1976 and thus became sole owners of the company. The company was then re-branded "Unipetrol Nigeria Limited"

Unipetrol became a Public Limited Company in 1991 and 60% of the company's shareholding was sold to the Nigerian Public under the first phase of the privatization

In February 1992, the company was quoted on the Nigerian Stock Exchange (NSE)

Ocean and Oil Services Limited was founded in 1994 to supply and trade petroleum products within Nigeria and worldwide



2000

Unipetrol acquired 40% in the equity of Gaslink Nigeria Limited to utilize its exclusive Gas Sale and Purchase Agreement with Nigeria Gas Company, and later increased the stake to 51% in 2001

Ocean & Oil holdings acquired 30% controlling stake in Unipetrol through the purchase of the FGN's stake in the company

The company later increased its controlling stake to 42% in 2001



2002

The company bid for and acquired 60% in the equity of Agip Nigeria Plc from Agip Petroli International



Oando



2003

Unipetrol Nigeria Plc merged with Agip Nigeria Plc and were branded "Oando"

Oando Marketing emerged as a Downstream Group with the largest footprint in Nigeria 2004

Oando Trading Limited and Oando Supply & Trading Limited was incorporated

Oando Gas & Power (OGP) emerged as a result of Gaslink's gas distribution franchise and Oando's customer base



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2012

The company completed the reverse takeover of Exile Resources to subsequently become Oando Energy Resources (OER), listed on the Toronto Stock Exchange (TSX)

40% farm-in to Qua Ibo (OML 13)



2013

Commissioned 10.4 MW Alausa IPP to provide electricity to the Lagos state Government

\$341 million successful Rights Issue, 101% subscribed

\$200 million Private Placement to a consortium of private investors



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2014

Oando acquired ConocoPhillips Nigerian business for \$1.8 billion

\$250 million sale of EHGC

OER successfully completed \$50 million private



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2015

\$250 million successful Rights Issue

Oando reached agreement to divest 60% of downstream business to Helios Vitol consortium for \$461 million



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Oando

2016

Oando reached agreement to divest from its energy services business, midstream business and partially divested from the downstream business

Successfully restructured its balance sheet through a N108 billion syndicated medium term loan facility



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2017

Oando PLC further divested 5% stake in midstream business to Helios Investment Partners

Oando PLC divested its stake in Alausa Power Limited to Elektron Petroleum and Energy Mining Limited

Oando completed 100% divestment of its downstream marketing business to OVH Energy

Completed restructuring of \$40million facility, extending the tenor by a minimum of 30 months

Our Heritage: Oando Through the Years



2005

Oando became the first African company to achieve a crossborder inward listing on the JSE

Oando Energy Services (OES) was incorporated



2007

Gaslink laid 100km gas distribution pipeline in Lagos

OES acquired 2 drilling rigs



2008

Oando emerged Nigeria's first indegenous oil company with interest in producing deepwater assets by the acquisition of 15% equity in OMLs 125 & 134

OES acquired an additional drilling rig



2009

2 swamp rigs acquired; bringing the total rig count to 5

Gaslink phase 3 gas pipeline completed



2010

OGP launched it's first Independent Power Plant, Akute IPP, a 12.15MW power plant for Lagos Water Corporation

The company successfully completed a \$140 million rights issue which was 128% oversubscribed



ADDITIONAL INFORMATION

2011

Central Horizon Gas Company (CHGC) was awarded mandate for River State gas distribution

Completed construction and commissioned of the 128KM Eastern Horizon Gas Company (EHGC) Pipeline

FGN awarded Oando/Agip consortium \$3 billion Central Processing Facility



2018

Oando Commissioned State-of-the-Art Head Office, The Wings Office Complex

Oando completed 100% divestment of its midstream business to Axxela Limited



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2019

Oando and its Joint Venture Partners NNPC and NAOC made significant gas & condensates discovery onshore Niger Delta

Oando successfully signed two Gas Supply Agreements (GSA) with the Nigeria Liquefied Natural Gas Ltd (NLNG), for the renewal of gas supply for Trains 1-3 and Train 7

\$425m Reserve Based Lending (RBL) refinancing with Afreixm



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2021

Oando Energy Resources launched its renewable energy subsidiary, Oando Clean Energy



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Clean Energy

2023

Oando Clean Energy in collaboration with Lagos State and LAMATA launched the Proof of Concept for electric mass transit buses in Lagos State.



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Oando



2024

Oando Completes Landmark \$783 Million Acquisition of Nigerian Agip Oil Company (NAOC)

Our Global Presence

Oando maintains a robust international footprint, with operations extending across multiple regions. While our upstream activities are predominantly concentrated in West Africa, our reach spans five key strategic locations: Nigeria, São Tomé & Príncipe, South Africa, the United Kingdom, and the United Arab Emirates.

As trailblazers in the African energy sector, we are committed to driving innovation and operational excellence. Our legacy is defined by a forward-thinking approach and a dedicated workforce that embodies the highest standards of professionalism. Together, we continue to chart a transformative path, one that delivers enduring value to all our stakeholders.



- 2 São Tomé & Príncipe
- 3 South Africa
- 4 United Kingdom
- 5 United Arab Emirates



Secondary Listing - JSE









Chairman's Statement



Mr. Ademola Akinrele, SANChairman, Non-Executive Director

Dear Shareholders,

I am honoured to address you for the first time as Chairman of Oando PLC, having assumed this role at the close of 2024, a pivotal year in our Company's evolution. I would like to express my sincere gratitude to my predecessor His Royal Majesty, Oba Adedotun Gbadebo, for his leadership and service to the Board and the Company. His stewardship helped steer Oando through challenging periods and laid the groundwork upon which we continue to build. Against a complex macroeconomic backdrop, we executed decisive actions to strengthen our portfolio, restore governance confidence, and lay the foundation for long-term value creation. Oando today is resilient, disciplined, and better positioned to deliver sustained returns to our shareholders.

Global and Macroeconomic Overview

The global economy in 2024 remained under pressure, with persistent inflation, slowing growth in major economies, and widespread geopolitical uncertainty. Central banks around the world continued to adopt restrictive monetary policies, while ongoing conflict in Eastern Europe and instability in the Middle East disrupted global trade flows and investor sentiment. Despite these headwinds, energy markets proved resilient, supported by continued demand recovery, disciplined supply management by OPEC+, and the slow pace of energy transition adoption in key markets. Against this complex backdrop, investor confidence gradually improved, with capital flows returning to frontier and emerging markets, including Nigeria.

2024 was a transformative year for Oando PLC. Amid global and domestic challenges, the Company strengthened governance, enhanced resilience, and positioned itself for long-term value. Stable oil prices and Nigeria's bold reforms supported recovery and renewed investor confidence.



Oil Market Trends

Crude oil prices remained broadly stable through 2024, with Brent averaging around \$80 per barrel (2023: \$83/bbl). This relative stability was supported by sustained cooperation among OPEC+ members, a measured approach to production increases, and steady global demand, particularly from Asia. While volatility persisted at various points due to geopolitical risk and economic uncertainty, oil remained a critical energy source, even as the energy transition gathered pace. For companies like Oando, this stability provided a strong base for operational planning, strategic investment, and enhanced cash flow generation.

Nigeria: Reforms and Recovery

Nigeria's macroeconomic environment in 2024 reflected the tension between urgent reform and near-term disruption. GDP growth improved to 3.4%, but inflation soared to over 33% following the removal of fuel subsidies and naira floatation. These policies, though painful in the short term, have begun to restore fiscal discipline and rebuild credibility with investors and international partners. Oil production also recovered,

Chairman's Statement continued

\$754 million

Cost of acquiring Nigerian Agip Oil Company (NAOC) in 2024, marking a transformative upstream expansion for Oando

36,000 boepd Exit production rate at the end of FY 2024



23,727 boepd

Average full-year production in FY 2024

rising to 1.7 million bpd by year-end 2024 (FY 2024: 1.6 million bpd), rebounding from a low of 1.3 million bpd earlier in the year. This recovery was driven by intensified security measures and progress in implementing the Petroleum Industry Act. In parallel, the Electricity Act 2023 unlocked decentralised generation opportunities, allowing States to initiate energy projects tailored to local needs. Collectively, these developments signal a more enabling environment for long-term private sector investment.

Transforming our Upstream business

The completion of our \$754 million acquisition of Nigerian Agip Oil Company (NAOC) in 2024 stands out as a transformative event in our recent history. The transaction significantly increased our interest in OMLs 60–63, expanded our infrastructure footprint, and positioned Oando as one of the largest indigenous upstream operators in Nigeria. Following the acquisition, our operated net production reached a peak of circa 38 kboepd production between the acquisition date and December 2024. Our full-year average net production increased to 23,737 boepd, and our net exit rate was around 36 kboepd. Beyond these operational milestones, the NAOC acquisition is already yielding strategic synergies, including improved cost control, enhanced access to gas infrastructure, and deeper integration across our asset base.

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The completion of our \$754 million NAOC acquisition in 2024 marked a turning point, positioning Oando as one of the largest indigenous upstream operators in Nigeria.

We are Africa, We Are Oando

Chairman's Statement continued



In 2024, Oando advanced clean energy, mining, and recycling initiatives, reinforcing its position as a future-facing energy company. Our people drove key milestones, supported by investments in leadership and digital skills. The Oando Foundation marked 13 years of impact, expanding literacy and digital learning across schools.

Other Operational Highlights Across the Group

In 2024, we maintained focus on performance delivery across all our business segments. In trading, while overall volumes declined due to macroeconomic headwinds and reduced domestic demand, we strengthened our operational foundation by expanding financing lines, enhancing risk management, and improving efficiency across our crude and refined product value chains. Our clean energy subsidiary, Oando Clean Energy Limited (OCEL), advanced its electric mass-transit and recycling initiatives, deepening partnerships with state governments. In mining, we progressed our bitumen, lithium, and tin projects, laying the groundwork for future monetisation. Across all segments, we prioritised cost optimisation, safety, and environmental responsibility, reinforcing our position as an integrated and future-facing energy company.

People and culture

At the heart of our transformation in 2024 was a committed and resilient team. The successful integration of new assets and delivery of key milestones would not have been possible without the capability and focus of our people. As we scale, we are investing in leadership development, digital upskilling, and succession planning to ensure that our human capital is as future-ready as our portfolio.

Sustainability and Social Impact

The Oando Foundation continued to be a catalyst for community impact in 2024, marking 13 years of transformative work. Through its LEARNOVATE initiative, the Foundation expanded early-grade literacy interventions to 80 public schools across four states. Its commitment to digital empowerment was reflected in the deployment of e-learning platforms, robotics kits, and STEM workshops, especially for underrepresented groups. The Foundation also scaled its Clean Our World campaign, driving environmental education through school eco-clubs and plastic waste recycling initiatives. With over 500,000 lives impacted to date, the Foundation remains central to our broader sustainability agenda and our commitment to inclusive development.

500,000+ lives

Impacted to date through Oando Foundation's initiatives

Chairman's Statement continued



1.28 billion

Ordinary shares to be distributed in two equal tranches as part of the 2025 share distribution programme

Reinforcing Governance and Regulatory Compliance

2024 was a year of renewed governance focus for Oando. We resolved all legacy shareholder issues, restored full compliance with reporting obligations, and re-established constructive engagement with regulators and exchanges. The appointment of three new Independent Non-Executive Directors brought fresh oversight and industry expertise to the Board. We also strengthened internal governance systems, aligning our practices with international best standards. These actions are improving investor sentiment and will create a stronger foundation for accountable, transparent, and responsible corporate leadership.

Advancing ESG Strategy and Accountability

In 2024, we began laying the groundwork for a formal review of our ESG strategy, recognising the growing importance of sustainability performance to our investors, regulators, and broader stakeholders. With the expansion of our operated asset base and increasing responsibilities as a diversified energy company, it became clear that our ESG framework must evolve to reflect new realities. The formal review and renewal of our ESG strategy will take place in 2025. This process will ensure alignment with Nigeria's Energy Transition Plan, the Paris Agreement, and global best practicesparticularly in areas such as emissions reduction, flare elimination, clean energy integration, and community development. At the governance level, we strengthened Board accountability and will prioritise ESG within the Board's oversight agenda. These steps signal our commitment to responsible growth and to embedding sustainability deeper into the way we operate and create value.

Returning Value to Shareholders

In January 2025, the Board approved the phased implementation of a share distribution programme, our first return of value to shareholders in several years. This decision followed the resolution passed at the 45th Annual General Meeting in December 2024 and reflects our commitment to rewarding long-term shareholder confidence. The programme will involve the distribution of 1.28 billion ordinary shares in two equal tranches: the first to shareholders on record as of

February 14, 2025, and the second to those on record as of June 30, 2025. Eligible shareholders will receive one new share for every twelve existing shares held.

Awards and Recognition

Oando's achievements did not go unnoticed. We received industry accolades during the year, most prominently the "Deal of the Year 2024" award at Africa Energy Week for our NAOC acquisition. This prestigious award, against strong competition, highlights the significance of the transaction and Oando's execution capability. Furthermore, in early 2025 Oando was honoured with the "Energy Deal of the Year 2024" award at the Nigeria International Energy Summit. These recognitions enhance our brand equity and stakeholder confidence.

Outlook and Strategic Priorities

Looking ahead, Oando enters 2025 with strengthened assets, clearer strategic focus, and renewed operational momentum. A key priority is to maximise production and value from the NAOC-acquired assets, leveraging our operatorship position to drive efficiency and increase output. We are also committed to returning to a position where we can deliver regular dividends to shareholders, with financial discipline, cost control, and capital efficiency underpinning our decision-making. As the energy landscape evolves and indigenous companies play a larger role, we are well-positioned to lead with discipline and ambition. We remain committed to delivering value to our shareholders, deepening our community impact, and operating with transparency and responsibility across all areas of our business.

Ademola Akinrele, SAN

Chairman

Oando PLC

Group Chief Executive's Report



Jubril Adewale Tinubu CONGroup Chief Executive

H4.1 trillion

Revenue in FY 2024, representing a 44% increase from FY 2023 (₩2.9 trillion)

H220 billion

Profit After Tax in FY 2024, a 267% increase from FY 2023 (₩60.3 billion)

Dear Shareholders,

2024 was a transformational year for Oando, driven by excellence in execution, operational expansion, and an unwavering commitment to long-term value creation. Our performance underscores the strength of our people and the clarity of our vision as a proudly indigenous African energy leader.

Navigating Complexity, Unlocking Opportunity

Several macroeconomic headwinds and security challenges shaped our 2024 operating environment. Inflation, persistent forex volatility, and an evolving regulatory landscape created a complex backdrop in Nigeria. In the Niger Delta, security challenges including crude theft, vandalism, and community related disruptions continue to negatively impact on production and infrastructure. These realities required resilience, agility, and strategic engagement.

Despite these headwinds, we witnessed several notable tail winds. The liberalisation of the domestic gas market, sustained strength in global oil prices for most of the year, and the rising demand for Nigerian energy, presented opportunities for growth. Additionally, the full activation of the Petroleum Industry Act brought a long-awaited regulatory clarity, supporting a more predictable environment for long-term investment.

In response to the security concerns, we fortified our security framework through drone surveillance, enhanced night patrols, and deeper collaboration with host communities and security agencies. Furthermore, community engagement, particularly in newly acquired areas, has been central to maintaining operating continuity and building trust.

We also ensured full compliance with regulatory requirements, adapting internal structures to meet new reporting and governance obligations. Our ability to navigate these constraints while sustaining operational momentum underscores the strength of our operating model and institutional resilience.

2024 Performance & Strategic Milestones

Despite a challenging macroeconomic backdrop, Oando delivered a strong operational and financial performance in 2024. Our focus was on executing our strategy of expanding our upstream and trading footprint, optimizing our portfolio, and enhancing operational efficiency, efforts that contributed to significant year-on-year gains. Key highlights include:

Revenue Growth - Our full year 2024 revenue increased by 44% to ₹4.1 trillion, up from ₹2.9 trillion in 2023. This was driven by increased production volumes following our successful acquisition of NAOC's assets as well as a favourable exchange rate translation of our dollar-denominated earnings.

Improved Profitability - Our Profit-After-Tax surged to ₩220 billion, representing a 267% increase over the ₩60.3 billion reported in 2023. This marks our second consecutive profitable year and underscores the resilience of our business model, despite one-off integration and finance costs.

Stronger Production Base - Average hydrocarbon production for the year rose slightly to 23,977 boepd. Immediately post-acquisition, average production from September to December rose to 30,414boepd, more than double the January –August average. Crde Oil output grew 27% year-on-year to 7,864bopd, enhancing cash flow.



A landmark achievement in 2024, Oando acquired 100% of ENI's interest in NAOC for \$754 million, doubling its upstream footprint and securing operatorship of key infrastructure. The deal boosted production to 30,414 boepd, expanded reserves, and strengthened our position as a leading indigenous operator in Nigeria.

NAOC Acquisition

Our defining strategic milestone of 2024 was the successful acquisition of 100% of ENI's interest in NAOC Ltd, in August, for \$754 million. The transaction marked a significant expansion of Oando's upstream portfolio, doubling our participating interests in OMLs 60–63 and cementing our position as a leading indigenous operator in the Niger Delta.

Crucially, the deal granted Oando operatorship over a broad network of critical infrastructure, including 14 flow stations, 1,490 km of pipelines, the Ob/Ob gas plant, the Okpai power plant, and the Brass Export Terminal with 3.5 million barrels of storage capacity. The acquired assets span 22,447 km² and include over 40 discovered fields, 24 of which are currently producing. This position allows us to take direct ownership of asset performance, unlock operational efficiencies, and better align joint venture execution across the board. The impact was immediate as average production rose significantly between September and December 2024 to 30,414boepd, more than double our pre-acquisition average. The transaction also delivered a material uplift in reserves and strengthened our gas portfolio, an increasingly strategic advantage given rising domestic demand.

Overall, the Group recorded peak production of 38 kboepd during the year, with an exit production rate of 36 kboepd in December, reflecting the sustained momentum from operational recovery and asset integration.

Operational Efficiency

We maintained cost discipline across our businesses. In the upstream, lifting expenses were contained through targeted maintenance optimization and increased reliance on local procurement. Our trading operations focused on higher-margin opportunities, enabling us to preserve profitability despite lower trading volumes. Across the Group, general and admin expenses were tightly managed, resulting in significant reduction over the period.



Strategic control, stronger reserves, and key infrastructure, NAOC is a transformative leap for Oando.

We are Africa, We Are Oando



Strengthening the Platform

Following our strategic expansion in 2024, we prioritised stabilisation and integration across the Group. Seamless onboarding of NAOC's personnel, systems, and processes have laid the foundation for long-term synergy capture across operations, cost structure, and governance. With the full-year contribution of these assets expected in 2025, the transaction has positioned us for sustained growth in revenue, profitability, and market leadership

Security also remained a core priority. Our revamped security architecture, developed in collaboration with security agencies and host communities, significantly enhanced asset protection amid heightened risks of sabotage and community unrest. We have integrated drone surveillance, expanded night patrols, and enhanced community engagement to reduce shut-ins and safeguard the long-term health of our reservoirs.

We also prioritized talent and cultural integration to strengthen organizational cohesion. In 2024, we had over 26 promotions and expanded leadership opportunities for 53 staff members. A refreshed performance management framework, alongside our internal leadership academies and learning initiatives, delivered over 160 training hours per employee in 2024, reinforcing morale, capability, and productivity through the transition.

Managing Risk, Upholding Discipline

We maintained a disciplined approach to risk management across our entities. Liquidity and working capital pressures, arising from the NAOC acquisition and delayed partner contributions, were mitigated through phased funding solutions, improved cash call alignment within joint ventures, and proactive financial planning. Simultaneously, we responded to heightened regulatory scrutiny by strengthening compliance frameworks, enhancing stakeholder transparency, and operationalizing host community development trusts in line with statutory requirements.

Safety Performance

We delivered a strong safety performance in 2024, reaffirming our commitment to operational discipline and proactive risk management. Across our operated assets, we recorded zero fatalities and maintained a low Total Recordable Incident Rate (TRIR) of 0.19 over 20.7 million hours worked.

These outcomes reflect the effectiveness of our HSE systems and the dedication of our teams to upholding a safety-first culture, even as our operations expand. Looking ahead, we remain focused on continuous improvement, capacity building, and embedding a culture of accountability to safeguard our people and assets.

Strategic Initiatives and Outlook

Looking ahead, our strategic focus remains anchored on longterm value creation, for our shareholders:

Maximizing Upstream Value-Following the NAOC acquisition, our immediate priority is to optimize production across from our significantly enlarged portfolio. We will deploy targeted capital expenditure towards well workovers, drilling of new oil and gas wells, and debottlenecking of existing facilities. These efforts are aimed at increasing output, enhancing recoverable reserves and reducing unit operating costs. We are also actively addressing the long-standing security issues that have constrained Nigerian onshore production. In partnership with the government, we are implementing advanced surveillance technology, including drone systems and enhanced monitoring, to protect our pipelines and facilities. By mitigating theft and losses, we aim to capture the full value of our production volumes. Additionally, we are progressing near-field exploration and appraisal activities, particularly within the NAOC JV blocks, to support long-term reserves replacement and further strengthen our upstream position.

Monetizing Gas Potential- In alignment with Nigeria's "Decade of Gas" initiative, we are accelerating efforts to unlock the full potential of our natural gas portfolio. The recently acquired

NAOC assets brings operatorships of substantial gas output and a strategic stake in the Okpai power plant, offering the opportunity for a compelling integrated gas-to-power play. In 2025, we intend to invest in expanding our gas processing and distribution infrastructure to supply domestic industrial users and for power generation. A key priority is to commercialize more of our associated gas, particularly volumes that would otherwise have been flared, by boosting capacity at our Kwale Gas Plant as well as potentially developing new gas hubs. The liberalization of the domestic gas price and growing demand across the industrial and power sectors make this an attractive area for growth. We are also evaluating LNG or CNG projects to broaden market access and exploring partnerships to scale pipeline infrastructure. By strengthening our gas value chain, we will reduce our carbon footprint, support national energy needs, and provide a more stable revenue stream, less exposed to oil price volatility.

Sustained Growth

Our trading subsidiary, Oando Trading DMCC, continues to be a vital enabler of growth across the Group. In 2024, we secured participation in Project Gazelle, a landmark \$3.3 billion structured forward-sale financing facility led by Afreximbank as well as Project Leopard, a \$2 Billion crude-backed structured financing arrangement. Through \$740 million combined contribution, we secured multi-year access to crude volumes.

Oando Trading remains focused on optimising crude sales while expanding refined product distribution across key West African markets. Our strategy is anchored in prudent, risk-managed transactions and long-term customer relationships. We will continue to adapt with agility to evolving market dynamics, ensuring that trading operations remain aligned with our integrated model and long-term value creation objectives.

Renewables and Clean Energy

Oando remains committed to playing a meaningful role in Africa's energy transition. Through Oando Clean Energy Limited (OCEL), we are scaling up our investments in renewable energy and e-mobility solutions. In 2024, OCEL progressed its partnership for electric mass transit, and in 2025, we plan to deploy 50 additional electric buses in Lagos, supported by the necessary charging infrastructure.

We are also evaluating solar energy opportunities—ranging from utility-scale investments to solar-hybrid systems aimed at reducing diesel consumption in our own operations. While hydrocarbons will continue to drive our core business in the near term, we are taking a measured, impact-focused approach to clean energy. Selective capital will be allocated to ventures such as solar mini-grids, gas-to-power projects, and carbon credit initiatives that align with our technical strengths and national priorities. This balanced approach ensures we build a sustainable foothold in the evolving energy landscape without overextending our financial resource.

Financial Discipline and Shareholder Returns

Maintaining financial discipline and enhancing shareholder returns remain central to our strategic agenda. Looking ahead, our focus is on deleveraging, utilizing increased cash flows to reduce debt and improve our leverage ratios. We will also continue to explore opportunities to lower our cost of capital as well as optimize our balance sheet.

Given Nigeria's FX volatility, we have prioritized hard currency revenue streams to naturally hedge naira-denominated costs, while selectively deploying financial instruments to manage exposure. To protect against oil price downside, we implemented a hedging programme with strike prices ranging from \$55 to \$59 per barrel towards preserving our upside while mitigating revenue risk, contributing to cash flow stability. Capital allocation in 2025 will be balanced and disciplined. Core upstream development will be adequately funded, while discretionary expenditure in non-core areas will be tightly controlled. Although we did not declare dividends for 2024, restoring shareholder distribution remains a mediumterm objective. As profitability stabilizes and legacy obligations are addressed, the Board will reassess the timing and scale of dividend resumption, aligning with our earnings trajectory and reinvestment priorities.

Empowering Our People for Scalable Growth

The successful execution of our 2024 strategic priorities would not have been possible without the commitment, resilience, and expertise of our people. From integrating the NAOC workforce and managing a complex asset transition, to advancing critical projects across trading, clean energy, and mining, our teams demonstrated outstanding capacity and alignment.

As we continue to scale our operations and broaden our portfolio, we will invest in the systems, culture, and leadership needed to support our long-term sustainable growth. In 2024, we focused on operational readiness, strengthened technical capacity, and fostered cross-functional collaboration. In 2025, we will deepen our efforts around workforce development, digital enablement, and leadership continuity, ensuring our organization is equipped to lead with agility and purpose across all value streams.

Governance and Sustainability

We recognize that our operating environment remains complex, shaped by economic volatility, political dynamics, and evolving industry expectations. However, we have embedded agility and resilience into our planning processes. Our governance structures, strengthened risk management practices, and stakeholder engagement frameworks are designed to ensure that we remain responsive and future-read. The Board and management remain confident in the Company's diversified, yet synergistic portfolio, which positions us to thrive amid industry cycles and evolving energy trends.

50 electric buses

To be deployed in Lagos in 2025 as part of OCEL's electric mass transit initiative

\$3.3billion

Value of Project Gazelle structured forward-sale financing facility led by Afreximbank and backed by NNPC



Closing Reflections

As I reflect on 2024, I am deeply grateful to our employees, partners, and investors for their unwavering trust and commitment. Our people, across oilfields, offices and boardrooms, have been the driving forces behind our progress. They have embraced change, navigated complexity and delivered results, with passion, resilience and courage. This year marked a pivotal rest for Oando, rethinking how we operate, strengthening our foundation, and charting a bold, strategic course for the future. We have emerged stronger, more agile, and better positioned to lead within Nigeria's evolving energy landscape. The journey ahead is ambitious, but with our strengthened platform, a clear vision and disciplined execution, we are poised to deliver lasting value for shareholders, communities, and the future of African energy.

To our esteemed shareholders, I extend my heartfelt appreciation for your steadfast support and belief in our vision. Together, we will continue to drive Oando's success in 2025 and beyond, fulfilling our promise to be at the forefront of Africa's energy revolution and to generate superior value for all stakeholders.

Ambu

Jubril Adewale Tinubu, CONGroup Chief Executive



With resilience, clarity, and disciplined execution, we are poised to lead Africa's energy transformation.

We are Africa, We Are Oando





Oando Energy Resources



2024 Global Oil & Gas Industry Review

In 2024, the global economy experienced moderate growth, at 3.1% slightly below 2023 levels, as inflation eased, reaching 5.4% in the G20 economies, down from 6.1% in 2023 and monetary policies began to relax in key markets. However, short- and medium-term prospects remained uncertain due to geopolitical risks and policy instability.

The crude oil and natural gas market operated within a dynamic environment shaped by controlled OPEC+ supply, fluctuating demand, heightened geopolitical tensions, macroeconomic challenges, and an ongoing emphasis on energy transition. Despite these factors, the market demonstrated resilience, reflected in the stability of oil prices. Brent crude prices saw minimal average monthly fluctuations, remaining within a narrow range of \$74 to \$90 per barrel, making 2024 one of the most stable years in the past 25 years.

According to the Nigerian Upstream Petroleum Regulatory Commission (NUPRC), Nigeria's total oil and condensate production for 2024 averaged approximately 1.5 million barrels per day (bpd). This figure includes an average crude oil production of about 1.3 million bpd and condensate production of approximately 200,000 bpd. Notably, in December 2024, the combined daily average production was 1,667,560 bpd, comprising 1,484,585 bpd of crude oil and 182,975 bpd of condensate.

Nigeria in 2024 remains Africa's largest oil producer at 1.48 million b/d, driving GDP despite theft and pipeline challenges. Nigeria's OPEC+ production quota was set at 1.5 million barrels per day (mbpd); however, the country faced challenges in maintaining this level consistently, despite occasional increases in oil output.

Oando experienced an exit production of 36kboe/d in 2024 from 21kbo/pd in 2024. The increase is majorly attributed to increased gas production and improvements in crude production. This was, however, offset by declining NGL production arising from shut-ins because of sabotage on the delivery pipeline.

2025 Outlook

According to the International Energy Agency (IEA), global oil demand growth is projected to rise from 840 kb/d in 2024 to 1.1 mb/d in 2025, bringing total consumption to 103.9 mb/d. Petrochemical feedstocks will drive majority of this growth, while demand for transport fuels will remain limited due to ongoing behavioral changes and technological advancements.

OPEC+ maintained Nigeria's production quota at 1.5 MMbbls/day for 2025, consistent with the quota set in 2024In recent years, Nigeria has witnessed a significant trend of International Oil Companies (IOCs) divesting from onshore and shallow water assets, driven by factors such as security challenges, regulatory changes, and a strategic shift towards offshore operations. This movement has led to the transfer of assets to indigenous companies, reshaping the nation's oil and gas landscape.

The Company remains protected from sales risk from volatility in prices with offtake arrangements which guarantee continuous volumes offtake with a new hedge strike price of \$55/bbl for OOL and \$59/bbl for OPNGL.

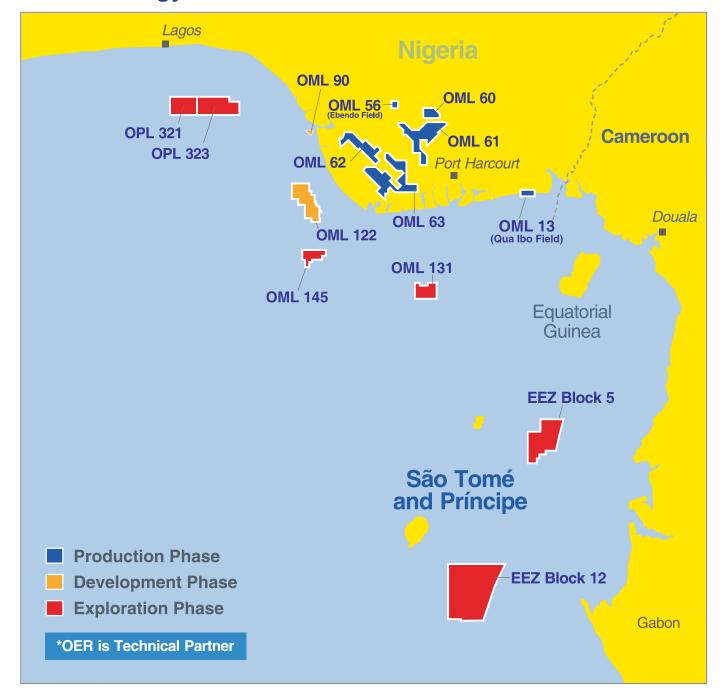
36 kboe/day

2024 exit production up from an exit of 21kboepd in 2024

1.48 million bpd

Nigeria's 2024 average production, maintaining status as Africa's largest oil producer

Oando Energy Resources - Asset Profiles



ASSET	WORKING INTEREST	OPERATOR
OML 60	40%	OER
OML 61	40%	OER
OML 62	40%	OER
OML 63	40%	OER
OML 56	42.75%	Energia
OML 13*	40%	Network E&P

ASSET	WORKING INTEREST	OPERATOR
OML 90*	40%	Sogenal
OML 122*- Bilabri	4.08% Oil	Peak
OML 122*- Owanare	9.8% Gas	Peak

ASSET	WORKING INTEREST	OPERATOR
EEZ 5	26.2%	Kosmos
EEZ 12	46.3%	Galp
OPL 321 & 323	24.5%	OER
OML 131	100%	OER
OML 145	21.05%	ExxonMobil

Oando Energy Resources - Asset Profiles continued

OML 60-63 and OPNGL

Overview

The OERNL JV (40% OER and operator; NNPC 60%) holds OMLs 60, 61, 62 and 63, located onshore in the Niger Delta and the licenses have an expiry date of June 14, 2027, to be renewed per the terms of the PIA.

OML 60 is located on land, in the northern Niger Delta and covers an area of 358 km2 (88,464 acres). OML 61 is also located on land, in the northern Niger Delta and covers an area of 1,499 km2 (370,410 acres). OML 62 terrain varies eastwards from swamp to land and is located in the central Niger Delta, covering an area of 1,221 km2. OML 63 is located along the coastal swamp area of the Niger Delta and covers an area of 2,246 km2 (554,998 acres).

The assets of the OERNL JV also include extensive infrastructure, comprising 12 Flow stations, an oil processing center, an oil export terminal, two gas plants (Kwale, Ob-Ob and Ogbainbiri), the Okpai IPP, a network of approximately 1,190 km of pipelines and associated infrastructure including roads, power stations and heliports. Some of the NAOC JV's main export pipelines are used by third parties and agreements are in place for transportation and processing

Production

Production in 2024 at OMLs 60 to 63 averaged 20,541 boe/day, consisting of 5,595 bpd of crude oil, 156 boe/day of NGLs and 14,790 Mscf/day of natural gas, driven by the recommencement of crude evacuation from Ogbaimbiri Flowstation in September 2024.

Following the NAOC acquisition, production averaged 30,414 boepd from September 2024 (Jan – Aug Avg. of 15,020 boepd), including 9,477 bopd of crude oil and 20,938 boepd of gas and NGL, reflecting the ramp-up of acquired assets and operational stability.

Gas and NGL output declined due to the shut-in of OBF 44T, frequent outages at Tuomo 4T, and sabotage on the OGB–OBOB pipeline, all of which disrupted feed to the Ob/Ob plant.

Reserves

As of December 31, 2024, OER's estimated net 2P reserves stood at 971 MMboe, a significant increase from 490 MMboe in 2023. Additionally, 2C contingent resources rose from 154.1 MMboe to 165.2 MMboe over the same period.

Capital Projects Expenditure:

In 2024, the Corporation spent \$16.2million on capital expenditures related to the development of oil and gas assets and exploration and evaluation activities, lower than \$46.9 million in 2023. Capital expenditure during the period included \$3.8 million on oil and gas properties and \$12.4million on exploration and evaluation.

The Joint Venture approved a budget of \$667 million for 2024. OOL's share -\$133.39 million comprises of \$35.78 million CAPEX and \$97.6million OPEX. While OPNGL's share from Aug 22, 2024, was \$17.47 million CAPEX and \$30.57million OPEX

OML 56 (EBENDO)

Overview

Ebendo Marginal Field License (45% OPDC WI; Energia, an indigenous company and operator, 55% WI), was carved from OML 56 in the central Niger Delta, approximately 100 km north-west of Port Harcourt. The License covers an area of 65 km2 (16,062 acres). The License includes three fields: the Ebendo field and Ebendo North, both of which are producing, and the Obodeti field, which remains undeveloped. Ebendo operates under Marginal Field terms that offer advantageous fiscal incentives.

First Oil was achieved in 2009, and 6 wells have been drilled on the field. Production from the Ebendo field began in 2010. The northern part of the Ebendo field was drilled in 2022 and discoveries were made by the Ebendo North-1 and Ebendo North-2 wells.

Production

Average daily production increased by 61% to 2,785 boepd (2023: 1,727 boepd), driven by extended well testing and contributions from Ebendo North, supported by the 4.1 km evacuation pipeline constructed in 2023.

Reserves

As at 31 December 2024, the Ebendo Licence held net 2P reserves of 7.4 MMboe, comprising 4.85 MMbbl of oil and 15.32 Bscf of gas.

Capital Projects Expenditure

In 2024, the Corporation spent \$2.8 million on capital expenditure related to exploration and evaluation and the development of oil and gas assets compared to an expenditure of \$3.2 million in 2023. The year 2024 focused largely on operationalizing the 4.1km pipeline constructed in 2023 to transport production from the two wells at Ebendo North in 2022.

The Joint Venture approved a budget of \$84.78 million for 2025. OPDC's share of \$38.15 million comprised of \$16.2 million for Capital expenditure and \$21.9 million for Operating expenses respectively.

Oando Energy Resources - Asset Profiles continued

OML 13 (QUA IBO)

Overview

Qua Ibo Marginal Field License (40% OER WI and technical partner; NEPN, an indigenous company, 60% WI and Operator) is located onshore Nigeria, near the mouth of the Qua Iboe River, immediately adjacent to the ExxonMobil Qua Ibo Terminal. The License covers an area of 14 km2 (3,459 acres) and includes one producing field (Qua Ibo). The Qua Iboe License was acquired by OER in 2013 and it operates under Marginal Field fiscal terms.

Production

The Asset has two producing wells with 2024 average production of 401 bopd, lower than 486 bopd in the same period in 2023. The decrease was a result of the natural decline of the wells.

Reserves

As of December 31, 2024, Qua Ibo License held net 2P reserves of 4.17 MMbbl of oil.

Capital Projects Expenditure

In 2024, The Corporation incurred capital expenditure of \$0.26 million at Qua Ibo on oil and gas properties compared to an expenditure of \$0.25 million in 2023.

The Joint Venture approved a budget of \$43.7 million for 2024. OML 13's share of \$17.5 million comprised of \$9.7 million for Capital expenditure and \$7.8 million for Operating expenses respectively. This \$24 million CAPEX is allocated for drilling an appraisal well, with the goal of unlocking an additional production of 1,500 barrels of oil and 2 mmscf



OML 145

Overview

OML145 (21.05% Oando WI; operator, Exxon Mobil) is located offshore 110 km south of the Niger Delta coastline near the Shell Bonga field in water depth of between 800m to 2,000m. The

OML 145 license covers an area of approximately 1,288km2 within which four (4) discoveries have been made including Uge, which is currently in the development planning stage, three other discoveries, namely, Orso, Uge North and Nza.

The OML 145 joint venture partners on the license are Exxon Mobil (21.05%), Chevron (21.05%), Svenska (21.05%), Oando (21.05%) & NPDC (15.8%).

The pre-FEED study commissioned by the OML 145 joint venture was completed in 2018. The study was geared towards a development concept for the Uge field with specific focus on delivering production in a timely and cost-effectively utilizing a leased Floating, Production, Storage and Offloading ("FPSO") vessel for hydrocarbon evacuation and export from the field.

Following the 2018 pre-FEED study, the OML 145 joint venture progressed the review of the development concepts in a bid to firm up on a development concept on the block based on the discovered resource volumes in 2019. This culminated in a tripartite workshop between the NNPCL and the OMLs 140 and 145 joint venture partners. The development concept proposed by Oando and the non-operator partners via an Early Production Facility ("EPF") on a leased FPSO will bring the Uge field to production in a shorter time frame than previous concepts reviewed.

The Joint Venture commenced discussions with the NNPCL on the PSC stabilization because of the impact of the Deep Offshore and Inland Basin, Production Sharing Contract Act passed in late 2019 (DIBPSA 2019).

The PSC stabilization discussions were stalled in 2021 with the NNPC focusing on closing out negotiations with Producing Blocks. Stabilization negotiations resumed in 2022 with a couple of engagements to review the structure and form of the stabilization agreement. Operational activities in 2022 have been focused on engaging with a seismic contractor for a new 3D seismic survey over the OML 145 acreage area to firm up the subsurface understanding, improve overall imaging and identify deeper prospects within the block.

OML 145 Co-Venture partners reviewed options to improve the commerciality of the block with specific focus on new seismic data acquisition. TGS was awarded a Petroleum Exploration License ("PEL") to cover the deepwater Niger Delta. The acquisition covered a substantial part of OML 145 including several blocks in the area on a license basis. Chevron, having already engaged with TGS on its block in the area, was tasked with coordinating the negotiations on behalf of the OML 145 Co-Venture partners. The modalities of acquiring the data on license basis is still being assessed by the OML 145 Co-Venture partners.

Oando Energy Resources - Asset Profiles continued





With 100% working interest in OML 131, we are driving value through strategic unitization, tie back development, and resource optimization across Bolia-Chota and adjacent discoveries.

We are Africa, We Are Oando

OML 131

OML131 (100% OER WI; operator OER) is located offshore in water depths ranging from 500m to 1,200m approximately 70km from the western Nigerian coast. OML 131 covers an area of 1,204km2 and includes two undeveloped discoveries (Chota and Ebitemi) and a few prospects including Chota East and Ebipre in South of the Block and the Pulolulu in the North of the Block.

The Chota discovery is under Unitization discussions with OML 135, west of OML 131 with the Bolia discovery. The Bolia-Chota unit area has an executed Pre-Unit Agreement ("PUA") and Contractor Pre-Unit Agreement ("CPUA") with the provisional party share of 40% allotted to OML 131.

The Bolia Chota unit area has a combined 2C contingent resources volume of 241mmbbls of oil and 1 tcf of Gas. The Bolia Chota Unit is being assessed as an integrated codevelopment with the adjacent Nnwa-Doro Unit (Nnwa – OML 129 and Doro – OML 135). The development concept focused on oil production from the Bolia-Chota unit and Gas production from Nnwa- Doro unit to develop circa 310mmbbls of Oil/condensate and 3.6tcf of Gas.

The Bolia-Chota Unit partners are reviewing the stand-alone development of the Unit area looking at either a leased FPSO development for the Oil resources and third-party evacuation for gas or alternatively a tie-back evacuation concept for both oil and gas. The technical and feasibility review continued into 2023.

In 2024, the unit partners focused on further developing the tie-back development concept.

On the non-unit side of the lease, Oando has been progressing studies to delineate the block further with specific focus on proving up the resources with the lease to improve the viability of the block.

There are several identified leads and prospects including: the Chota East, Chota North and Ebipre prospects with sizeable non-risked resources that can be developed as a standalone or developed as a tie-back into the Bolia-Chota Unit or the Preowei Discovery in OML 130, an adjacent block south of the license area, which has proven reserves of 300 MMbbls and is believed to straddle into OML 131.

Oando continues to push a stand-alone or tie-back development agenda with the partners in a bid to improve the prospectivity of the block and examine possible codevelopment options with the added leads and prospects within the larger Chota East and Ebipre structure identified in the non-unit side of the block of the block.

Both the unit and non-unit development concepts are being developed simultaneously as part of a larger strategy to evacuate the hydrocarbons in OML 131.

OML 131 expires in 2025. The Petroleum Industry Act (PIA 2021), which was passed in August 2021 is still a major consideration for the industry in Nigeria. The OML 131 PSC and Lease renewal processes commenced in Q1 2024 as per the stipulated requirements under the PIA. Oando gave consent to the NNPC Limited to submit a notice, as concessionaire, to the NUPRC for the renewal on the Lease and in parallel kick started the PSC renewal process with NNPC.

Oando Energy Resources - Asset Profiles continued

BLOCKS 5 AND 12, EEZ OF Sao Tome & Principe (STP)

OER holds its interest in EEZ Blocks 5 and 12 through its 81.5% interest in Equator Exploration Limited ("EEL"). EEZ Block 5, operated by Kosmos, and EEZ Block 12, operated by Galp, are in water depths ranging from 2,000m to 3,000m within the Exclusive Economic Zone ("EEZ") of the Democratic Republic of São Tomé and Príncipe (STP). EEL maintains W.I. of 26.2% and 41.2% in the blocks respectively.

Block 5 contract area has an area of 2,134km2 and the Block 12 contract area has an area of 5,272km2 (712km2 and 1760km2 were relinquished from the original acreage size of 2,844km2 and 7,940km2 respectively as part of the requirement to enter Phase II of the Exploration period on each of the blocks).

EEL was awarded two (2) licenses within the Exclusive Economic Zone ("EEZ") in February 2010 based on seismic data acquisition agreements signed in 2001 and 2003. At the time EEL partnered with Petroleum Geo-Services (PGS) to acquire 2D seismic data over the EEZ.

The 2D seismic data over Block 5 was reprocessed in 2014 and interpreted to identify several prospects and leads. In 2015, EEL acquired and processed 1,400km2 of 3D seismic data. Interpretation of the data acquired continued into Q1 2015.

Additional data was acquired in 2017 after Kosmos Energy São Tomé and Príncipe ("Kosmos") and Galp Energia STP Unipessoal Limited ('Galp') entry into the Blocks 5 and 12 joint ventures. The acquisition was part of a four (4) block acquisition campaign which covered 16,800km2 within the Exclusive Economic Zone and covered acreage on four (4) blocks (Blocks 5,6,11 and 12). The seismic vendor CGG acquired 2,567km2 and 4,117 km2 in Blocks 5 and 12 respectively.

In 2018, PGS progressed and concluded the processing of the 3D seismic data products acquired in 2017. Interpretation of the 3D seismic products were integrated into the Regional Basin model to reassess the resource volumes and derisk the most attractive targets. The leads and prospects inventory for both blocks were complied, with focus on identifying drillable prospects within Block 5 towards the Phase II decision gate on Block 5 in Q1 2019.

In January 2019, the Block 5 operator submitted the notice of surrender area and a recommendation to proceed into Phase II of the Block 5 exploration period to the joint venture partners as part of its obligation as operator to deliver on the requirements for the Block 5 End of Phase by May 2019. Galp opted out of Block 5 and submitted a withdrawal notice on April 1, 2019, which took effect from May 31, 2019.

The National Petroleum Agency of São Tomé and Principle (ANP-STP) opted out of taking its prorated share of the Galp's relinquished participating interest and retains its 15% carried interest. However, Equator and Kosmos taking up their pro rata share of Galp's interest translates to 26.2% and 58.8% participating interest for the parties respectively.

Throughout 2020, operational activities on Block 5 focused on improving the G&G understanding with a more detailed systematic mapping and evaluation of Block 5 prospects, identified from the regional mapping, definition, and characterization of the individual prospects on the merged PSDM 3D seismic data. The detailed analyses further defined the trapping configuration and provided a better understanding of the reservoir facies, and the associated relative risk of each prospect. The prospects were also evaluated in the context of the regional clastic fairways, as mapped over regional data sets, to understand the risk for reservoir presence and quality. A preliminary evaluation of the AVO characteristics of the prospects and prospect evaluation was ongoing at year-end.

Due to the pandemic, operational activities were impacted and as a result a formal request to modify to Block 5 Minimum Work Obligations was submitted to the Regulator on March 13, 2020. Discussions related to the Block 5 Minimum Work Obligation for Phase III continued in the second quarter of the year and on July 1, 2020, ANP-STP approved the amendments to the Minimum Work program. The 5th PSC Amendment on Block 5 was agreed and approved on August 13, 2020.

Throughout 2021, work continued integrating the prospects within Block 5 with the Rio Muni regional depositional systems, provenance, and tie with the inboard wells. This integration will enhance the understanding of play elements (reservoir, source and migration) and relative risk of each prospect. Due to disrupted operations in São Tomé caused by the pandemic, a six-month extension request for the much-anticipated Jaca 1 well was submitted to the Regulator on September 30th. The request was approved on December 30, 2021. The sixth amendment to the Production Sharing Contract reflecting the six-month extension was executed by the joint venture partners.

Block 12 operational activities in 2019 focused on high grading the Leads and Prospects within the block and delivering drillable prospects as per the deliverables under the Block 12 End of Phase I requirements. On November 29, 2019, Kosmos, as operator, issued a Vote by Notice (VBN) for the Entry into Phase II of the Exploration Period on Block 12. Kosmos voted against the resolution of the VBN while Galp, the ANP-STP and Equator voted for the resolution. Kosmos further gave a notice of exit from the Block effective as at Jan 31st, 2020.

Following Kosmos' notice of withdrawal from the Block, the Block 12 Joint Venture partners, Galp, Equator and ANP-STP held a workshop on 12th and 13th February to discuss the distribution of participating interest, the minimum work commitments, and the minimum financial commitments for Phase II under the Block 12 PSC. Subsequently, Galp was designated as operator and the Kosmos' interest distributed on a pro rata basis between Equator and Galp i.e., taking up 46.3% and 41.2% participating interest respectively with the ANP-STP retaining its 12.5% participating interest in Block 12.

Due to the COVID-19 outbreak and the macroeconomic downturn, the Jaca 1 Well in Block 6 (Operated by Galp) was delayed, not allowing the integration and incorporation of its results in the prospectivity of Block 12 and interfering with the decision to proceed to the next phase. As a result, the Block

Oando Energy Resources - Asset Profiles continued

12 Joint Venture engaged with ANP-STP, in its capacity as Regulator, to request a twelve-month extension of Phase II of the Exploration Period. The essence of the extension is to provide ample time for understanding from the outcome of the Jaca well to be integrated with Block 12 data prior to the decision to enter the next phase of the Exploration Period. The Jaca well spud date was moved from Q4 2020 to Q4 2021.

The formal request for granting a twelve-month extension to Phase II of the Exploration Period was submitted to ANP-STP on May 19, 2020. ANP-STP formally replied to Galp's request on July 1, 2020. In addition to the extension, the ANP-STP also granted approval of the amendment to the PSC which includes the removal of the Exploration Well commitment for Phase II and the reduction of the minimum financial commitment to \$2.5m. The amendment was executed in December 2020.

Operational activities were limited significantly in 2020 by the COVID-19 pandemic. As a result, operational activities were wound down to a minimum and all face-to-face meetings, particularly the Joint Venture meetings, were done virtually.

Operational activities picked up in 2021. Geological work progressed with Galp, as operator, focusing on updating the petroleum system modelling with additional geological data and performing geophysical studies, which included seismic preconditioning and quantitative interpretation (AVO studies) that could de-risk the hydrocarbons presence in the mapped reservoirs and/or find new targets. These studies were fundamental to making an informed decision for the entrance or otherwise in the next exploration by end of December 2021.

In São Tomé, the much-awaited Jaca 1 well, the first deepwater well drilled in the EEZ of São Tomé, was spudded and concluded in Q3, 2022. The well was a technical success confirming the presence of an active petroleum system and further de-risking the region.

In 2023, both Block 5 and Block 12 joint ventures progressed their seismic reprocessing projects, aiming to high-grade the identified prospects and leads in Block 5 with updated regional data from Kosmos' Equatorial Guinea assets (1,800 km²). On Block 12, Galp, the operator on Block 6 which drilled the Jaca 1 well, is updating its subsurface understanding across the blocks in which it holds a participating interest, including Block 12.

The joint venture partner received approval to extend the exploration phase for both Blocks 5 and 12 through to May 2025 and August 2025 respectively.

Both Blocks 5 and 12 have received further approval to extend the exploration phase through to May and August 2025 respectively

Focus in 2024 on the EEZ Blocks were on high grading the resources within the block with subsurface data from the reprocessing work done with DUG as well as from data available to both Kosmos and Galp to enhance the understanding of the Block.

Shell announced that a well will be drilled in Block 10 where they are partnered with Petrobras.

This is scheduled for H2 2025.

Social Projects and Training

As part of its social projects' obligation to infrastructure improvements in São Tomé and Príncipe, Oando has, to date, donated nineteen (19) 30-seater buses for student transportation, three (3) state-of-the-art ambulances to augment medical facilities, and contributed its share to multilocation construction projects. These include two (2) projects to add new classrooms to existing schools in Neves and São Marçal, as well as two (2) projects to build new secondary schools in Monte Café and Santana. The school in Monte Café was inaugurated in July 2020, while the schools in Neves and Santana were formally inaugurated in October 2020. All three schools are now being utilized by the Ministry of Education, completing the Phase I CSR obligation for Block 5.

Furthermore, funds were allocated to social project training as part of the contingency plan for the COVID-19 pandemic in São Tomé, efforts to support São Tomé, scholarships covering tuition fees at Universidade Lusíada de São Tomé e Príncipe/Fundação Atena, and the training of Saotomean citizens.

The construction projects came to an official close with all outstanding close out activities delivered in 2022.

In 2023, Block 5 partners approved additional funds under the Social Projects to implement the Library B Program to deliver the much-needed books and computing equipment for the school libraries and make final payments on the guarantees held by the construction companies that built the schools in Monte Café, Neves, and Santana.

The library project commenced in 2024 with the contracting for the much-needed supplies to be delivered on the social projects program for Block 5. These are expected to be delivered in 2025.

The Block 12 joint venture partners funded and projectmanaged the outstanding activities and budgets required to complete the construction of new schools in São Tomé. Much progress was achieved in 2024 on the school construction projects. It is expected that the schools will be commissioned and opened in 2025.

Post Period Activities

OML 131 lease and PSC renewal engagements continue through to 2025 and culminate in presenting our case for renewal to the NUPRC for consideration.

Block 5 has received further approval to extend the exploration phase through to May 2026 whilst block 12 partners are considering other technologies to de-risk the resources. This would push the activities beyond the August 2025 phase II period on Block 12. There is a high likelihood that an additional 1-year extension request will be progressed to the regulator on Block 12 in 2025. This will push the Phase II period in block 12 to August 2026.

Oando Energy Resources - Asset Profiles continued

OML 122

OML 122 (12.5% gas OER WI and 5.0% oil OER WI; Peak, an indigenous company, 87.5% gas WI and 95.0% oil WI) is located in the offshore Niger Delta, 40 km from the coastline of southern Nigeria, at a water depth of between 40 m to 300 m.

The License covers an area of 1,599 km2 (395,122 acres). The License includes three discoveries (Bilabri, Orobiri and Owanare). There has been no production from OML 122 to date.

In September 2007, Equator agreed terms with Peak by entering the Bilabri Settlement Agreement (BSA') for Peak to take responsibility for operations and to fund the remainder of the Bilabri oil development. Peak also assumed the existing and future project liabilities and an obligation to make an upfront payment to Equator. In return, Equator's interest in Bilabri and Owanare was reduced to a carried interest of 5% in the oil project and a paying interest of 12.5% in any gas development.

Peak did not meet any of its obligations under the BSA. Equator therefore served a notice of arbitration on Peak in the London Court of International Arbitration (LCIA). Peak responded by obtaining an order from the Federal High Court in Lagos restraining the continuation of the Arbitration Proceedings being held at LCIA. Equator, nevertheless, continued with the proceedings, and on the 27 May 2008, the tribunal awarded the total sum of US\$ 123 million plus interest to Equator.

Following continuous legal actions, In February 2012, a liquidator was appointed to take custody and control of the assets of Peak. Peak responded with a series of appeals and applications, many of which were struck out by the courts.

In 2014, Equator agreed to work with the Peak shareholders in developing an opportunity to again settle. In September 2014, Equator and the Peak shareholders signed an agreement that outlined the terms of the new settlement. The Settlement agreement required Peak to acknowledge and pay Equator the sum of \$52.24m to settle agreed debts owed solely to Equator. Peak was also required to honour Equator's other rights under the BSA, namely a carried interest of 5% in the oil project and a paying interest of 12.5% in any gas development.

Peak and Equator signed the Settlement Agreement in May 2015 and all court actions were suspended. The agreement granted Peak a period of 6 months to source the funding required to pay its outstanding project debts and to finance the development of the field. The agreement provided a further 3 month period for Peak to make payment into an escrow account of the outstanding renegotiated debt to Equator.

As at the date of this report, Peak has failed to secure funding. In 2017, Equator returned to the Appeal Court seeking for the remaining appeals to be struck out so that the liquidation can continue. The Appeal Court has remained adjourned while Equator has monitored various initiatives for refinancing the project.

OML 90 (AKEPO)

Overview

Akepo Marginal Field License (40% OER WI and technical partner; Sogenal, operator, 60% WI) was carved from OML 90 and located in shallow waters (<20m) of the western Niger Delta. The License covers an area of 26 km2 (6,425 acres). The License includes one undeveloped field (Akepo) and two prospects (A and B, collectively referred to as Akepo North).



With a 40% interest in the Akepo Marginal Field, we remain positioned to unlock shallow water reserves and advance indigenous participation in Nigeria's energy sector.

We are Africa, We Are Oando

Oando Energy Resources - Asset Profiles continued

OPL 321 AND OPL 323

Overview

OPL 321 and OPL 323 (24.5% OER WI; operator KNOC) are located adjacent to OML 125, offshore from the Nigerian coast, at a water depth of 950 m to 2,000 m. The Licenses cover a combined area of 2,147 km2 (530,535 acres). The Licenses have been the subject of a dispute between the operator, KNOC, and the Nigerian Government. The License includes five sizeable prospects (Gorilla, Lobster, Octopus and Whale (OPL 323) and Elephant (OPL 321).

On 3 March 2017, the Supreme Court reached a judgment on the litigation initiated by KNOC in March 2009 to challenge the government's decision to void the awards of the blocks made in 2006.

It affirmed the decision of the Court of Appeal, ruling that the action taken by the President in 2009 to void the award of the Blocks was within his executive powers. The remedy for KNOC was therefore a suit for breach of contract and damages and not a writ of certiorari. The Supreme Court did not rule on the merits of KNOC's case. KNOC could have chosen to return to the High Court with a contractual lawsuit, but it has become clear that they have decided to withdraw from the blocks, seeking a refund of their partial payment of the signature bonuses of US\$ 92.3 million.

The Department of Petroleum Resources (DPR) re-offered the blocks to the ONGC Consortium. Equator tried to reach agreement with the other remaining claimants in order to present the government with a joint solution. However, Owel, NJ Exploration and Tulip continued to press government with their individual claims. Faced with this, Equator has decided to concentrate on its claim to at least 30% of the blocks and is vigorously pursuing it.

In 2019, the Federal Ministry of Petroleum Resources issued a directive to the DPR on the award of OPLs 321 and 323 to Equator Exploration Limited, Owel Petroleum Services Limited, Tulip Energy Limited for OPL 321 and NJ Exploration Limited for OPL 323. The Consortium confirmed its continued interest in the Blocks, acceptance to submit a Financial and Technical Partner with the requisite deep-water capability and experience to be the operator of the Blocks and its commitment for the DPR to conduct Due Diligence on the preferred Technical and Financial Partner.

Upon successful completion of the due diligence exercise on the technical and financial competence of the potential Operator, the consortium would engage with the Ministry of Petroleum Resources on the commercial terms of the award.

The Consortium is yet to conclude negotiations with the Ministry of Petroleum Resources on the fiscal and commercial terms of the award. The Company has maintained that it is entitled to at least a 30% participating interest in the two blocks, despite the return of its share of the signature bonuses, totaling US\$ 161.7 million, in October 2009. At the time, the government acknowledged receipt of the Company's letter stating this position.

OPL 236

Oando Exploration and Production Limited (OEPL) was awarded this block in May 2007 and the PSC was signed with NNPC in February 2008. This conferred OEPL with a 95% working interest and operatorship of the block. RFO Ventures is the local content vehicle (LCV) with a 5% participatory interest.

The block is located onshore Akwa Ibom State with a total acreage of 1,650 km2. A Global Memorandum of Understanding (GMoU) was signed with the Ukana community in August 2008. The GMoU is centred around promoting peace and security in the region by engaging the local communities.

OPL 236 is currently in the exploration stage. In 2010, 2D seismic data for OPL 236 was purchased and digitized.

OPL 278

In January 2006, OEPL acquired a 60% working interest in OPL 278. OPL 278 is operated by OEPL under a joint operating agreement ("JOA") made between OEPL, CAMAC, Allied Energy and First Axis. OPL 278 is located offshore of Rivers State in a transition zone (swamp to shallow marine) on an area of 91.9 km2. Three prospects have been identified in OPL 278, which are key, Prospect A and Prospect B.

OPL 282

On August 8, 2006, Oando PLC entered the OPL 282 Production Sharing Contract (PSC) through a 40% equity ownership in Alliance Oil Producing Nigeria Limited ("AOPN") which is the LCV partner in the OPL 282 PSC between NNPC and Nigerian Agip Oil Company Limited ("NAOC") and AOPN. The PSC Contractor group is/was made up of NAOC with a 90% interest and designated Operator and AOPN at 10%.

Following the acquisition of NAOC in September 2024, Oando acquired NAOC's 90% interest effectively holding 94% of the Contractor interest and is the designated Operator of the PSC. OPL 282 is in a transition zone (onshore to shallow marine) in Bayelsa State, on an area of 695 km2, 15km from the Oando JV Clough Creek flow station.

An exploration drilling campaign in the block was kicked off with the Tinpa 1 well, which spudded in Q4, 2011. Tinpa 1 was successfully drilled to a TD of 3700 MD, and it encountered oil and associated gas in three sands, which were successfully tested and completed. Tinpa 2 was drilled in Q2, 2013 but did not encounter hydrocarbon bearing sands. The well was subsequently plugged and abandoned.



We continue to strengthen our upstream portfolio through strategic partnerships, operational resilience, and a commitment to unlocking Nigeria's vast hydrocarbon potential.

We are Africa, We Are Oando



Oando Trading



\$84 bbl

Average Brent crude price in H1 2024, driven by high demand and supply constraints

\$75 bbl

Brent crude price by end of 2024, reflecting a 3% decline year-on-year due to weakening global demand

Overview

Oando Trading DMCC (OTD), a wholly owned subsidiary of Oando PLC, is a key player in the oil and gas trading sector across sub-Saharan Africa. As a critical part of one of Africa's largest integrated energy providers, OTD is involved in the supply and trading of crude oil and refined petroleum products, including Premium Motor Spirit (PMS), Automotive Gas Oil (AGO), Aviation Turbine Kerosene (ATK), Naphtha, Low Pour Fuel Oil (LPFO), and Liquefied Petroleum Gas (LPG). Leveraging its substantial capital base, international partnerships, and local expertise, OTD remains committed to enhancing market performance and positioning itself as a leader in the region's energy sector.

2024 Operating and Financial Highlights

The global oil and gas trading environment experienced increased volatility in 2024, influenced by geopolitical tensions, shifting Organization of the Petroleum Exporting Countries (OPEC) production strategies, and supply-demand dynamics adding layers of complexity to the trading environment. Oil prices registered notable fluctuations throughout 2024. The first half of the year saw Brent price average \$84/bbl owing to a combination of high demand and supply constraints. However, by the end of the year, price softened to around \$75/bbl, marking a 3% decline compared to the previous year, because of weakening global demand, particularly from China and developed economies.

As regards Nigeria's oil and gas sector, it underwent significant transformations during the year aimed at enhancing domestic refining capacity and attracting investment. The Dangote Refinery, with a capacity of 650,000 barrels per day, began processing petrol in September, reducing the nation's reliance on imports.

As an active participant in the Nigerian and international market, OTD's operations were affected by these events, with the largest impact being on the trading volumes which experienced a year-on-year decrease. Despite the lower trading activity, margins remained relatively healthy. Adjustments made to risk and trading strategies coupled with the implementation of cost cutting measures further supported the bottom-line demonstrating resilience in a challenging environment.

In a volatile trading year, Oando Trading DMCC navigated shifting oil prices and global uncertainty with strategic resilience. Despite lower volumes, healthy margins, cost optimisation, and risk strategy adjustments supported strong performance, reinforcing OTD's role as a key player in sub-Saharan Africa's energy sector.

Oando Trading continued

Key Performance Metrics:

- Crude Oil Trading: Traded volumes reduced by 37% compared to the previous year. This was despite the company's successful participation in a crude oil prefinancing structure sponsored by the NNPC (amounting US\$550m).
- Refined Petroleum Products: Dangote Refinery commencing operations in 2024 led to a market shift in the Nigerian market supply framework, reducing reliance on imports. Refined products' trading volumes fell by 64% as a result.
- **Turnover:** This decreased by 47% to US\$2.3 billion owing to the lower trading activity coupled with a marginal 3% fall in the average oil price compared to 2023.
- Net Profit: OTD recorded a net profit of US\$15 million, up from US\$8.1 million in 2023.

These results highlight OTD's ability to adapt to the global economic landscape while capturing value across its operations.

Strategic Initiatives and Key Developments

In 2024, OTD executed several strategic initiatives aimed at sustaining growth, enhancing resilience, and capturing value across the supply chain:

1. Crude Pre-Financing Structures

OTD targeted to increase its market share in Nigeria's refined product imports. The goal was to achieve a 10% increase in market growth within the sector, enhancing OTD's ability to meet domestic demand.

2. Strengthening Partnerships with Oil Majors and Local Companies

Deepening relationships with both international oil majors and local entities in Nigeria, OTD worked to increase traded volumes and deliver value across the supply chain. This effort is expected to bring long-term benefits, supporting OTD's sustainable growth goals.

3. Joint Ventures and Strategic Partnerships in West Africa
OTD expanded its joint venture partnerships with both
private and state-owned entities across West Africa.
Leveraging its deep market expertise, these partnerships
focused on feedstock supply and infrastructure investments,
supporting OTD's integrated approach and unlocking value
through greater supply chain involvement.

2025 Outlook

OTD is optimistic about 2025, as the company continues to position itself to meet rising demand across its markets. Several strategic initiatives, launched in 2024, will enter advanced stages, including enhanced regional partnerships, increased import capabilities, and deeper market penetration.

Key focus areas for 2025 include:

- Increasing the scope of OTD's trading portfolio to support evolving market needs and capitalize on growth opportunities across Africa
- Expanding partnerships and market reach in Nigeria to capture additional value from infrastructure and supply chain investments.
- Maintaining resilience by adapting to external challenges and leveraging OTD's experience to navigate market uncertainties.
- Further develop the financial capacity to participate in oilbacked prepayment facilities across the continent.

With a strategic focus on innovation, efficiency, and sustainability, OTD is well-positioned to achieve continued growth and reinforce its role as a leading energy solutions provider in the African market.

Conclusion

Oando Trading DMCC's performance in 2024 demonstrates its commitment to resilient growth, strategic partnerships, and sustainable operations. Through its ongoing initiatives and market-driven approach, OTD is poised to enhance its contribution to Oando PLC and the African energy landscape in 2025 and beyond.



With deeper partnerships, regional expansion, and strategic pre-financing, OTD is poised to lead Africa's evolving energy trade.

We are Africa, We Are Oando

Oando Clean Energy (OCEL)



121,145km

Total distance covered by OCEL's electric bus operations in 2024

Through Oando Clean Energy Limited, we advanced Nigeria's energy transition with innovative green projects, notably in electric mass transit and taxi services. In 2024, our EV buses covered 121,145 km, served over 205,000 riders, and avoided over 163,000 kg of carbon emissions, solidifying our role in driving sustainable mobility and climate action.

Global Green Energy Space

The global green energy sector continues to expand at a rapid pace, driven by increasing investments, technological innovation, and robust policy support for sustainability. Governments worldwide are strengthening their commitment to clean energy as they pursue ambitious carbon reduction targets under international climate agreements, responding to growing environmental and regulatory pressures. In alignment with Nigeria's Energy Transition Plan and Nationally Determined Contributions (NDCs), Oando Clean Energy Limited (OCEL) remains at the fore of designing, developing and executing projects aimed at mitigating greenhouse gas (GHG) emissions, particularly within the transport sector. These initiatives span solar and wind energy, municipal solid waste management, PET material recycling, geothermal energy, and emission reduction strategies for transportation. Through these efforts, OCEL reinforces its dedication to sustainable development and climate action, contributing to Nigeria's broader energy transition and environmental objectives.

Sustainable Transport

Overview

The Electric Mass Transit Project (LightSpeed MT) and Electric Taxi Hailing Project (LightSpeed TX) are OCEL's flagship initiatives aimed at transforming Nigeria's transportation sector through the use of electric vehicles (EVs) with the aim of encouraging EV adaptation in Nigeria. These projects focus on deploying electric buses and taxis as part of a broader

strategy to decarbonize urban mobility, enhance operational efficiency, and drive sustainable transportation solutions. Following the successful completion of a 90-day proof of concept (PoC) in October 2023, OCEL has operated its two electric buses throughout the year, gathering valuable operational insights and demonstrating the feasibility of electric mass transit in Lagos particularly and consequently, in Nigeria. Additionally, the company secured a 10-year operator license and an EV assembly license further highlighting its commitment to the sustainable transport. Building on this success, OCEL is set to launch a 50-bus Initial Rollout Phase in 2025 and commence the Mass Rollout Phase comprising of an additional 500 buses thereafter. This will further contribute to reduction in GHG emissions from the mass transportation sector, validating the operational and environmental advantages of electric public transport. Concurrently, the company secured a partnership agreement with technology partners for the deployment of 250 electric vehicles and supporting charging infrastructure for the LightSpeed TX initiative, which will introduce EV taxis, expanding clean transportation options for urban commuters. By integrating electric taxis into Nigeria's mobility ecosystem, OCEL aims to accelerate the transition to a low-carbon transport network that also provides the much-needed charging infrastructure that will encourage EV adoption in Nigeria, concurrently reducing emissions and the transport sector carbon footprint.

Operational Activities

Key operational activities for the sustainable transport projects are advancing swiftly, achieving key operational milestones along the way. The electric bus operations have delivered

Oando Clean Energy (OCEL) continued

commendable results, covering a total distance of 121,145 km in 2024. Over 6,579 operating hours, the fleet has successfully regenerated 52,801MWh of energy, enhancing overall efficiency. Ridership reached 205,152 riders demonstrating strong demand for sustainable transportation. Environmentally, the project has prevented 163,545.75kg of carbon emissions, significantly reducing the region's carbon footprint. Additionally, the transition to electric buses has saved approximately 60,573 liters of diesel, reinforcing the project's sustainability and proving the viability of large-scale electric mobility in public transport.

Waste-to-Value Overview

OCEL continued to mature the projects in its Waste-to-Value vertical, specifically the PET (polyethylene terephthalate) product recycling, and waste-to-energy projects. OCEL has incorporated a subsidiary Oando Recycling Limited to establish a 2,750 tons per month PET recycling plant. As at the end of 2024, the company had secured Expression of Interest (EOIs) for 5,100 tons per month of recycled PET materials offtake primarily from Europe. In addition to this, significant interest has been received from international lenders seeking to provide funding to ORL for the project. The waste-to-value vertical also saw OCEL sign an MoU with Beijing GeoEnviron Engineering & Technology (BGE), one of China's earliest national high-tech enterprises specializing in solid waste and water pollution control to develop a 60MWh solid municipal waste-to-energy power-plant in Lagos via the processing of 3,000 tons per day of solid municipal waste. Both highlighted projects would play crucial steps toward reducing environmental pollution in Lagos and Ogun States while generating valuable products from waste and contributing significantly to waste management solutions in Nigeria.

Geothermal Overview

The Geothermal project aims at deploying geothermal plants by repurposing end-of-life oil wells within the OERNL JV, leveraging existing oil and gas infrastructure to tap into this source of renewable energy. This project provides a sustainable solution for energy generation while reducing environmental impact. OCEL secured alignment with NNPC E&P Limited (NEPL), a critical step in executing the codevelopment MoU with NNPC-RTI. Additionally, a technoeconomic study was conducted to assess the business case validity of the project, laying the groundwork for further feasibility study and the project design.

Wind Overview

OCEL continued to develop its wind energy vertical with sustained focus on the deployment of onshore wind turbines to harness clean, renewable energy from wind resources. With a focus on large-scale wind power generation, contributing to the country's transition to a low-carbon energy mix. Following the completion of Phase 1A desktop studies in 2023, OCEL completed the vendor section process for the 12-month wind profile study of the most optimal locations identified in the desktop study in a bid to acquire real time wind-data over a varying time period. Further, OCEL has signed MoUs with the State Governments of Cross River and Edo for the deployment of 100MW and 175MW Wind Farms, respectively in these States. The company has also developed a National Wind Resource Report in which it plans to publish in the next year to spread knowledge and garner traction for wind energy development in Nigeria.

Solar Overview

Nigeria's energy sector has continued its strategic transition towards renewable sources, with a pronounced emphasis on solar energy. OCEL has made significant progress in advancing its 1.2GW dual production line Solar Module Assembly Plant project. The company has engaged in advanced discussions with leading solar original equipment manufacturers (OEMs) in China and Italy to establish technical and commercial partnerships for this initiative, signing an MoU with the Italian company, Ecoprogetti S.r.l. Additionally, OCEL has initiated negotiations with capital providers to secure debt and equity required for the project. Through these comprehensive efforts, OCEL aims to enhance energy resilience and sustainability across Africa. By localizing the manufacturing of solar panels, the project seeks to reduce costs, improve supply chain efficiency, and promote energy independence. The plant is poised to play a pivotal role in the regional solar energy ecosystem, supplying high-quality, locally assembled solar panels to support a diverse array of solar initiatives, from residential installations to large-scale solar farms. This endeavour is designed to accelerate renewable energy adoption, generate employment opportunities, and contribute to Nigeria's energy transition, addressing power access challenges in underserved areas.

Strategic Outlook

OCEL remains committed to driving innovation, sustainable growth, improving liquidity position, as well as financial and operational stability to strengthen its position in the green energy sector. In the year ahead, the company will advance its growth initiatives by expanding its sustainable transport portfolio, including the rollout of the 50 electric buses for its electric mass transit project. Strategic partnerships with state governments will be actively pursued to integrate OCEL's projects across multiple verticals, supporting states in achieving their net-zero commitments and enhancing infrastructure development. Key projects set to mature and commence in 2025 include the rollout of a 250-unit electric taxi-hailing service and the Final Investment Decision (FID) for the Solar Module Assembly Plant Project and PET recycling plant amongst others. To ensure liquidity, OCEL will prioritize the swift execution of projects to secure steady cash inflows, establish medium-to-long-term off-take agreements, and explore alternative funding mechanisms for pre-operational costs. The company will also leverage technology to drive cost efficiencies while maintaining a lean and agile workforce. Operational stability will be reinforced through securing external funding for working capital and project execution, as well as successfully transitioning projects from conceptual and feasibility stages to full-scale implementation. Through these initiatives, OCEL continues to play a pivotal role in advancing Africa's transition to a sustainable energy future.

Conclusion

OCEL's strategic outlook remains focused on innovation, sustainable growth, financial resilience, and operational stability, reinforcing its leadership in the green energy sector. By harnessing technology, strengthening strategic partnerships, and exploring new market opportunities, the company is well-positioned to deliver impactful and scalable solutions. These efforts will drive strong financial performance, enhance market competitiveness, and ensure long-term success in an increasingly dynamic and evolving energy landscape.

Oando Mining and Infrastructure Development



H190 million

Allocated to field deployment, analysis, and data interpretation for the Adamawa gemstone and limestone programm.

Overview

In 2024, Oando Mining and Infrastructure Development ("Oando Mining") built on the momentum from the previous year, expanding its footprint across Nigeria's mineral belt. We deepened our focus on lithium and bitumen development while taking strategic steps to diversify into other minerals, including gemstones and limestone. The year was marked by new license acquisitions, advanced technical evaluations, and targeted field activities across multiple Nigerian states.

Key Acquisitions and Licenses

Five new lithium exploration licenses were awarded in Oyo and Ekiti States, complementing our existing assets in Kwara State. Additional license applications remain under review, with approvals anticipated in 2025.

We also secured an exploration license in Demsa, Adamawa State, covering gemstone and limestone resources. This marked our first entry into Northern Nigeria, opening up opportunities to explore diverse geological formations and establish a pipeline across multiple mineral classes.

Operational Activities

Bitumer

Following the successful drilling of the Ososa Project in Ogun State in 2023, extracted bitumen samples were sent to a reputable core lab for storage and analysis. This enhanced our understanding of the deposit quality.

Simultaneously, we progressed discussions with potential collaborators for the development of Nigeria's first commercial-scale bitumen mine. A significant milestone was achieved with the completion and certification of the Environmental and Social Impact Assessment (ESIA) for the bitumen project, paving the way for development.

Community engagement remained a priority, with sustained outreach across host communities in Ososa, Epe, and Ijebu-Ode in Ogun and Lagos States.

Lithium Exploration & Evaluation

We conducted comprehensive desktop studies and geophysical evaluations across licensed areas in Kwara, Ekiti, and Oyo States. These were followed by fieldwork, including geological mapping and sample analysis in Ifelodun (Kwara State) and Auchi (Edo State). Additional field evaluations are scheduled for 2025.

Adamawa Exploration

Our inaugural exploration campaign outside the southwest was launched in Adamawa State, targeting gemstones and limestone. Activities included geophysical mapping, geological reconnaissance, stream sediment sampling, and preliminary geochemical analysis. These efforts provided a clearer geological picture and laid the foundation for future development.

Financial Highlights

We maintained a disciplined capital allocation approach, prioritizing value-accretive exploration, license maintenance, and project planning:

- #93 million was invested in technical consultancy for geophysical interpretation, geological modeling, and exploration design.
- Name and the state of the Adamawa gemstone and limestone program.
- #60 million supported lithium exploration, including fieldwork and sample evaluation.
- Note: Note:

Strategic Outlook for 2025

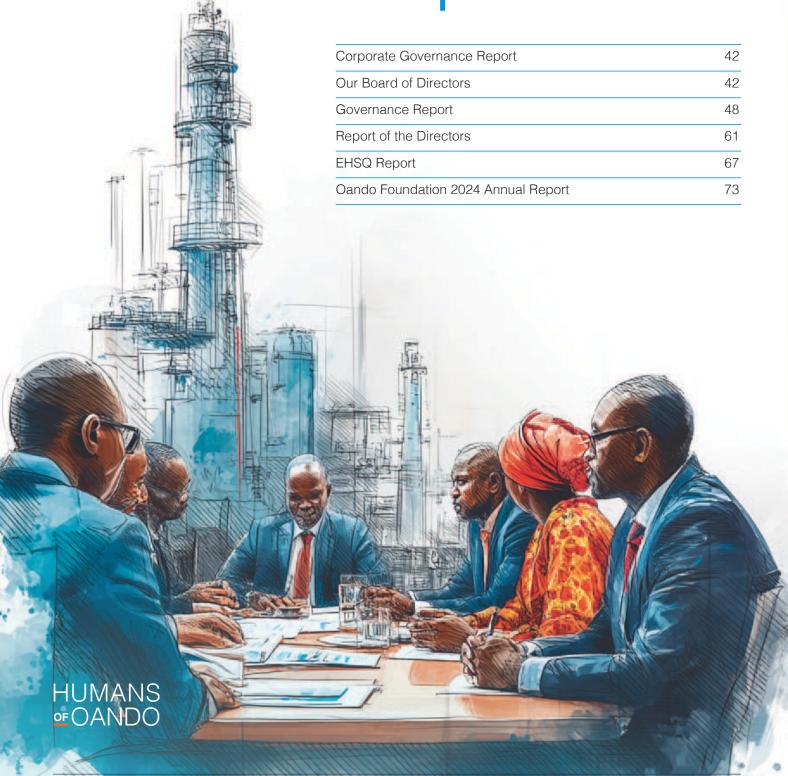
In 2025, we aim to transition one or more of our most promising lithium licenses from early-stage exploration to small-scale mine development, enabling early cashflows to fund larger-scale projects.

We will broaden our mineral portfolio to include tin and other base/industrial metals with proven commercial viability. Additionally, we plan to commence exploration of gold acreages in Northern Nigeria, spurred by renewed global investor interest in gold as a safe-haven asset.

We will also conclude partner engagement efforts for our bitumen project, with the goal of entering the feasibility phase for Nigeria's first commercial bitumen mine. Collectively, these initiatives demonstrate our intent to evolve into an integrated mining company, contributing meaningfully to economic diversification and job creation.

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Governance Report



Corporate Governance Report

At Oando, we are committed to upholding the highest standards of corporate governance. Our governance practices promote inclusive growth and are fundamental to ensuring strong oversight an essential component of our long-term success and sustainability.

The Board of Directors provides strategic leadership and oversight, with a focus on enhancing shareholder value while balancing the interests of our diverse stakeholders. Our governance framework is designed to ensure accountability, fairness, and transparency throughout the organization.

This Corporate Governance Report highlights Oando's key governance policies, the structure and responsibilities of the Board and its committees, and our approach to risk management and internal controls. We firmly believe that sound corporate governance is the foundation for delivering sustainable value to our shareholders and contributing meaningfully to the development of Nigerian society.

Sustainable Leadership - Board of Directors

At Oando, we are guided by a philosophy of sustainable leadership one that inspires purposeful action towards a better future. Our approach is rooted in vision, courage, resilience, integrity, innovation, and empathy.

The Board of Directors at Oando plays a pivotal role in providing strategic and entrepreneurial leadership. It oversees the effective management of the Company's operations, fosters an ethical corporate culture, and upholds responsible corporate citizenship. In fulfilling its responsibilities, the Board acts in good faith and in the best interests of the Company and its stakeholders, with a commitment to sustaining long-term value and prosperity.

While seizing growth opportunities, the Board carefully manages risk, ensuring that the Company's risk appetite remains aligned with its sustainability objectives. Ethical leadership is a cornerstone of the Board's governance framework, demonstrated through a robust code of conduct, whistleblowing mechanisms, and formal ethics training programs. These measures reinforce the Board's commitment to the highest standards of integrity across all levels of the organization.

The Board comprises accomplished professionals from diverse sectors, each bringing a wealth of experience, insight, and perspective to the Company. This diversity strengthens decision-making and mitigates the risk of groupthink.

Throughout the year, the Board convened regularly to review reports, deliberate on business matters, and review, re-calibrate and re-shape the Group's strategic direction.

Our Board of Directors

Non-Executive Chairman



Mr. Ademola Akinrele SAN

Chairman, Non-Executive Director

Mr. Ademola Akinrele, SAN is a renowned legal practitioner and respected corporate leader, and is the current Chairman of the Board of Oando PLC. He brings to the role decades of experience in complex commercial litigation, international arbitration, and corporate governance.

He obtained an LL.B (Hons) from University College, London in 1982 and an LL.M from the University of Cambridge in 1984. He was called to the Nigerian Bar in 1983 and began his legal career at the prestigious law firm of Chief Rotimi Williams & Co. He later founded F.O. Akinrele & Co., where he is the Managing Partner.

In recognition of his outstanding contributions to the legal profession, Mr. Akinrele was elevated to the rank of Senior Advocate of Nigeria (SAN) and conferred with a Fellowship of the Chartered Institute of Arbitrators (UK) in 1999. He has served as lead counsel in high-value disputes across the oil and gas, telecommunications, banking, maritime, and infrastructure sectors, and has been consistently recognised by clients and international directories for his legal acumen and advocacy. He was described in the Chambers Global directory on international lawyers as a "cerebral and focused" Senior Advocate of Nigeria (SAN) with vast experience in litigation. A "forceful and persuasive" advocate, who has built up a reputation in aviation and maritime-related matters.

He was Co-Editor, Nigerian Legal Practitioners Review; Former Country Correspondent, Euromoney International Financial Practice Law Files 1990; Recipient of the Award named "Fifteen Legal Practitioners of Distinction in Nigeria" given by a body of Nigerian Universities and Law School Students in 1990. He was elevated to the rank of Senior Advocate of Nigeria in 1999, making history as the youngest SAN at that time. Mr. Ademola Akinrele is a Fellow of the Chartered Institute of Arbitrators. Outside of Legal Practice, Mr. Akinrele has held the positions of Secretary, Oxford and Cambridge Club of Nigeria and Commodore of the Lagos Motor Boat Club.

Date of Appointment: July 8, 2016

Date of Appointment as Chairman: December 17, 2024

FINANCIAL STATEMENTS

Our Board of Directors continued

STRATEGIC REPORT

Non-Executive Chairman (Resigned)



HRM Oba Michael Adedotun Gbadebo, CFR

(The Alake of Egbaland)

Chairman, Non-Executive Director

HRM Oba Michael Adedotun Gbadebo, CFR, is the Alake (King) of Egbaland, Ogun State, Nigeria and past Chairman of the Board.

He was appointed as a Non-Executive Director of the Company on April 10, 2006 and resigned as chairman and director of the Board at the 45th Annual General Meeting held on December 17th, 2024. Prior to his Coronation as the Alake of Egbaland in 2005, HRM Gbadebo had a successful career in the Nigerian Army culminating in his appointment as the Principal Staff Officer to the Chief of Staff, Supreme Headquarters from January 1984 to September 1985. He was also the recipient of several military honours, including the Forces Service Star and the Defence Service Medal. He has served on the boards of several companies including Ocean and Oil Services Limited and currently serves on the boards of Global Haulage Resources Limited and Dolphin Travels Limited

HRM Oba Gbadebo obtained a Bachelor of Arts degree from the University of Ibadan. Nigeria in 1969 and graduated from the Staff College of the Nigerian Armed Forces in 1979. the Nigerian Armed Forces in 1979.

Date appointed to the Board: April 10, 2006

Date of Resignation: December 16, 2024

Executive Directors



Mr Jubril Adewale Tinubu, CON

Group Chief Executive

Mr. Jubril Adewale Tinubu is is a respected business leader and energy executive and the Group Chief Executive of Oando PLC and an Executive Director on the Board. He holds an LLB from the University of Liverpool and an LLM from the London School of Economics, where he specialised in International Finance and Shipping. He was called to the Nigerian Bar in 1990. Under his leadership, Oando has grown into one of sub-Saharan Africa's largest integrated energy companies, with strategic investments across upstream, mining, and clean energy sectors. He has spearheaded landmark acquisitions, including the purchase of ConocoPhillips' Nigerian assets and, more recently, the \$783 million acquisition of Nigerian Agip Oil Company in 2024.

A forward-looking leader, Mr. Tinubu has driven Oando's expansion into renewable energy through Oando Clean Energy Limited, reaffirming the Group's commitment to sustainable development. He has received numerous accolades for his contributions to business and leadership, including the national honour of Commander of the Order of the Niger (CON), Young Global Leader by the World Economic Forum, and several industry awards such as African Business Leader of the Year, Entrepreneur of the Year (West Africa) by Ernst & Young, and Deal of the Year at Africa Energy Week 2024. Beyond business, he champions educational and community development through initiatives such as the Oando Foundation's scholarship schemes, particularly in Nigeria's oil-producing communities. He is a member of the Institute of Directors, Nigeria and the Nigerian Bar Association and he serves on the boards of various blue-chip companies as Chairman and Director

Date appointed to the Board: July 17, 2000



Mr Omamofe Boyo

Deputy Group Chief Executive

Mr. Omamofe Boyo is the Deputy Group Chief Executive of Oando PLC and an Executive Director on the Board. Prior to his appointment as Deputy Group Chief Executive in 2006, Mr Boyo held a number of senior positions at Oando PLC including Executive Director, Marketing from 2000 to 2002 and Deputy Managing Director/Chief Operating Officer from 2002 to 2006. He was also the Chief Executive Officer of Oando Supply and Trading where he spearheaded initiatives for the representation of the industry's position on the proposed changes to the trade union laws. He started his career with the leading law firm of Chief Rotimi Williams' Chambers specialising in shipping and oil services and has worked on several joint venture transactions between the Nigerian National Petroleum Corporation and major international oil companies. Mr. Boyo obtained a Bachelor of Laws degree from Kings College, London, United Kingdom in 1989. He is a member of the Institute of Directors of Nigeria and a member of the Nigerian Bar Association. He currently serves on the boards of several companies.

Date appointed to the Board: July 17, 2000

STRATEGIC REPORT

Executive Directors







Mr Adeola Ogunsemi

Executive Director/Group Chief Financial Officer

Mr Adeola Ogunsemi is the current Group Chief Financial Officer of Oando PLC and an Executive Director on the Board. Mr Ogunsemi joined Oando in March 2009 as the Financial Controller of Oando Exploration & Production Limited and on January 01, 2012, was promoted as the Chief Financial Officer of Oando Energy Resources. He was appointed as an Executive Director and Group Chief Financial Officer on February 18, 2022. Prior to this, Mr. Ogunsemi worked at British Petroleum America for 5 years where he rose to become Assistant Controller. He has extensive experience in fundraising, mergers, acquisitions and divestments, joint venture management, financial reporting, process improvement, internal control evaluation and design, as well as financial management. Prior to joining BP America, he worked for Northern Illinois Gas in Chicago, USA, for four years, where he rose to become Head, Disbursements. Other employment experience include the Chicagoland Chamber of Commerce and Midas International in Illinois, USA occupying accounting and treasury roles. Mr Ogunsemi obtained a Master of Business Administration (MBA) in Finance and Strategic Management from the University of Chicago Booth School of Business in 2003 and a Bachelor of Science in Accounting and Finance from DePaul University in Chicago in 2000. He has been a member of the American Institute of Certified Public Accountants for 22 years and has been an Associate Chartered Accountant in Nigeria for over 15 years.

Date appointed to the Board: February 18, 2022

Dr. Ainojie Alex Irune

Executive Director/ MD, Oando Energy Resources Nigeria Limited

Dr. Ainojie 'Alex' Irune has over 15 years' experience garnered in both the oil and gas and automotive industries. He joined Oando PLC in 2011 and is currently an Executive Director on the Board as well as the Managing Director, Oando Energy Resources Nigeria Limited(OERNL), the Upstream subsidiary of Oando PLC. Prior to his current role, Dr. Irune occupied senior management positions across the Oando Group where he led a range of transformational change programs; notable amongst these, spearheading strategic initiatives aimed at restructuring the business and reducing the Group's debt obligations as well as implementation of the global communications strategy for Oando's \$1.5bn acquisition of ConocoPhillips Nigeria upstream assets. Dr. Irune began his career as a research consultant in the United Kingdom, driving innovation and studies focused on human computer interaction with automobile companies such as Jaguar Land Rover, Nissan and Honda. He earned a Bachelor of Science degree and a PHD in computer science from the University of Nottingham. He is also a member of the Institute of Directors and an advocate for a more just and equitable society with strong focus on youth development and empowerment.

Date appointed to the Board: August 31, 2021

Ms. Ayotola Jagun

Executive Director, Corporate Services

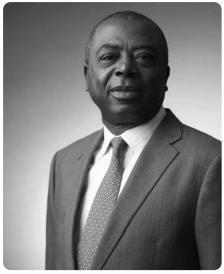
Ms. Ayotola Jagun is a seasoned legal and governance professional with over three (3) decades of experience spanning the professional services, financial services, and energy sectors. She brings deep expertise in corporate governance, regulatory compliance, enterprise risk management, and sustainability. Over the past fourteen (14) years, Ayotola has served as Oando's Chief Compliance Officer & Company Secretary and has been instrumental in aligning the Company's corporate practices with global standards, fostering a culture of transparency, and strengthening stakeholder confidence. With dual legal qualifications in Nigeria and the UK, advanced credentials in ethics and governance, and strong leadership across domestic and international boards, she brings unmatched credibility and strategic oversight to Oando. Her dedication to integrity, transparency, and professional development underscores her role in reinforcing robust corporate governance frameworks and ethical standards within the Group.. A respected voice in governance circles, her professional credentials include Fellowships of the Corporate Governance Institute, the Institute of Chartered Secretaries and Administrators of Nigeria, and the Chartered Institute of Directors (Nigeria), as well as membership of the Nigerian Bar Association. These affiliations further reflect her unwavering commitment to sound corporate governance and industry collaboration.

Date appointed to the Board: May 20, 2025

STRATEGIC REPORT

Non-Executive Directors







Mr. Tanimu Yakubu

Independent Non-Executive Director (resigned August 23rd 2024)

Mr. Tanimu Yakubu joined Oando PLC as a Non-Executive Director on June 30, 2015, and resigned from his position in August 2024 to undertake a national assignment with the Federal Government of Nigeria. Prior to his appointment in 2015, Tanimu Yakubu held key positions in both the private and public sectors in Nigeria, the most notable being as Chief Economic Adviser to the President, Commander in Chief of the Federal Republic of Nigeria, during which he also served as a member of the National Economic Management team from 2007-2010. He was also appointed as the Deputy Chief of Staff to the then President, Umaru-Yar-Adua in 2007. His other notable public service appointments include, Honourable Commissioner, Ministry of Finance, Budget and Economic Planning. Katsina State from 1999 to 2002; Managing Director/Chief Executive Officer of the Federal Mortgage Bank from 2003-2007. He currently serves on the boards of The Infrastructure Bank PLC and APT Pension Funds Managers

Tanimu Yakubu holds a first degree in Economics and an MBA in Finance from Wagner College Staten and New York USA. He also obtained certificates in Commercial Loans to Business and Commercial Lending and Bank Management. from Omega USA, Marketing Research from the University of Ibadan, and Housing and Infrastructure Finance from the World Bank, Parnie Mae & Wharton School of the University of Pennsylvania, USA.

Date appointed to the Board: June 30, 2015

Date of Resignation: August 23, 2024

Mr. Ike Osakwe

Independent Non-Executive Director

Mr Ikeme Osakwe is a retired public and private sector financial management specialist. He holds bachelor's and master's degrees in chemistry from the University of Oxford and is an associate Member of the Institutes of Chartered Accountants both for Nigeria, and for England and Wales.

Initially trained at KPMG Audit in London, he returned to Nigeria in 1980 and established GRID Consulting Ltd - specializing in financial management advisory for commerce, industry, governments and NGOs. For the next 40 years he successfully executed extensive and impactful assignments in Nigeria and across the sub-region, for governments - in ministries and parastatals; at federal, state and local government levels, and particularly with international development partners, at grass roots and community levels.

Within this advisory practice, Mr Osakwe carried out a substantial number of complex advisory and investigation assignments for the Nigerian government in NITEL, NNPC, PPMC, NICON Insurance, Nigerian Reinsurance, and TCPC. Within the same practice, he also worked extensively and impactfully in the development aid space in Nigeria. Specifically, he championed the general application of financial management as the primary tool to establishing sustainability in development projects at all levels (local government, state government and federal government levels) across the country. In this regard, he continually served as the essential and only Nigerian representative on the Project Management Boards of several signature internationally funded development aid programmes in Nigeria.

He recently retired and sold the business to a global corporation headquartered in the United Staes of America. He now sits on the Board of this corporation, bringing his vast experience in the dynamics of most major industrial sectors to bear in his continuing work on corporate governance.

Date appointed to the Board: July 8, 2016

Mrs. Ronke Sokefun

Independent Non-Executive Director

Mrs. Sokefun graduated with a Bachelors in Law, LLB (Hons.) in 1987 and was called to the Nigerian Bar (also with honours) in November 1988. Between 1990 and 1993 she worked in Ighodalo & Associates, a Company Secretarial firm. While there, she qualified as a member of the Institute of Chartered Secretaries & Administrators. In 1993, she joined the prestigious firm of Aluko & Oyebode as an Associate and was made a partner in 2001. Her practice focus was Business Advisory Services and she worked with several blue-chip companies in this regard. In 2002, she moved to the Oando Group, where within a few years she rose to the position of Chief Legal Officer. During this period, she also sat on the Board of the . Telecom's giant - Celtel/Zain (now Airtel) as an alternate Director. She served in this position until 2011 when she was called to public service in Ogun State and proceeded to serve as a 2-term Commissioner - holding diverse portfolios - under Senator Ibikunle Amosun's administration as Ogun State Governor. In January 2019, Mrs. Sokefun was appointed Chairman of the Board of Directors of the Nigeria Deposit Insurance Corporation ('NDIC') by President Muhammadu Buhari, GCFR and served until December 2022. Mrs. Sokefun is a fellow of the Institute of Directors, a member of the Institute of Chartered Secretaries & Administrators, the Nigerian Bar Association, the International Bar Association, and the Association of International Petroleum Negotiators.

Date appointed to the Board: December 23, 2021

STRATEGIC REPORT

Non-Executive Directors







Mrs. Nana Fatime Mede, OON

Independent Non-Executive Director

Mrs. Nana Fatima Mede is an Accountant by profession with a BSc degree in accounting as well as an MBA, both from the Alabama A&M University. She also possesses a certificate in public financial management from the prestigious John F Kennedy School of Government, Harvard University. She joined the Nigerian Television Authority (NTA) Abuja in 1982, where she rose through the ranks to become a Principal Accountant before transferring her service to the Benue State Government in 1991. From 1991 to 2007, Mrs. Mede deployed her expertise working for the Benue State Government at various levels. During her time there, she worked as a Director of Finance & Supplies in the Ministry of Works, Housing and Transport before being made the Director of Project Operations in the Benue State Treasury in 1998. In 2001, she became the Permanent Secretary Treasury/Accountant General, where she oversaw the management of the state's finances, amongst other key responsibilities. Mrs. Mede moved to the Office of the Accountant General of the Federation in 2007, serving as a Director of Finance and the pioneer Director/National Coordinator of the Integrated Personnel Payroll Information System (IPPIS). In 2014, she was sworn in as a Federal Permanent Secretary in the Ministry of Environment. Afterwards, Mrs. Mede was transferred as a Permanent Secretary to the Ministry of Budget & National Planning before gracefully retiring after attaining the mandatory 35 years of active public service in 2017. In December 2021, Mrs. Mede was appointed a member of the National Judicial Council.

Date appointed to the Board: December 23, 2021

Mr. Bashir Bello

Independent Non-Executive Director

Bashir Bello is an Oil & Gas Professional with over 32 years of experience in Technical and Executive Management positions across the industry. His expertise spans all sectors, from Downstream (Refining) to Midstream (LNG) and Upstream (Exploration and Production), with a strong focus on Operations, Engineering, Project Management, and Corporate Governance. Bashir has served as a Board Member for Shell Petroleum Development Company of Nigeria Limited, Bonny Gas Transport Company, NLNG Ship Manning Company Limited, and various Board Committees of Nigeria LNG. With a proven ability in Interface and Stakeholder Management, Bashir is skilled at delivering business value in Joint Ventures with diverse shareholder agendas, managing projects with complex interfaces and stakeholder expectations, and overseeing operations with diverse functional requirements and limited resources. Bashir holds a Bachelor of Engineering (B.Eng.) in Mechanical Engineering from Bayero University Kano, Nigeria. Bashir is a Fellow of the Nigeria Society of Engineers (NSE), and a Registered Engineer with the Council for the Regulation of Engineering in Nigeria (COREN).

Date appointed to the Board: November 25, 2024

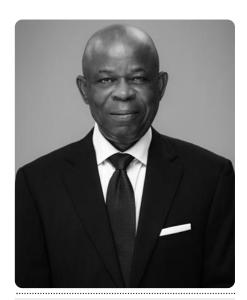
Mr. Ken Igbokwe

Independent Non-Executive Director

Ken Igbokwe is a highly experienced management and consulting professional with over 35 years of expertise in various sectors, including oil & gas, financial services and the public sector. During his distinguished career at PwC Nigeria, Ken held key top leadership roles in Assurance, Tax and Consulting. His experience spans a wide range of areas such as statutory, financial and process audits & assurance, business valuations, dispute resolution, financial and information systems risk management, corporate strategy development, corporate performance management, and tax planning. In his role as Country Leader of PwC Nigeria, Ken had responsibility for driving strategic thinking and the visioning that underpinned the growth of the firm. He was in this leadership position for 10 years during which PwC Nigeria's business recorded tremendous growth with PwC becoming the leading "Big 4" accounting and audit services brand. He led the PwC West Africa business into the Africawide PwC merger in 2012. Ken contributes to public discourse and debates on public sector transformation in Nigeria and on matters which focus on corporate governance and the strengthening of the investment climate. Ken holds a B.Sc. (Eng) degree in Mechanical Engineering from Imperial College, London University, which he attended as a Shell Scholar, graduating in 1978. He is a current member of the Institutes of Chartered Accountants England & Wales, and Nigeria. He is also a current member of the Chartered Institute of Taxation of Nigeria.

Date appointed to the Board: November 25, 2024

Non-Executive Directors



Mr. Cosmas Iwueze

Independent Non-Executive Director

Cosmas Iwueze is a seasoned petroleum engineer and business leader with over three decades of experience in the oil and gas industry. He was appointed to the board as a non-executive director in December 2024. Prior to his appointment, Cosmas joined Chevron Nigeria Limited (CNL) in 1990 and rose through positions of increasing responsibility across Reservoir and Asset Management, Commercial Development, Operations, Project Management, and Business Strategy. He also gained international experience working with Chevron in California and Angola.

Cosmas previously held leadership roles as Business Services Director for Chevron's Nigeria/Mid-Africa unit, General Manager of Operations, and General Manager of Asset Development and Exploration. Notable achievements include securing third-party financing for JV projects and contributing to national petroleum policy development during a secondment to the Nigerian government. Prior to retiring in November 2024, Cosmas served as Director of the NNPC/Chevron Joint Venture (JV), overseeing the JV asset development, major projects as well as oil and gas production with profit and loss accountability. In this role, he led strategic initiatives, managed multiple general managers, and acted as Managing Director when

Date appointed to the Board: December 16, 2024



With integrity, innovation, and empathy at the core, our Board drives ethical leadership and sustainable progress for all stakeholders.

We are Africa, We Are Oando

Governance Report

Corporate Governance Structure

The Company's Board of Directors is responsible for defining the strategic direction and overseeing business operations of the Group. In fulfilling this role, the Board formulates and enforces sustainability policies that reflect the Company's commitment to all its stakeholders.

The Board's activities are aligned with relevant corporate governance principles and international best practices, ensuring a structured, ethical, and effective approach to leadership.

Oando is firmly committed to protecting and advancing the interests of its shareholders. The Company recognises that adopting superior management and governance practices contributes significantly to long-term business sustainability and strengthens accountability. Our policies are designed to uphold our responsibilities not only to shareholders but also to employees, customers, suppliers, regulators, and the communities in which we operate. In all actions, we remain guided by integrity and a commitment to serve the best interests of our stakeholders.

We continue to uphold the highest standards of transparency, accountability, and sound corporate governance. This is reflected in our adherence to Nigerian and international regulatory frameworks, including the Companies and Allied Matters Act 2020, the Securities and Exchange Commission's Corporate Governance Guidelines, and the Nigerian Code of Corporate Governance 2018.

Board of Directors as of 31 December 2024

Non-Executive Directors

- Mr. Ademola Akinrele SAN, Chairman (Appointed as Chairman December 16, 2024)
- HRM Oba Michael Adedotun Gbadebo CFR (Resigned December 16, 2024)
- Mr. Tanimu Yakubu (Resigned August 23, 2024)

Independent Non-Executive Directors

- Mr. Ike Osakwe
- Mrs. Fatima Nana Mede, OON
- Mrs. Ronke Sokefun
- Mr. Bashir Bello (Appointed November 25, 2024)
- Mr. Ken Igbokwe (Appointed November 25, 2024)
- Mr. Cosmas Iwueze (Appointed December 16, 2024)

Executive Directors

- Mr Jubril Adewale Tinubu, CON, Group Chief Executive
- Mr Omamofe Boyo, Deputy Group Chief Executive
- Mr Adeola Ogunsemi, Group Chief Financial Officer
- Dr. Ainojie Alex Irune, Managing Director, Oando Energy Resources Nigeria Limited.

Chief Compliance Officer & Company Secretary

Ms. Ayotola Jagun

Board Composition and Independence

The Board comprises a diverse group of professionals with broad academic and industry experience. This diversity extends to gender representation which demonstrates the organization's commitment to promoting an inclusive and balanced decision-making process. In compliance with Article 78 of the Company's Articles of Association, the Board maintains a size that ranges between 10 and 15 Directors. This structure not only meets regulatory requirements but also aligns with the Nigerian Code of Corporate Governance by ensuring the Board is well-equipped to effectively guide and oversee the company's strategic direction and operations.

In conformity with best corporate governance practices, the roles of the Chairman and Group Chief Executive are distinctly separated. The Board is composed of a well-balanced mix of Executive, Non-Executive, and Independent Non-Executive Directors, in reflection of its world-class corporate governance structure. To secure the integrity of the Board's oversight functions, neither the Chairman, the Group CEO, nor any Executive Director holds the position of chairman on any Board committee.

The Board and its committees receive dedicated support from the Company Secretary and Chief Compliance Officer, who serves as a critical resource and provides guidance on governance, regulatory compliance, and the fulfilment of their responsibilities.

Board Authority

A range of decisions is specifically reserved for the Board to ensure it retains proper direction and control of the Oando Group. These are listed in the Schedule of Matters Reserved for the Board. The Board is authorised to delegate some of these functions to Executive Directors who are responsible for the day-to-day management of the business or to Committees of the Board. The Delegation of Authority Policy sets the approval and financial limits on the decisions that can be taken by Management, Executive Directors, and the various Committees of the Board.

The day-to-day operational management of the Group's activities and operations is delegated to the Group Chief Executive (GCE), who has direct responsibilities. He is supported by the Deputy Group Chief Executive (DGCE) and the Executive Directors, Chief Executive Officers of the operating subsidiaries, the Chief Human Resources Officer, Chief Compliance Officer and Company Secretary and the Chief Legal Officer.

Board Duties and Responsibilities

The Directors act in good faith, with due care and in the best interests of the Company and all its stakeholders. Each Director is expected to attend and actively participate in Board meetings. Subject to the provisions of the Companies and Allied Matters Act 2020 and the Nigerian Code of Corporate Governance, the Company does not prohibit its Directors from serving on other boards. However, Directors ensure that other commitments do not interfere with the discharge of their duties and shall not divulge or use confidential or inside information about the Company for personal gain.

The Board adopts the following best practice principles in the discharge of its duties:

 The Company believes that the Chairman of the Board should be a Non-Executive Director;

- To maintain an appropriate balance of interest and ensure transparency and impartiality, majority of the Directors are independent. The independent Directors are those who meet the criteria set out in the NCCG and have no material relationship with the Company beyond their Directorship;
- Directors are to abstain from actions that may lead to conflict-of-interest situations; and shall comply fully with the Company's Related Party Transactions Policies

Board Appointment Process

To ensure the highest standards of corporate governance, the Company has in place a Board Appointment Process to guide the appointment of its Directors. The policy is in line with corporate laws, rules, regulations, Codes of Corporate Governance, international best practice and the Company's Articles of Association.

The Governance and Nominations committee has the overall responsibility for the appointment process subject to approval by the Board. The fundamental principles of the process include the evaluation of the current balance of skills, knowledge and experience on the Board and identification of any gaps that are required to be filled, Commercial and leadership requirements of the Company and ability of the candidate to fulfil his/her duties and obligations as a director.

Board Strengthening and Strategic Appointments

In line with its commitment to sound corporate governance and strategic oversight, the Company significantly enhanced the composition of its Board through the appointment of 3 (three) additional Independent Non-Executive Directors during the reporting period. This followed a rigorous, merit-based recruitment process aimed at deepening sector-specific expertise and strengthening financial stewardship at the Board level.

The new Directors bring with them a wealth of experience, including seasoned professionals with deep technical expertise in the oil and gas industry, as well as renowned finance leaders with proven track records in corporate finance, risk management and internal controls and capital markets. These appointments are expected to enrich Board deliberations and further align the Company's governance structure with global best practices.

Re-election of Directors

Every year, a maximum of one-third of the Directors who are longest in office since their last appointment or election, are required to retire by rotation and, if eligible, offer themselves for re-election. The Board has the power to appoint a new director and any director so appointed is subject to shareholder election at the next Annual General Meeting (AGM).

In accordance with Section 285 (1) and (2) of the Companies and Allied Matters Act (CAMA) and Articles 91-93 of the Company's Articles of Association, the following Directors who have served the longest since their last election are retiring by rotation and being eligible, are presenting themselves for reelection at this AGM:

- 1. Mrs Nana Fatima Mede, OON
- 2. Mrs. Ronke Sokefun
- 3. Dr. Alex Irune

Board Meeting Protocols & Decision-Making

The Board meets at least once every quarter to discuss and decide on business policy and strategy, in addition to statutory and other matters. Additional meetings are scheduled whenever matters arise which require the attention of the Board or its committee. The Board and Committee meetings are prescheduled, and an annual calendar of the meetings is circulated to the Directors well in advance to facilitate planning of their schedules and to ensure meaningful participation in the meetings. Prior to meetings, the Governance Office circulates the agenda for the meeting along with documents the Directors would be required to deliberate upon. This enables the Directors to contribute effectively at Board meetings. In certain business exigencies, resolutions are passed through circularisation or additional meetings are conducted. The Board, through the Chief Compliance Officer and Company Secretary, keeps detailed minutes of its meetings that adequately and accurately reflect Board discussions.

Board Committees

Under the Company's Articles of Association, the Directors may appoint committees consisting of members of the Board and such other persons as they think fit and may delegate any of their powers to such committees. The committees are required to use their delegated powers in conformity with the regulations laid down by the Board.

The Board reserves the right to deliberate upon and decide on any matter which it may have previously delegated to any board committee, instead of referring the matter to the committee. Committee members are expected to attend each committee meeting unless exceptional circumstances prevent them from doing so. All the committees have terms of reference which guide members in the execution of their duties

All committees report to the Board of Directors and provide recommendations to the Board on matters reserved for Board authorisation. The following committees are currently operating at Board level:

- Statutory Audit Committee
- Governance and Nominations Committee
- Risk, Environmental, Social and Governance Committee
- Board Audit, Strategic Planning and Finance Committee

Audit Committee (Statutory Committee with shareholder members)

The Audit Committee was established in compliance with Sections 404 (3) of CAMA, which requires every public company to have an audit committee made up of three members and two (2) non-executive Directors. As of 31st December 2024, the Audit Committee was made up of five members, two Non-Executive Directors and three shareholder representatives of the Company. The Audit Committee members meet at least four times a year, and the meetings are attended by appropriate executives of the Company, including the Group Chief Financial Officer and the General Manager, Internal Control and Audit. In the financial year ended 31st December 2024, the Audit Committee held 9 meetings.

The Audit 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 exercises oversight in relation to financial reporting, the effectiveness of the system of risk management, and

robustness of internal financial controls and the risk management framework, compliance with laws and regulations, processes for the safeguarding of Company assets and the adequacy of the internal audit plans and audit reports.

The members of the Audit Committee who served during the year ended 31st December, 2024 were:

- Mr. Ike Osakwe (Chairman) Independent Non-Executive Director
- Mr. Ken Igbokwe Independent Non-Executive Director.
- Mrs. Faith George Shareholder Member.
- Mr. Segun David Oguntoye Shareholder Member
- Dr. Anthony Omojola Shareholder Member
- Dr. Joseph Asaolu Shareholder Member Resigned December 17, 2024

Curriculum Vitae of shareholder members of the Audit Committee

Dr. Joseph Asaolu - Shareholder Member

Dr. Joseph Asaolu is a Chartered Accountant with close to 40 years working experience. He retired in March 2013 as the Managing Partner of Balogun Badejo & Co. (now BBC Professionals), a reputable firm of Chartered Accountants after working from 1973 to 2013. He is currently the Managing Partner of JOA Professional Services (Chartered Accountants).

He is a Fellow of the Institute of Chartered Accountants of Nigeria (FCA), Fellow of the Chartered Institute of Taxation of Nigeria (FCTI) and Associate Member of the Nigerian Institute of Management (NIM).

Date of Resignation: December 17, 2024

Mrs. Faith George - Shareholder Member

Mrs. George is an experienced economist and tax professional with over 30 years of experience at the Federal Inland Revenue Service (FIRS). Her exceptional contributions at FIRS earned her recognition for consistently exceeding performance targets from 2021 to 2023.

Mrs. Faith E. George is a Fellow of the Chartered Institute of Taxation (CITN) and a member of the Nigerian Institute of Management (Chartered). She holds a bachelor's degree and master's degree in Economics both from the University of Lagos.

Mr. Olusegun David Oguntoye - Shareholder Member

Mr. Olusegun David Oguntoye is a certified fellow of the Association of National Accountants of Nigeria (ANAN) and an associate member of the Nigerian Institute of Management. He bagged a B.Sc. (Hon) in Zoology from the University of Lagos and an MBA degree in financial management from the Lagos State University.

He started his accounting career in 1990 as a senior auditor in a leading tax consulting firm and has worked in various capacities within the accounting and audit fields in the last twenty years. He has undergone numerous IFRS training courses for audit committee members of listed companies thereby gathering a wealth of experience in the accounting profession.

Currently, he is the Managing Director/ Chief Executive Officer of Wale Ayo Nigeria Limited.

Prince (Dr.) Anthony Omojola – Shareholder Member

Prince (Dr.) Omojola is an investment banker, management and pension consultant. He is a member of the Chartered Institute of Bankers of Nigeria and United Kingdom. He started his banking career with ICON Limited (Merchant Bankers) in 1976 and served in the Corporate Finance, Stockbroking and Registrar Departments. He moved to City Securities Limited in 1981 where he played the role of registrar for four years and later became a pioneer staff of First City Merchant Bank where he served for ten years until 1991. He was the Manager, Capital Market, Negotiable Finance Ltd and pioneer Manager/Registrar of Perfection Nominees Limited from 1992-1996. He was the Manager, Corporate Finance of Midland Investments and Securities Ltd from 1997 till 2002. He was also the Managing Director of Credible Associates Ltd which specializes in recruitment and training of operators of the Nigerian Capital Markets.

Dr. Omojola has attended many courses locally and internationally and he has played a prominent role in the development of the Nigerian Capital Market. He is an author of many bestselling books on Capital Market Operations.

For the curriculum vitae of the Board of Directors, including the Non-Executive Director members of the Audit Committee please see pages 42- 47 of this Annual Report.

Governance and Nominations Committee

The Governance and Nominations Committee (GNC) is responsible for ensuring compliance and periodic review of the Company's corporate governance policies and practices, including the review and monitoring of policies concerning shareholder rights; conflicts of interests resolution; ethics; corporate disclosure and transparency; evaluation and review of the Company's internal documents (organisation and process), the review and setting of the by-laws of all Board Committees, and ensuring that the Company's policies, including the remuneration policy, support the successful identification, recruitment, development and retention of Directors, senior executives and managers.

The members of the Governance and Nominations Committee as at 31st December 2024 were:

- Mrs. Ronke Sokefun (Chair) Independent Non-Executive Director.
- Mr. Bashir Bello- Independent Non-Executive Director.
- Mrs. Fatima Nana Mede, OON Independent Non-Executive Director.

During the year, the GNC successfully oversaw the independent non-executive director (INED) recruitment process, which culminated in the appointment and onboarding of three new Directors to the Board. This rigorous process included the identification of competency gaps and a structured assessment of shortlisted candidates against defined criteria. The addition of these Directors has significantly strengthened the Board's collective experience, diversity, and capacity to guide the company through its next phase of growth, aligning governance capabilities with the demands of an expanded business.

In addition to director appointments, the Committee undertook a comprehensive review of the non-executive Directors' remuneration framework to ensure it remains competitive and reflective of evolving market practices. This review considered benchmarks across comparable organizations and incorporated input from independent remuneration advisers. The outcome of this exercise is detailed in the Remuneration Report, which can be found on page 54 of this Annual Report.

Risk, Environmental, Social and Governance Committee

The Risk, Environmental, Social and Governance (RESG) Committee is responsible for reviewing the policies and processes established by management, which are designed to implement the risk, environmental, social and governance policies of the Company and ensuring the Company's compliance with international standards of risk, environmental, social and governance issues.

The members of the Risk, Environmental, Social and Governance Committee as at 31st December 2024 were:

- Mrs. Fatima Nene (Chair) Independent Non-Executive director
- Dr. Alex Irune Executive Director.
- Mrs Ronke Sokefun Independent Non-Executive Director
- Mr. Bashir Bello- Independent Non-Executive Director
- Mr. Cosmas Iwueze Independent Non-Executive Director

The RESG Committee has oversight over the development and implementation of the company's Risk Management framework and its Environmental, Social and Governance (ESG) Strategy. The Committee ensures that the ESG strategy is built on a robust foundation of data integrity, global best practices, and a deep understanding of the company's operational context. A key strength of the process is in conducting materiality assessments - the deliberate engagement of a broad range of internal and external stakeholders to capture diverse perspectives and expectations. This inclusive and consultative approach allows the ESG Strategy to reflect not only regulatory and investor priorities, but also the company's long-term sustainability goals and social license to operate.

The Committee further ensures alignment with the company's corporate purpose, risk appetite, and governance framework, and guides the assessment, identification, mitigation and management of all material risks affecting the Group and its subsidiaries. The final strategy includes clear commitments, performance metrics, and an implementation roadmap to drive accountability across the organisation.

Strategic Planning and Finance Committee

The Strategic Planning and Finance Committee is responsible for defining the Company's strategic objectives, determining its financial and operational priorities, making recommendations to the Board regarding the Company's dividend policy and evaluating the performance and long-term sustainability of the Company's operations. The committee was established to assist the Board in performing its guidance and oversight functions efficiently and effectively over these and other areas.

The members of the Board Audit, Strategic Planning and Finance Committee as at 31st December 2024 were:

- Mr. Ken Igbokwe (Chair) Independent Non-executive Director
- Mr. Ike Osakwe Independent Non-executive Director
- Mr Cosmas Iwueze- Independent Non-executive Director
- Mr. Bashir Bello- Independent Non-executive Director

Dates of Board/Committee meetings held for year 2024

Board Meetings

- 30th January, 2024
- 28th March, 2024
- 8th April, 2024
- 31st May, 2024
- 23rd August, 2024
- 11th October, 2024
- 29th October, 2024
- 4th November 2024
- 25th November, 2024
- 16th December, 2024

Statutory Audit Committee Meetings

- 29th January, 2024
- 26th March, 2024
- 8th April, 2024
- 31st May, 2024
- 29th July, 2024
- 10th October, 2024
- 29th October, 2024
- 4th November, 2024
- 22nd November 2024
- 12th December 2024

Governance and Nominations Committee Meetings

- 26th January 2024
- 27th March 2024
- 5th August 2024
- 18th September 2024
- 14th October 2024
- 8th November 2024

Risk, Environmental, Social and Governance Committee Meetings

- 26th January, 2024
- 27th March, 2024
- 31st July, 2024
- 24th October, 2024

Board Audit, Strategic Planning and Finance Committee Meeting

- 29th January,2024
- 26th March 2024
- 8th April, 2024
- 31st May 2024
- 16th December, 2024

Committee Membership for the year ended 31st December 2024

Board and Board Committee members 2023

Audit Committee	Governance & Nominations Committee	Strategic Planning & Finance Committee	RESG Committee	Board
Ike Osakwe (Chair) Ken Igbokwe	Ronke Sokefun (Chair since 16th December 2024)	Ken Igbokwe (Chair since 16th December 2024)	Nana Fatima Mede (Chair since 16th December 2024)	Executive Directors Jubril Adewale Tinubu Omamofe Boyo
Tanimu Yakubu (resigned August 23rd, 2024)	Ademola Akinrele (Chair until 16th December 2024)	Tanimu Yakubu (Chair until August 23rd, 2024)	Ronke Sokefun (chair until 16th December 2024)	Adeola Ogunsemi Dr. Alex Irune
Segun Oguntoye*	Nana Fatima Mede Bashir Bello	Nana Fatima Mede (Member until 16th December 2024)	Dr. Ainojie Alex Irune	Non-Executive Director Oba Micheal Adedotun Gbadebo
Dr. Anthony Omojola*	Basili Belle	Ike Osakwe	Bashir Bello	(Resigned on December 17, 2024)
Mrs. Faith George*		Bashir Bello	Cosmas Iwueze	Ike OsakweAdemola Akinrele
*shareholder member		Cosmas Iwueze		Tanimu Yakubu (resigned August 23rd 2024) Nana Fatima Mede Ronke Sokefun Bashir Bello (Appointed November 24, 2024) Ken Igbokwe (Appointed November 24, 2024) Cosmas Iwueze (Appointed December 16, 2024)

Attendance at meetings during the year ended 31st December 2024

Names of Board Members	No. of Board Meetings Held in the Reporting Year	No. of Board Meetings Attended in the Reporting Year	Membership of Board Committees	Designation (Member or Chairman)	Number of Committee Meetings Held in the Reporting Year	Number of Committee Meetings Attended in the Reporting Year
Mr. Ademola Akinrele SAN	10	10	Governance & Nominations Committee Risk, Environmental, Social, & Governance Committee (RESG)	N/A	N/A	N/A
HRM Oba Michael Adedotun Gbadebo The Alake of Egbaland	10	10	None	N/A	N/A	N/A
Mr Jubril Adewale Tinubu	10	10	None	N/A	N/A	N/A
Mr Omamofe Boyo	10	10	None	N/A	N/A	N/A
Mr Adeola Ogunsemi	10	10	None	NA	NA	N/A
Dr. Ainojie Alex Irune	10	10	Risk, Environmental, Social, & Governance Committee (RESG)	Member	4	4
Mr. Tanimu Yakubu	10	4	Statutory Audit Committee	Member Till August 23 2024)	10	5
			Board Audit, Strategic Planning & Finance Committee	Chairman (Till August 23 2024)	5	4
Mr. Ike Osakwe	10	10	Statutory Audit Committee	Chairman	10	10
			Board Audit, Strategic Planning & Finance Committee	Member	5	5
Mrs. Fatima Nana Mede	10	10	Board Audit, Strategic Planning & Finance Committee	Member	5	5
			Governance & Nominations Committee	Member	6	6
			Risk, Environmental, Social, & Governance Committee (RESG	Member	4	4
Mrs. Ronke Sokefun	10	10	Governance & Nominations Committee	Member	6	6
			Risk, Environmental, Social, & Governance Committee (RESG)	Chairman	4	4
Mr. Bashir Bello	10	1	None	N/A	NA	N/A
Mr. Ken Igbokwe	10	1	None	N/A	N/A	N/A
Mr. Cosmas Iwueze	10	1	None	N/A	N/A	N/A

Induction, Training and Access to Advisers

The Company has a mandatory induction programme for new Directors covering aspects of the Company's business, regulatory and legislative requirements and other information that will assist them in discharging their duties effectively. The Company believes in and provides continuous training and professional education to its Directors. The Board of Directors and Board Committees are empowered under their respective charters/terms of reference to retain external counsel to advise them on matters, as they deem necessary. Furthermore, a formal reporting process and timely sharing of updates on the Company, ensures that our Directors stay updated about any significant changes or matters affecting the Company on a continual basis.

The Company believes in and provides continuous training and professional education to its Directors. During the year under review, members of the Board attended the training detailed in the table below:

S/N	Training	Organizer/	Date of Training	Attendees
1	Cybersecurity	Internal Training	30th of January 2024.	Dr Alex Irune Mr. Ike Osakwe Ms. Ronke Sokefun Mr. Ademola Akinrele Mr. Tanimu Yakubu HRM Oba Gbadebo Mr. Adeola Ogunsemi Mr. Jubril Adewale Tinubu Mr. Omamofe Boyo
2	Petroleum Industry Act	Internal Training	30th of January, 2024	Dr Alex Irune Mr. Ike Osakwe Ms. Ronke Sokefun Mr. Ademola Akinrele Mr. Tanimu Yakubu HRM Oba Gbadebo Mr. Adeola Ogunsemi Mr. Jubril Adewale Tinubu Mr. Omamofe Boyo
3	Nigerian 2024 Economic Landscape	Internal Training	30th of January, 2024	Dr Alex Irune Mr. Ike Osakwe Ms. Ronke Sokefun Mr. Ademola Akinrele Mr. Tanimu Yakubu HRM Oba Gbadebo Mr. Adeola Ogunsemi Mr. Jubril Adewale Tinubu Mr. Omamofe Boyo
4	Artificial Intelligence (AI) for Leaders and Managers: Leveraging Data Analytics for Business	Glomacs Training International	21st - 25th October, 2024	Mr. Ike Osakwe
	Advanced Company Direction Programme	Institute of Directors	13 -15th August, 2024	Ms. Ronke Sokefun Mr. Ademola Akinrele Mr. Tanimu Yakubu
	Petroleum Project Economics & Risk Analysis: Techniques for Opportunity Evaluation and Assessment of Risk and Uncertainty	Glomacs Training International	19th - 23rd August, 2024	HRM Oba Gbadebo

Protection of shareholder rights

The Board ensures that the statutory and general rights of shareholders are protected at all times and ensures that all shareholders are treated equally. In this regard, shareholders are given equal access to information and no shareholder is given preferential treatment.

Remuneration Policy

The key objective of the Remuneration Policy is to ensure that competitive and fair rewards are linked to key deliverables and are also aligned with market practice and shareholders' expectations.

The Governance and Nominations Committee ensures that remuneration policies and practices are designed to attract, retain, and motivate the Executive Directors and senior management. These practices also align the interests of the Executive Directors and Senior management group with those of shareholders, fostering a sustainable performance culture.

The key elements of direct compensation for the executive officers are Fixed Annual Remuneration (salary) and Variable Compensation. This mix of pay represents a belief that executive officers should have portions of their remuneration tied to both short and long-term organizational objectives. The remuneration Policy has a claw back provision where the Company reserves the right to recover all unearned benefits or amounts that an executive may have received while in the employ of the Company. If the executive is on contractual notice or has exited the Company, the claw back provision remains applicable.

Non-Executive Directors are remunerated by way of Directors' fees, sitting allowance and other benefits. The Company does not provide personal loans or credit to its Non-Executive Directors and does not provide stock options to its Non-Executive Directors unless approved by shareholders at a general meeting.

Details about the remuneration of Directors are contained in Note 11 of the consolidated and separate financial statements on Page165.

The remuneration of Non-Executive Directors is competitive. The Board, through its Governance & Nominations Committee, periodically reviews the remuneration package for Directors, which is structured in a manner that does not compromise a director's independence. The Company does not provide personal loans or credit to its Non-Executive Directors and publicly discloses the remuneration of each Director on an annual basis. In addition, the Company does not provide stock options to its Non-Executive Directors unless approved by shareholders at a general meeting.

Directors' Remuneration Policy

1. Introduction

This report outlines the remuneration framework for Directors.

Remuneration Philosophy

The Company's remuneration practices are guided by the following core objectives:

- (a) To attract, retain, and motivate high-calibre individuals who possess the right combination of competencies, experience, skills, and networks necessary to drive sustainable growth.
- (b) To provide a total reward proposition that is both affordable and fair, incentivizing behaviours that enhance the Company's long-term value while safeguarding the independence of decision-making.
- (c) To align outcomes with the Company's risk appetite by fostering prudent risk-taking in all strategic and operational decisions.
- (d) To cultivate a culture of collective and individual performance that supports the Company's strategic objectives.

Remuneration Principles

The Company is guided by the following principles in shaping its approach to Director remuneration:

- (i) Transparency: The remuneration framework must be clear and straightforward, ensuring stakeholders have access to adequate information in line with good corporate governance standards and established best practices.
- (ii) Competitiveness and Fairness: Remuneration should be appropriate and commensurate with the Directors' level of commitment, qualifications, and responsibilities. To maintain competitiveness, the Company benchmarks compensation against similar organizations, taking into consideration factors such as size, business complexity, operational scope, and geographic footprint.
- (iii) Alignment with overall remuneration practices of the Company: The remuneration structure for Directors is aligned with the Company's broader total reward philosophy for employees. This approach promotes fair and responsible compensation practices that reflect the Company's corporate vision and ensure alignment with the interests of shareholders.

Remuneration Components

Executive Directors

Component	Key Features	Performance Linkage	Opportunity/Structure
Fixed Annual Remuneration	 Base salary reflecting role/value Positioned at ≥50th percentile of market Biennial reviews (annual inflation adjustments) 	Individual competence/experience Company performance Market conditions	Median market positioning Exceptional cases may exceed 50th percentile Reviewed for responsibility changes
Short-Term Incentives (STI)	Annual cash bonusesTied to pre-set targetsDeferred shares for high performance	Financial/non-financial KPIs Threshold-Stretch targets Board-approved metrics	Up to 100% salary cash 100-150% salary as deferred shares 3-year deferral period
Long-Term Incentives (LTIP)	Stock options/Restricted shares3-year vesting periodPerformance-based grants	3-year business objectives Sustainable value creation Share price growth	Face value: % of salary No awards below threshold Vesting requires employment continuity
Benefits-in-Kind	 Company car/cash equivalent Family health/dental insurance Life assurance Club subscriptions 	Not performance-linked	Market-competitive level Not significant % of total pay
Retirement Plan	- Defined contribution scheme - Compliant with Pension Reform Act	Not performance-linked	10% statutory FAR contribution + 4.2% additional FAR contribution
Perquisites	- Board-approved supplementary benefits	Role convenience needs	Case-by-case Board approval
Severance	- Oando Employee Severance Plan	Predefined termination events	Terms in Severance Plan

Non-Executive Directors

The key components that form the remuneration packages of Non-Executive Directors are summarized below:

Component	Category	Component Description
Directors' Fees	Fixed	A fixed sum payable to Directors for the services rendered to the Board as Board members.
Sitting Allowances	Fixed	Amount payable to Directors for attending Board meetings and Board committee Meetings. These allowances are paid on the number of meetings attended by each Director.
Other Allowances	Fixed/Variable	This comprises of other allowances payable to Directors such as travel allowance, passage/ticket allowance.
Benefits	Variable	Non-monetary compensation given to Directors such as status car (plus car-related perks such as insurance), private medical insurance and professional membership subscription

Clawback

Where a Director receives, directly or indirectly, any remuneration in excess of the approved amount, or without the requisite prior approval of shareholders at a general meeting (where such approval is required), the Director shall be obligated to refund the excess sum to the Company. Until the refund is made, any such amounts shall be held in trust for the Company. There were no clawback actions taken against any director during the reporting period.

Remuneration Policy Review for Non-Executive Directors

The Governance & Nominations Committee carried out a review of the framework for Non-Executive Directors' remuneration. The review was necessitated by Oando's ongoing strategic transformation, particularly its transition to the role of Operator of the Oando/NNPC Joint Venture following the acquisition of Nigeria Agip Oil Company's interest in the JV. This shift has materially expanded the company's asset base and operational complexity, resulting in significantly increased governance responsibilities for the Board. The proposed remuneration structure aims to ensure that compensation remains fair, competitive, and aligned with the heightened demands on Directors, while also reflecting prevailing inflationary pressures.

Several core factors underpinned the decision to revisit and revise compensation levels. First, the company's assumption of the Operatorship of OML 60-63 led to a 33.6% increase in total assets, from #927.4 billion to #1.238 trillion, and an 18.3% uplift in upstream production volumes. This

transformation has created new layers of operational and compliance complexity, evidenced by the introduction of additional compliance mandates and increase in the volume of Board and committee engagements.

Furthermore, the cumulative inflationary impact over the period has been substantial, with consumer price inflation rising by 33.2% in 2024 alone. Recognizing the need to maintain market-aligned compensation, the Governance & Nominations Committee benchmarked the company's remuneration against comparable energy sector peers, utilizing the services of independent external consultants to validate the proposed adjustments. This review was conducted as part of the Board's established triennial remuneration cycle, ensuring consistency, transparency, and accountability to shareholders.

Proposed 2025 Remuneration Structure

The Directors' Remuneration Policy was reviewed in 2024 in line with corporate governance best practice, the Company's strategic transformation into the Operator of the NAOC Joint Venture, and the expanded scale and complexity of its operations. The review also considered the impact of the NAOC acquisition on the Board's responsibilities, the need to attract, retain, and motivate highly qualified Directors, prevailing market practices, and investor expectations.

Set out below is a summary of the Directors' remuneration policy currently in operation, as well as the planned implementation of the revised Remuneration Policy for the 2025 financial year.

Element	Current (Naira)	Proposed 2025 (USD)	
Annual Directors' Fee	Chairman – ₩5,555,556	Chairman – \$400,000	
	NEDs - ₩4,444,444	NEDs - \$130,000	
Committee Membership Fee	N/A	Committee Chair – \$3,000 per committee	
		Committee Member – \$2,500 per committee	
Sitting Allowance (per Board Meeting)	Chairman - ₩266,667 per meeting	Main Board – \$750 per meeting	
	NEDs - ₩222,222 per meeting	Committee – \$500 per meeting	
Travel Allowance	Chairman - £26,667	\$40,000	
	NEDs - £22,222		
Travel Allowance	N36,267,000	\$45,000 (monetized)	
End-of-Year Allowance	Chairman - N3,333,333	\$20,000	
	NEDs - 2,777,778		
Vehicle Allowance	Company-provided vehicle(amortised over 4 years)	Company-provided vehicle (amortized over 4 years)	

Company Performance and Remuneration Alignment

The proposed remuneration framework has been carefully calibrated to reflect Oando's strong operational and financial performance during the 2024 financial year, as well as the expanded governance responsibilities arising from both the NAOC acquisition and the broader growth of the Group's diversified portfolio.

Revenue increased by 44% to ₹4.1 trillion (2023: ₹2.9 trillion), driven by higher upstream production volumes and foreign exchange gains. Profit after tax rose significantly by 267% to ₹220 billion (2023: ₹60 billion), demonstrating robust profitability and disciplined cost management. Capital expenditure totalled ₹19 billion, compared to ₹45 billion in the prior year, reflecting the Company's focus on completing the NAOC acquisition. Development activity is expected to accelerate in 2025 as integration is finalized and investment in upstream growth resumes.

Operationally, Oando achieved an average daily production of 23,727 barrels of oil equivalent per day (boepd), representing a 3% year-on-year increase, supported by contributions from the newly acquired NAOC assets and the stabilization of legacy production. The Company exited 2024 with a production rate of 36,000 boepd. Crude oil output increased by 22% to 7,558 barrels per day, while natural gas liquids production decreased by 35% to 156 barrels per day, and gas volumes declined by 5% to 16,013 boepd. Notably, proven plus probable (2P) reserves grew by 95% to 983 million barrels of oil equivalent, underscoring the strength of Oando's upstream portfolio post-acquisition.

In addition to upstream operations, the Board's responsibilities now extend to enhanced oversight of Oando's subsidiary businesses in trading, clean energy, mining, and infrastructure development. These divisions have continued to grow in scale and complexity, requiring increased Board engagement to supervise strategic initiatives, risk management, compliance, and performance monitoring across the Group's diverse operations.

Against this backdrop of transformational growth, diversification, and heightened governance demands, the Board believes the proposed adjustments to Non-Executive Directors' remuneration are appropriate and proportionate. The revised framework reflects not only the significant expansion of the asset base and operational footprint but also the necessity of retaining Directors with the experience, sector knowledge, and commitment required to steward Oando through its next phase of development.

Shareholder Approval

The Board recommends that shareholders approve the proposed 2025 remuneration framework at the Annual General Meeting convened for the 2024 financial year. This proposal has been shaped by three primary considerations: the strategic necessity of retaining qualified and committed Directors to oversee expanded asset base and complex joint venture operations; the requirement to adjust compensation to reflect the cumulative impact of inflation on Directors' fees since the last review; and the Board's commitment to maintaining fiscal discipline and transparency.

The Board is confident that this proposal strikes the right balance between fair compensation and responsible governance and that it will support Oando's continued growth and transformation in the years ahead.

Corporate Governance & Board Evaluation

In compliance with the Nigerian Code of Corporate Governance (NCCG) 2018, we conducted our annual Board and corporate governance evaluation to assess implementation of NCCG principles during the reporting period.

For the financial year ended 2024, the Company undertook a comprehensive, externally facilitated review of its corporate governance framework and board effectiveness to ensure alignment with the NCCG and international best practices. Ernst & Young was engaged to provide independent evaluation of our governance structures against NCCG standards and other applicable regulatory requirements. This externally validated process has ensured an objective, thorough evaluation of both institutional governance frameworks and individual Director contributions, driving continuous improvement in Board and committee operations while maintaining full regulatory compliance.

The evaluation was carried out through tailored questionnaires, interview sessions and desktop review of documents which were pragmatically structured to draw out significant issues that were relevant to the Board, Board Committees and individual Directors to assist in identifying areas for improvement. The result of the peer review for Executive Directors and the Chairman of the Boardwas shared directly with the Chairman of the Governance and Nominations Committee. The results of the peer review for all Directors (Executive and Non-Executive Directors) was shared directly with the Chairman of the Board. Each director also received a copy of their evaluation. Evaluation of the Board and the Committees' effectiveness were shared directly with all members of the Board. The outcome and feedback on the evaluation was discussed by the Board and action plans agreed on the recommendations arising from the evaluation.

The report for the outcome of the board and corporate governance evaluation for the period ended 31st December 2024 is contained on page 62.

₩19_{billion}

Capital expenditure in 2024, down from ₩45 billion in 2023

983 million boe

Total 2P (proven plus probable) reserves, a 95% increase in 2024

STRATEGIC REPORT





Ernst & Young UBA House, 10th Floor 57 Marina, Lagos Tel: (234 -1) 4630479, 4630480 Fax: (234 -1) 4630481 E-mail: <u>services@ng.ey.com</u>

Report of External Consultants on the Board Evaluation and Corporate Governance Review of Oando Plc.

We have performed the evaluation of Oando Plc for the year ended 31st December 2024 in accordance with the guidelines of the Financial Reporting Council of Nigeria (FRC) Code of Corporate Governance (NCCG) 2018 and the Securities and Exchange Commission (SEC) Corporate Governance Guidelines (CGG) 2020.

The FRC NCCG 2018 Section 14 states that Annual Board evaluation assesses how each Director, the Committees of the Board and the Board are committed to their roles, work together and continue to contribute effectively to the achievement of the Company's objectives. Subsection 15.2 of the FRC NCCG states that the summary of the report of this evaluation should be included in the Company's annual report and on the investors' portal.

Our approach included the review of Oando Plc's Corporate Governance Framework, and all relevant policies and procedures. We obtained written representation through online questionnaires administered to the Board members and conducted one on one interviews with the Directors of the Company.

The appraisal is limited in nature, and as such may not necessarily disclose all significant matters about the Company or reveal irregularities in the underlying information.

Based on our work, and as noted below, the Board of Oando Plc has complied with the requirements of Sections 14 and 15.2 of the FRC NCCG 2018 and the SEC CGG 2020 during the year ended 31st December 2024.

The outcome of the review and recommendations have been articulated and included in our detailed report to the Board. This report should be read in conjunction with the Corporate Governance section of Oando Plc's 2024 Annual Report.

For: Ernst & Young



Abiodun Ogunoiki Partner and Head, Financial Services Risk Management, West Africa FRC/2013/PRO/DIR/003/0000000794



Sustainability

Oando PLC recognises the importance of meeting the needs of the present, without compromising the ability of future generations to meet their own needs. It seeks to align its strategy, decision-making and operations with the United Nations' 2030 Agenda for Sustainable Development and the UN Global Compact Ten Principles.

As a responsible corporate citizen, the Company acknowledges the interconnectedness of the systems and pressures affecting the economy and society and embraces nexus thinking to solve problems that will assist in creating innovative, sustainable solutions that address system-wide issues. In this way, Oando consistently seeks to enhance its current Environmental, Social and Governance ("ESG") proposition and performance, mitigate ESG risks and capitalize upon ESG value creation opportunities, to maximise value for its key stakeholders. As an impact driven organisation, concern for ESG including the Environment, Health and Safety, Community, Diversity and Good Governance, remains a vital priority for the Company.

The Company depends on the following five forms of capital to run a sustainable business.

- (a) Natural Capital Natural assets.
- (b) Human Capital surpassing the physical presence of employees but their health, well-being, knowledge, skills and abilities, motivation to work, relational skills and intellectual capacity.
- (c) Social Capital leveraging the value that members of society can add to the Company.
 - The Company has established a community of people and partners who are willing to abide by and champion values and practices to help the Company achieve its sustainability goals
- (d) Manufactured Capital Infrastructure and tangible goods that the Company owns or leases to produce its outputs.
- (e) Financial Capital i.e., financial resource

In its Sustainability Policy, the Company has articulated and affirmed its philosophy on and commitment to sustainability to ensure that Oando continues to adopt and implement responsible policies, practices and strategies, and incorporate sustainability performance alongside other key performance indicators of the Company.

Oando's material issues in the year under review continue to be shaped by stakeholder concerns, our commitment to the SDGs, matters important to the success of our business, and issues of global and national importance.

Oando commenced sustainability reporting in 2013, a practice it has prioritised and sustained, to measure and report on our ESG performance and impacts and to manage key ESG risks and issues more effectively. Through this process, we are able to more adequately identify and reduce risks, seize new opportunities, and take action towards remaining a responsible and purposeful organisation. Oando issues its annual sustainability reports in accordance with the Global Reporting Initiative Standards, with clear alignment to the Sustainable Development Goals.

Values, Ethics and Anti-corruption

Oando PLC's Governance Risk and Compliance Office (GRC) is responsible for setting up, implementing and monitoring the general corporate governance structures of the Company and its subsidiaries. The GRC also measures the Company's level of compliance with laws and regulations and periodically reviews the Company's policies to ensure they continually align with best global corporate governance practice.

The Company is committed to the global fight against corruption and actively participates in this fight through its membership and active participation in the following local and international organisations.

2024, Oando PLC continued its commitment to advancing corporate governance, anti-corruption, and sustainability principles through active engagement with key national and international organizations.

Convention on Business Integrity (CBI)

In partnership with the Convention on Business Integrity (CBI) and the Financial Reporting Council (FRC), Oando PLC played a key role in the development of the SME Corporate Governance Guidelines. Ms. Ayotola Jagun, Executive Director, Corporate Services, contributed to the drafting of the guidelines. Members of the governance team participated in a content development workshop and supported the creation of anti-corruption templates tailored for SMEs.

Partnering Against Corruption Initiative (PACI)

Oando PLC participated in the 2024 Annual Good Governance Community Meeting organized by the World Economic Forum's Partnering Against Corruption Initiative (PACI). Ms. Ayotola Jagun featured as a panelist in the session titled "From Fossil to Future: Ensuring a Corruption-Free Transition to Net-Zero," where she shared insights on navigating ethical risks during the global energy transition.

United Nations Global Compact (UNGC)

Oando PLC remained an active participant in the UN Global Compact (UNGC) community throughout 2024.

Oando sponsored and took part in the launch of the Transformational Governance Corporate Toolkit, where Ms. Ayotola Jagun delivered a presentation on "Expanding from Corporate Governance to Transformational Governance."

In line with our long-standing commitment, Oando submitted its annual Communication on Progress (CoP), reinforcing adherence to the UNGC's Ten Principles and support for the Sustainable Development Goals (SDGs).

Oando's Internal Policies and Processes Governing Ethics and Compliance

In order to provide guidance on Corporate Governance issues, the Company has implemented several internal policies and practices, which are reviewed periodically and revised as appropriate to ensure continued currency and relevance. The Company undertook the following policy actions in 2024:

1. Code of Conduct for Business Partners – *Updated:* Revised to reflect current ethical expectations, compliance standards, and responsible supply chain practices.

- Delegation of Authority Framework Updated:
 Reviewed and strengthened to align with operational realities, governance structures, and decision-making accountability.
- **3. Human Rights Policy Statement** *New:* Adopted as a stand-alone policy to formally articulate the Company's commitment to upholding internationally recognised human rights principles in all aspects of its operations.

For a full list of current governance policies, please visit our website at: www.oandoplc.com/governance.

Whistle Blowing Hotline

The Hotline was set up as an avenue for employees and other stakeholders (including vendors, community stakeholders etc.) to confidentially report unlawful and/or unethical conduct involving the Company, members of staff, or Directors. KPMG Professional Services manages the Whistle Blowing Hotlines and weblink and ensures that all reports are kept confidential and channelled to the appropriate authorities for investigation and resolution.

Employees are also encouraged to report grievances through any of the following channels:

- Visits, calls or emails to members of the Governance Office;
- Escalation of issues through appointed TRIPP Champions, who are volunteer employees assisting the Governance Office in entrenching Oando's core values in the entities or business units to which they belong.

The details of the KPMG Ethics hotline are as follows:

Toll-free Number- All Networks 0800-123-5764 0800-123-5276

Email: kpmgethicsline@ng.kpmg.com Weblink: http://apps.ng.kpmg.com/ethics

Complaint Management Policy

In compliance with the Securities and Exchange Commission's Rules Relating to the Complaints Management Framework (the 'Framework'), which requires every listed company to establish a clearly defined Complaint Management Policy to resolve complaints arising from issues covered under the Investment and Securities Act (as Amended), the Company has complied by developing its Complaint Management Policy in line with the Framework. The Policy is available on the Company's website at: www.oandoplc.com/governance

Due Diligence Process

The Company is committed to doing business with only reputable, honest and qualified business partners. Oando, through its employees, exercises due care and takes reasonable steps and precautions, geared towards evaluating business partners' tendencies towards corruption in making selections and/or choosing who to transact business with.

In an increasingly complex global business environment, it is crucial for us as a company to know exactly who our business partners are and the possible risks we may encounter by dealing with them, as the integrity of a business partner could have a huge impact on our Company's reputation.

The Company has licences to Thomson Reuters' World-Check One Risk Screening solution, a source of intelligence on heightened risk individuals and companies covering detailed aspects of Know Your Customer (KYC), and highlighting key risks relating to Money Laundering (ML), Terrorism, Sanctions and other Corruption and Ethical risks. This tool augments the Company's existing policies and procedures that identify and manage financial, regulatory and reputational risks associated with doing business with new business partners, suppliers and counterparties.

Anti-Corruption Initiative

In order to fully inculcate an ethical culture in the organisation, new entrants into the Group are trained on the Company's Code of Business Conduct and Ethics and key governance policies and practices through a compliance on-boarding process.

Furthermore, there is an annual re-certification exercise for all Directors and employees of Oando PLC and its subsidiaries which involves a refresher course on the relevant policies and anti-corruption principles, with tests conducted online. Certificates of compliance are generated for all participants who pass the tests.

The Company also ensures that all employees in sensitive business units such as Sales and Marketing, Procurement, Legal, Finance and Human Resources are specifically trained on ways of dealing with the different ethical dilemmas that may arise in the execution of their duties.

Employees and business partners are periodically sensitised on ethical and compliance issues and the need to promote a culture of doing the right thing even when no one is watching.

Diversity

The Board continues to recognise that an appropriate mix of diversity and skills is key to introducing new and diverse perspectives into Board deliberations. Each member of the Board offers a range of core skills and experience that is relevant to the successful operation of the Group. We pride ourselves as an equal opportunity employer by ensuring our policies and procedures are poised to continuously propagate inclusion and diversity.

The Company has a Board Diversity Policy, and is guided by its Board Appointment Policy, which reflects the Board's approach to diversity to promote inclusivity through diversity of thought, skills, experience and knowledge, alongside criteria such as gender, ethnicity and age.

Statement of Compliance

The Company strives to maintain transparency, accountability, and sound corporate governance standards in all its operations. In 2024, Oando fully complied with the core provisions of the Securities and Exchange Commission's Corporate Governance Guidelines, the NGX Listing Rules, and the Nigerian Code of Corporate Governance 2018. In instances where statutory deadlines for the filing of financial statements could not be met, the Company provided appropriate notifications to the relevant regulatory authorities and the market, accompanied by justifiable reasons for the delays.

Report of the Directors

Report of the Directors

In accordance with the provisions of the Companies and Allied Matters Act, 2020, the Board of Directors of Oando PLC hereby present to the members of the Company, the audited consolidated financial statements for the year ended 31st December 2024.

The preparation of the annual financial statements is the responsibility of the Board, and should give a true and fair view of the state of affairs of the Company.

The Directors declare that nothing has come to their attention to indicate that the Company will not remain a going concern for at least twelve (12) months from the date of this report.

Directors

The Board

The names of Directors who held office during the year and at the date of this report are as follows:

Non-Executive Directors

- 1. Mr. Ademola Akinrele SAN
- 2. Mr. Ike Osakwe (Independent)
- 3. Mrs Ronke Sokefun (Independent)
- 4. Mrs Fatima Nana Mede (Independent)
- Mr. Bashir Bello (Independent)
- 6. Mr. Ken Igbokwe (Independent)
- 7. Mr. Cosmas Iwueze (Independent)

Executive Directors

- 8. Mr. Jubril Adewale Tinubu, CON
- 9. Mr. Omamofe Boyo
- 10. Mr. Adeola Ogunsemi
- 11. Dr. Ainojie Alex Irune
- 12. Ms. Ayotola Jagun

Directors Declaration

None of the Directors have:

- ever been convicted of an offence resulting from dishonesty, fraud or embezzlement;
- ever been declared bankrupt or sequestrated in any iurisdiction:
- at any time been a party to a scheme of arrangement or made any other form of compromise with their creditors;
- ever been found guilty in disciplinary proceedings by an employer or regulatory body, due to dishonest activities;
- ever been involved in any receiverships, compulsory liquidations or creditors voluntary liquidations;
- ever been barred from entry into a profession or occupation:
- ever been convicted in any jurisdiction of any criminal offence or an offence under any Nigerian or South African legislation.

Directors' shareholdings

The direct holdings of ordinary shares by the Directors of Oando as of December 31, 2024, being the end of Oando's immediately preceding financial year, are set out in the table on Page 90.

Interests of Oando's Directors in terms of the Equity Incentive Scheme

The Executive Directors stand to benefit from the Oando Employee Equity Incentive Scheme. For further details please see page 90.

Directors' interests in transactions

The Company has a policy on Related Party Transactions, which regulates all the related party transactions entered into by the Company.

The Company's Related Party Transactions have adhered to the provisions of the Companies and Allied Matters Act 2020, as well as the Listing Rules of the NGX, and have been conducted on an arm's length basis as part of the ordinary course of business. Further information on these transactions can be found in Note 42 (xi) on Page 204.

Some of the Directors hold Directorships in other companies or are partners in firms with which Oando had material transactions during the current financial year.

According of the Register of members as at December 31, 2024, no individual shareholder held more than 5% of the issued share capital of the Company except for the following:

Shareholder	Percentage of Shareholding	No of shares held
Ocean and Oil Development Partner Limited	57.37	7,131,736,673
Equity Leaf Limited	15.83	1,968,452,614



Our Board remains unwavering in its fiduciary responsibilities, ensuring transparent governance, ethical leadership, and a firm commitment to long-term value creation.

We are Africa, We Are Oando

STRATEGIC REPORT

Risk Management Report

Risk Management Organization

Risk Management is an integral part of Oando's business activities. The Board, through the Governance, Risk & Compliance and ESG Committee, has the primary responsibility for reviewing the adequacy and overall effectiveness of the company's risk management process and its implementation by executive management. All risk information, including risk data, risk analysis, risk registers and reports prepared by the Governance, Risk and Compliance (GRC) unit, are reviewed, approved, and presented to in the first instance to the Board RESG Committee and then to the Board by the RESG Committee.

The Group Governance, Risk and Compliance (GM GRC) function is headed by the Executive Director, Corporate Services. This function facilitates the identification and assessment of any downside risk that may impact the organization's ability to meet its corporate objectives. It also monitors the controls established to mitigate identified risks and identifies opportunities that may improve the overall risk culture within the company.

The key risks relating to each business unit are managed by the respective unit and primary department/function with input from the Group Governance, Risk and Compliance department. Executive Director, Corporate Services assists the board with its oversight role and established policies and procedures, ensuring that the organization has a structured approach to identifying and managing risks inherent in day-today operations by designing effective controls to mitigate these risks.

A risk register is updated throughout the year in line with current realities and flags emerging risks on the horizon. The execution of control activities specified and agreed against each risk is reviewed by our internal auditors periodically. The top risks assessed as high are reported to the board, including the current mitigation controls adopted and our assessment of the effectiveness of these controls.

Enterprise Risk Management

The execution of the Group's business strategy, financial performance, operational results, and reputation could be significantly affected by industry-specific risk factors, whether individually or in combination.

In 2024, global oil markets experienced significant volatility, with prices fluctuating between \$70-\$90 per barrel due to geopolitical tensions, shifting demand patterns, and OPEC+ supply adjustments.

The ongoing conflict in Eastern Europe, coupled with sanctions on Russian exports, maintained pressure on global oil supply. Meanwhile, demand uncertainties in China and increased investments in renewable energy contributed to price swings, reinforcing the oil industry's need for innovation and adaptability.

At the same time, the global energy transition gained momentum, with a surge in decarbonization efforts and renewable energy investments. While fossil fuels remained critical to global energy supply, oil and gas companies faced growing pressure to balance production with sustainability goals. Companies that successfully integrated low-carbon initiatives and operational efficiency improvements positioned themselves more competitively in an evolving market landscape.

Nigeria's oil and gas sector continued to navigate challenges. including insecurity, infrastructure decay, and crude oil theft. However, the trend of international oil company (IOC) divestments created new opportunities for indigenous operators to emerge as key players in the upstream sector.

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The operationalization of the Dangote refinery, with its 650,000-bpd capacity, was a pivotal moment for Nigeria's energy sector, driving hopes for increased refining capacity, reduced import dependence, and greater energy security. By stepping up to drive growth and ensure energy stability, local operators are actively reshaping Nigeria's oil and gas ecosystem, demonstrating resilience, ingenuity, and adaptability in the face of an evolving market.

Key events impacting the Group's risk profile in 2024 include:

Oando PLC demonstrated significant growth and resilience despite ongoing industry challenges.

- Average production rose by 3% to 23,911 boepd from 23,258 boepd in 2023, driven by the acquisition of an additional 20% stake in the NAOC Joint Venture.
- Crude oil production increased by 27%, reaching 7,864 bbls/day compared to 6,211 bbls/day in the prior year.
- This growth was further reflected in exit production, which surged by 46% to 30,712 boepd in 2024 from 21,036 boepd in 2023.
- The company reported a 45% revenue increase to N4.1 trillion, up from N2.9 trillion in 2023, alongside a 9% rise in Profit-After-Tax, totalling N65.5 billion.
- By the end of Q4 2024, production numbers closed at 30,712 boepd (12,897 bopd), with a year-to-date average of 34,230 boepd (11,113 bopd), representing a 44% and 75% increase in boepd and bopd levels, respectively, compared to the acquisition date figures of 21,287 boepd and 7,383
- These achievements underscore Oando's operational strength, strategic acquisitions, and ability to navigate industry complexities while positioning itself for sustained growth.

Oando Plc faced several critical developments and challenges in 2024 that shaped its risk landscape.

- Notably, the completion of the \$783 million acquisition of the Nigerian Agip Oil Company (NAOC) from Eni marked a strategic move to strengthen Oando's upstream presence, financed through a \$500 million Reserve Based Lending Facility and a \$150 million Junior Facility.
- Post-acquisition integration challenges i.e. Issues around people, culture integration and IT transition.
- · Security risks continued to impact production, with persistent attacks on pipelines, acts of sabotage, and community disruptions in the Niger Delta posing ongoing threats to stability and production output.

Against this background, we continue to identify and assess key risks that could impact on the organization's ability to meet its strategic objectives. The key risks that impacted Oando Plc Group are as follows:

Working capital availability/liquidity risk due to its operatorship status resulting from the completion of \$783 million acquisition of the Nigerian Agip Oil Company (NAOC) from Eni and Oando's combined 40% participating interest in the Joint Venture.

The Group implemented strategic measures to boost its crude oil and gas production, leading to a 45% increase in revenue. Furthermore, by leveraging its recent acquisition, management successfully secured funding from both local and international financial institutions, as the acquisition positively enhanced the Group's creditworthiness.

Liquidity continued to pose a significant risk for the Group, a challenge that intensified during the period majorly due to the significant acquisition in Q3, 2024 and direct impact of declining production on anticipated cash flows.

The Group is currently managing a significant level of financing, credit and liquidity exposure driven by its current liabilities, debt profile and production shortfalls experienced by its major subsidiary. While efforts are ongoing to address loan restructuring and enhance operational cash flow, these challenges may place pressure on the Group's ability to meet near-term financial commitments without impacting certain operational priorities or requiring additional financial support.

Business sustainability risks due to Insufficient post-acquisition short-term working capital finance for a major part of FY 2024.

This is primarily attributed to the overarching security challenges within the Niger Delta, coupled with challenges of the Joint Venture operations with respect to reservoir management initiatives to arrest natural decline on ageing assets.

The analysis of FY 24 performance indicated 46% increase in exit production: 36kboepd (2024) when compared to 21,036 boepd (FY 2023) and a 3% increase in average production: 23,911 boepd (FY 2024) compared to 23,258 boepd (FY 2023). Moreso, the company reported a 45% revenue increase to N4.1 trillion, up from N2.9 trillion in 2023, alongside a 267% rise in Profit-After-Tax, totalling N220 billion, to sustain and eventually increase production within the JV, significant liquidity is required to execute the FY25 work program in the short to medium term.

Major key risk indicators leading to the assessment of business sustainability risks are as follows:

- · Significant post-acquisition working capital inadequacies.
- Security Challenges: Increased pipeline vandalism and delayed security solutions led to production deferments and reservoir capacity impacts.
- Heightened production risk due to delayed implementation of an efficient long-term solution to the security situation and the impact of constant shut ins on the capacity of the reservoirs in the mid-to-long term.

Management actively implemented strategic plans to address the funding gap and ensure long-term financial stability through equity raises and improved cash flow from profitable operations. More efforts have been made towards securing working capital facilities and maintaining consistent cash call payments in collaboration with Joint Venture partners. Lastly, a finalized security architecture overhaul, including enhanced surveillance measures, aims to strengthen asset protection and optimize operational efficiency.

Transition Risk and Post-acquisition Risk.

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With the completion of the 20% acquisition of NAOC's interest in the OML 60-63 asset, the group faced operational challenges which include:

- IT Transition and change management risk: Incomplete IT infrastructure to ensure data completeness.
- Talent Management: Cultural integration and optimization of the organizational model, managing JV Union demands and threats of industrial action, and critical staff availability.
- Post completion working capital requirements for the settlement of outstanding obligations owed to critical vendors and for the purchase of existing/new software applications.
- Verification of assets post-acquisition.

Management proactively mitigated transition risks procuring critical IT infrastructure services to ensure minimal operational disruption. More efforts were put into optimizing postacquisition integration, including organizational design, operational alignment, and talent management, with advisory support from McKinsey.

In parallel, management is negotiating financing solutions to address short-term vendor liabilities and conducting a comprehensive review and verification of third-party payables and joint venture assets to strengthen financial controls and ensure operational efficiency.

Joint Venture Partner/Stakeholder Management Risk

This risk stems from the challenges associated with managing financial obligations, aligning operational goals, and balancing stakeholder expectations within our joint venture partnerships. It became more pronounced following the acquisition of a further 20% interest in NAOC's stake in the OML 60-63 asset, which conferred operatorship status, alongside responsibilities for other operating and non-operating assets.

Major risk indicators leading to the assessment include outstanding cash call obligations and stakeholder management challenges of Joint venture Partner/shareholder Management risk.

Recognizing the importance of effective collaboration and consistent funding for production stability and strategic success, executive management initiated the following actions:

- Reconciled Cash Call Liabilities between partners to establish the accurate value of outstanding payables.
- Structured Payment Plan: Developed and prioritized a clear, phased plan to settle backlog cash call liabilities, ensuring timely and transparent payments.
- Efficient Working Capital Allocation: Upon securing working capital funds, dedicating a significant portion to address ongoing cash call obligations to maintain uninterrupted operations and meet production targets.
- Initiative-taking Stakeholder Engagement: Strengthening communication with JV partner to align on cash call expectations and demonstrate the group's commitment to fulfilling its financial responsibilities.

Niger Delta / Security Risk

The company was exposed to the risk of shutdown of its joint venture assets due to attacks and threats from Niger Delta militants. The risk of sabotage targeting the Brass Terminal and other Oando joint venture oil installations escalated significantly following frequent pipeline attacks. Despite ongoing engagement efforts with local communities, the resolution of community conflict remains uncertain and heavily reliant on collaborative efforts between the government and oil companies to address vandalism and insecurity in the region.

Major risk indicators leading to the assessment of Niger Delta / Security Risk are as follows:

- Security and asset sabotage risks were evidenced by repeated flow line and pipeline vandalization, leading to well shut-ins, production deferment, and crude loss/theft.
- There was significant cost implications tied to mitigating the negative impact on operational stability and the long-term health of hydrocarbon reservoirs due to constant reservoir shut ins
- The late-life fields, with natural decline already at ~14%, experienced further deterioration in well performance due to repeated shutdowns. This situation called for major interventions to optimize well flows in the short to medium term.
- The deployment of the security plan was liquidity-dependent and required significant financial resources for full implementation.

To mitigate this, executive management have implemented the following actions which include: regular engagement by the security team of relevant security agencies to ensure continuous and adaptable support, including ground-trotting, quick response, and nighttime patrols, which enhanced their ability to provide timely and effective intervention. In addition, enhanced perimeter defence measures were implemented, including the deployment of drone surveillance to monitor and deter unauthorized incursions. The overall security strategy integrated both short- and long-term measures, with a strong emphasis on situational adaptability, advanced technology, and preparedness for evacuation.

Asset Integrity Risk

Asset integrity risk arising from the challenges of maintaining and safeguarding Oando's joint venture (JV) infrastructure amidst persistent sabotage, aging facilities, and financial constraints.

Major risk indicators leading to the assessment of Asset Integrity Risk are as follows:

- Incessant sabotage of flow lines leading to reduced well performance and production output.
- Aged and weakened JV pipelines posing a risk to infrastructure integrity.
- Underfunding affecting the execution of planned maintenance activities.
- Risk of operational disruptions due to deferred maintenance and potential infrastructure failures.

Executive management took decisive steps to mitigate these risks through a combination of security, maintenance, and monitoring initiatives. Security personnel were deployed to safeguard critical infrastructure through regular patrols and monitoring wellheads, pipelines, and flow stations to protect against sabotage. Planned maintenance activities were scheduled for specific periods during the year and closely monitored by the facilities and EHSQ teams to ensure effectiveness. Continuous monitoring of the impact of security initiatives and pipeline surveillance contracts was established to curb vandalism and safeguard pipelines, ensuring improved asset protection and operational stability.

Regulatory and Compliance Risk

Oando's operations across multiple jurisdictions in Africa, Europe, and Dubai expose the group to potential impacts from legislative and regulatory changes, including tax laws. Noncompliance with international standards like the Foreign Corrupt Practices Act (FCPA), UK Anti-Bribery Act, Sanctions Regulations, National Corruption laws, and other ethical requirements could result in legal liabilities and reputational damage.

Furthermore, the acquisition of a further 20% interest by the acquisition of NAOC's stake in the OML 60-63 asset, granting operatorship status and responsibilities for both operating and non-operating assets, has heightened regulatory scrutiny on the company.

Major risk indicators leading to the assessment of Regulatory and Compliance Risk are as follows:

- Potential default on critical debt obligations at the Group level, which could limit financing opportunities for subsidiaries.
- Reputational damage due to an inability to meet obligations to lenders and regulatory authorities.
- Increased scrutiny by regulatory bodies due to outstanding royalties and tax liabilities.
- Close monitoring by the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) and tax authorities to ensure compliance with local laws and content requirements.
- Risk of reputational damage and operational disruptions due to unmet community expectations for employment, social investment, and local content.

The Group's Governance, Risk and Compliance Department played a critical role in mitigating regulatory and compliance risks by providing specialist legal and regulatory advice across all jurisdictions where Oando operates, while continuously monitoring regulatory developments and ensuring adherence to high ethical standards and local legal requirements. The Group also made noteworthy progress in clearing principal and interest obligations on key facilities, with management proactively engaging regulatory bodies and presenting a clear roadmap to address outstanding royalties and tax obligations, which helped ease regulatory pressure. Furthermore, fully incorporated host community development trusts were established, with onboarded Boards of Trustees and Administrators, ensuring these trusts were funded and operational, promoting community engagement and reducing potential disruptions.

Politically exposed persons (PEP) and Related Party Risk

Potential risks related to Politically Exposed Persons (PEPs) and related party issues emerged from the GCE's affiliation with the President of the Federal Republic of Nigeria, leading to increased scrutiny and monitoring by regulatory bodies. To mitigate these risks, management continuously monitored the situation and took necessary actions at the executive level to avoid exposures. This included continuous implementation of the Groups' PEP Policy, Anti-Corruption Policy, and Policy on Transparent Interactions with Ministries, Departments, and Agencies (MDAs), which were approved by the Board and implemented by the Governance, Risk and Compliance unit.

Critical procedures, such as conducting enhanced due diligence on all potential PEPs and related parties transactions are in place. The Governance, Risk and Compliance unit ensured all public insinuations on related party issues over the period were addressed from a governance standpoint and where necessary press statements made to this effect.



By strengthening governance frameworks, proactively managing regulatory, economic, and cyber risks, and upholding transparency at every level, we reinforce our commitment to sustainable value creation

We are Africa, We Are Oando

Macroeconomic Risk

Macroeconomic risk arises from changes in both national and global economic factors such as interest rates, exchange rates, commodity prices, inflation, and systemic financial crises that could adversely impact corporate performance and long-term business sustainability. In 2024, oil price volatility remained a major concern, driven by global supply dynamics and shifting demand. Brent crude oil prices averaged \$79.84 per barrel in Q3 2024 and \$74.35 per barrel in Q4 2024, reflecting a decline from the \$84.65 per barrel average recorded in Q2 2024. This downward trend was influenced by reduced demand from China and OPEC's anticipated plans to increase production, placing additional pressure on global oil prices

Major risk indicators leading to the assessment of Macroeconomic Risk are as follows:

- Volatility in oil prices, with consistent declines through the latter half of 2024.
- Reduced demand from China exerting downward pressure on global oil prices.
- Higher-than-normal cost profiles on the NAOC JV, impacted by findings from the Joint Venture audit report.

To manage oil price volatility, management adopted proactive hedging strategies. Although hedging agreements on legacy and NAOC assets had expired by Q3 2024, negotiations for new hedging arrangements were already underway.

Additionally, management closely monitored the effectiveness of NNPC's security initiatives and its pipeline surveillance contract with Maton, aimed at reducing oil theft and protecting critical infrastructure within the central corridor, ensuring stable production and operational efficiency.

Cyber Risk

Organizations rely on information technology as an essential tool for meeting business objectives as well as safeguarding intellectual property, financial information, and the company's reputation. Critical digital assets are being targeted by bad actors and the potential impact on businesses has never been greater with the threat landscape constantly changing.

Information Technology/digital space has seen a rise in cyberattacks. The Group's approach to cybersecurity has kept pace with on-going developments within the cyber security spectrum. In mitigating cyber risk, management has been proactive with enhancing the security of IT infrastructure; implementation of ISO 27001 activities to ensure IT risk exposure are minimized, undertaking remediation activities for issues noted from vulnerability and penetration testing activities, ensuring that IT systems are updated with the latest patch releases from security vendors, and a general improvement in enterprise security awareness, including training sessions held for staff. Oando continues to employ the latest developments in Information Technology security to combat these cyber risks.

Human Capital Management Report

Human Capital Management Report

The HCM team's focus in 2024 was to support the organization in its transition/integration during the acquisition process. The emphasis was on ensuring a smooth transition into Oando Energy Resources Nigeria Limited while prioritizing employee retention, wellbeing, and financial wellness. The team implemented targeted efforts to achieve this by prioritizing continuous workforce integration and cultural alignment, benefits reviews and harmonization, growth, development and learning.

Talent and Performance Management

It is our belief that providing appropriate growth and development opportunities improves our ability to retain employees which ultimately maintains and improves the organization's performance. Therefore, the initiatives undertaken in 2024 were directed towards strengthening the company's dedication to talent management and development.

In 2024, a total of twenty-six (26) employees were promoted, six (6) of which were into management level roles. This helped to strengthen employee morale and drive the company's passion resulting in successful completion of the NAOC acquisition and the operationalisation of Oando Energy Resources Nigeria Limited in August 2024.

As part of the organogram integration exercise postacquisition, 53 employees were also given the opportunity to function within higher level roles on an acting capacity for a 6month period after which a review of their performance would be conducted and successful employees substantiated in said roles.

In its usual practice, the company carried out a bi-annual objective setting in 2024 in line with set Corporate Objectives, conducted mid cycle reviews, and evaluations at the end of each performance period to ensure overall alignment. We also introduced a new element to the performance management process called the 360-degree evaluations, which allows an employee to be rated by his manager, direct reports and peers on the behavioural aspect of his work (TRIPP). This new aspect of our performance evaluations ensures that employees become more conscious of how they go about their work by prioritizing our core values in the execution of tasks. The 360-degree evaluations and the traditional role specific evaluations come together to form an employees' total performance evaluation score using a 20:80 ration respectively.

Learning and Development

The company's commitment to development continued to drive the deployment of a blended approach to Learning.

The Oando Academy successfully delivered 8 trainings sessions, covering Technical and Business Essential Courses. In addition to the Academy, the Organization continued to drive "on the Job Training" through stretch assignments and the formation of cross functional/ad hoc project groups. In addition, we introduced the LinkedIn learning, a leading online learning platform that offers thousands of courses taught by industry experts. The platform offers learners the opportunity to build and develop skills in various learning areas such as

leadership, communication, teamwork, project management and other soft and technical skills. We successfully deployed over 2,000 courses and achieved an average of 160 learning hours per employee in 2024.

Talent Acquisition and Attrition Management

As an equal opportunity employer, our selection and recruitment process is competency based and primarily assesses the skills, competencies and experience of candidates in alignment with the identified need. In early 2024, the company had a female and male employee population of 44% and 56% respectively, which exceeded the industry average. We also had an average age distribution of about 38 years old. However, post-acquisition in September 2024, the gender distribution changed to 25% female and 75% male, while the average age became 48 years old.

The team facilitated the recruitment of forty-nine (49) full time hires over the course of the year. These gender distribution for the new hires was 43% female and 57% male, while the average age was 35 years old.. In addition, we ramped up the use of our new applicant tracking system Breezy HR in 2024. This platform helped to create a one stop shop for all our recruitments and improved the recruitment application, communication and information management process. We also introduced the use of LinkedIn recruiter to maximize the visibility of our vacancies to top talent, thereby ensuring we consistently have a pool of top qualified candidates to recruit from.

Our goal moving forward is to work towards optimizing our gender and age distribution to ensure the organization returns to its position of above industry average gender and age distribution.

We recorded an attrition rate of 6% which was driven by relocation, and new opportunities.

Remuneration, Benefits and Employee Welfare

In 2024, the team revolutionized the compensation and benefits of employees by implementing equitable pay adjustments in line with market surveys, inflation, and naira devaluation. We also harmonized the Oando Energy Resources Nigeria Limited job grades, pay and benefits structure for a more streamlined compensation administration process. There was also a group wide Cost of Living adjustment implemented for other entities within the Oando group.

Additionally, we updated the remote work policy in line with the outcome of the 2023 focus group sessions by including a hybrid work structure of 3 days in the office and two days remote work for all employees at line managers' discretion.

Finally, we improved our healthcare benefits by increasing the spending limit for areas that were of particular concern for employees, particularly the optical and dental care limits. We also introduced two new HMOs (one international and one local) to ensure employees have more options to choose from when deciding on their HMO providers for the subsequent year.

The implementation of these initiatives resulted in improved employee morale, passion and retention.

EHSQ Report

Environmental Health Safety Security Quality Report

The year 2024 commenced with several EHSQ campaigns to drive safety culture improvements within the company.

Several other health and wellness campaigns were carried out for various other forms of cancers on World Cancer Day and breast cancer awareness campaigns in October.

Monthly EHSQ meetings were held monthly to review EHSQ performance and other operational information. External resource persons were invited to speak on health and safety related topics.

The EHSQ department continued to provide support to operations and various Legacy assets, monitoring safety programs engaging in performance reviews.

In line with our commitment to improve organizational EHS culture through awareness and safety communication programs, the

S/N	Health Initiatives 2024	Description	Period
1	Cervical Health Awareness Month	An educative session on Cervical Health Awareness	Jan
2	World Cancer Day	General awareness about cancer to all employees	
3	World Tuberculosis Day	An educative session on Tuberculosis	March
4	World Health and Safety Day at Work 2024	n and Safety Day at Work 2024 Health day in the HQ involving health checks for all employees	
5	World No Tobacco Day	Creative awareness on the dangers of nicotine addiction and how	May
		to achieve a tobacco free environment	
3	World Blood Donor Day A creative awareness on the importance of blood donation		June
7	World Hepatitis Day	An educative session and awareness driving session on Hepatitis	July
3	Security Awareness Sessions	Travel Security Tips	August
9	World Suicide Prevention Day	1. An educational and awareness session on suicide prevention	September
		2. EHS Golden Rules - Toxic Gases	
10	Breast Cancer Awareness	1. An educative and awareness driving session on Breast Cancer	October
		2. EHS Golden Rules - Management of Change (MOC)	
11	World Diabetes Day	1. An educational and awareness session on the risks of diabetes	November
		2. EHS Golden Rules – Fire Safety	
12	World Aids Day	1. An educational and awareness session on Aids	December
		2. EHS Golden Rules – Line of Fire	

following safety campaigns were performed during the period:

OERNL Environmental Projects (Post Acquisition)

October

- i. Carried out Environmental Compliance Monitoring for 13 OERNL locations.
- ii. Carried out Aggah flood studies fieldwork at Mabede 11, 18 & 20 well location and environs.
- Submitted letter to FMEnv on the conclusion of the public display exercise for the EIA of Idu FDP with evidence of newspaper advertisements and radio announcements.
- iv. Submitted notification letter to FMEnv on payment for site verification exercise for the EIA of Tuomo FDP and construction of 12" x 40Km pipeline from Tuomo field to Ogbainbiri Flowstation.
- v. Submitted draft report for the EIA of Manuso FDP to FMEnv.
- vi. Submitted final report for the EES of Samabri Cluster 2 to NUPRC.
- vii. Submitted final report for the EES of Ebocha Oil Centre to NUPRC.
- viii. Submitted final report for the EES of Okpai IPP to NUPRC.
- ix. Submitted final report for the EIA of Idu FDP to NUPRC
- x. Submitted final report for the EIA of Manuso FDP to NUPRC
- xi. Obtained Approval for the EES of Akri Flowstation from NUPRC.
- xii. Submitted updated ESR/PIAR for the Brass PWMP to NUPRC.
- xiii. Submitted updated TOR/SOW for the EIA of Brass PWMP to NUPRC.
- xiv. Carried out noise survey at the newly installed Residential Caravan at Kwale GP, Oshie FS and Akri FS.
- xv. Transmitted 2023 Q3 & Q4 and 2024 Q1 ECM reports of the following facilities to NUPRC and FMEnv:
 - 1. Oshie FS
 - 2. Samabri Cluster2
 - 3. Kwale GP
 - 4. Irri FS
 - 5. Tebidaba FS
 - 6. Oaboinbiri FS
- xvi. Transmitted 2024 Q2 ECM reports of 13 OERNL locations to NUPRC.
- xvii. Transmitted 2024 Q2 ECM reports of 13 OERNL locations to FMEnv.

November

- i. Carried out Environmental Compliance Monitoring for 12 NAOC locations with regulatory agencies participation.
- ii. Obtained Approval for the EIA of Idu FDP from NUPRC.
- iii. Obtained Approval for the EES of Okpai IPP from NUPRC.
- iv. Submitted draft report for the EIA of Tuomo FDP to FMEnv.
- v. Obtained Brass Terminal Point Sources permit from NUPRC.
- vi. Had engagement meeting with FMEnv on some pending studies in their Abuja office
- vii. Received public display letters from FMEnv for:
- a. EIA of Manuso FDP
- b. EIA of Tuomo FDP

December

- i. Carried out Environmental Compliance Monitoring for 13 OERNL locations.
- ii. Obtained Approval for the EIA of Tuomo FDP from NUPRC.
- iii. Submitted letter to FMEnv on the commencement of the public display exercise for the EIA of Manuso FDP along with the newspaper advertisements and radio announcements evidence.
- iv. Obtained Approval for the EIA of Manuso FDP from NUPRC.
- v. Transmitted 2024 Q3 ECM reports of 13 OERNL locations to NUPRC and FMEnv.
- vi. Submitted letter to FMEnv on the commencement of the public display exercise for the EIA of Tuomo FDP along with the newspaper advertisements and radio announcements evidence.

EHS RIG-LESS: OCTOBER – DECEMBER 2024

Operations Supervision & Monitoring:

TYPE	ACTIVITY/SCOPE	AREA	QUANTITY/ NO OF LOCATIONS
OCTOBER	Well Integrity (WIT) activities	LAR	12
NOVEMBER	Well Integrity (WIT) activities	LAR	28
DECEMBER	Well Integrity (WIT) activities	LAR	21

Pre-Mobilization Inspections And Equipment Certifications Verification

MONTH	SCOPE	EQUIPMENT NO.	LOCATION
OCTOBER	Pumping services Slickline services Coiled Tubing services	53	2
NOVEMBER	Wireline Services Coiled Tubing services Cementing	30	3
DECEMBER	Christmas Tree repair and Slickline services	15	3

EHS Meetings, Trainings, Inspections& Communication

MONTH	AWARENESS SESSIONS	LESSONS LEARNT SESSIONS	HAZARD HUNTING	STAND DOWN SESSIONS	HSE GOLDEN RULES	TOTAL	
January	1	0	0	0	0	1	
February	1	0	0	0	0	1	
March	1	0	0	0	0	1	
April	1	0	0	0	0	1	
May	1	0	0	0	0	1	
June	1	0	0	0	0	1	
July	1	0	0	0	0	1	
August	1	0	0	0	0	1	
September	1	0	0	0	0	1	
*October	1	2	1	0	2	6	
November	4	2	2	2	2	12	
December	1	0	1	0	4	6	
Summary/Total	15	4	4	2	8	33	

Leadership Visit, Emergency Drill, Contractors Facility Visits

STRATEGIC REPORT

MONTH	LEADERSHIP VISITS	EMERGENCY DRILLS/SWA DRILLS	CONTRACTORS' FACILITY VISIT	TOTAL
January	0	0	0	0
February	0	0	0	0
March	0	0	0	0
April	0	0	0	0
May	0	1	0	1
June	0	0	0	0
July	0	0	0	0
August	0	0	0	0
September	0	0	0	0
*October	0	2	1	3
November	5	2	0	7
December	2	1	0	3
Summary/Total	7	6	1	14

Oil Spill Statistics (January - December 2024):

CLASSES OF SPILL	NUMBER	TOTAL SITES JIV TEAM VISITED
Minor	355	389
Medium	25	
Major	1	
No spill from event (s)	8	

Clean-Up/JIV Status

CLEAN UP NOT REQUIRED	CLEAN UP COMPLETED	CLEAN UP IN PROGRESS	CLEAN UP PENDING	PENDING JIVS	TOTAL
1	22	16	0	0	39
0	18	14	0	0	32
0	22	7	0	0	29
0	13	3	6	0	22
0	22	4	19	0	45
1	15	6	10	0	32
3	15	8	15	1	42
2	18	0	29	2	51
2	13	0	23	2	40
0	5	0	18	0	23
0	4	0	14	2	20
0	9	0	12	2	23
9	176	58	146	9	398
	NOT REQUIRED 1 0 0 0 0 1 3 2 2 0 0 0	NOT REQUIRED UP COMPLETED 1 22 0 18 0 22 0 13 0 22 1 15 3 15 2 18 2 13 0 5 0 4 0 9	NOT REQUIRED UP COMPLETED UP IN PROGRESS 1 22 16 0 18 14 0 22 7 0 13 3 0 22 4 1 15 6 3 15 8 2 18 0 2 13 0 0 5 0 0 4 0 0 9 0	NOT REQUIRED UP IN PROGRESS PENDING 1 22 16 0 0 18 14 0 0 22 7 0 0 13 3 6 0 22 4 19 1 15 6 10 3 15 8 15 2 18 0 29 2 13 0 23 0 5 0 18 0 4 0 14 0 9 0 12	NOT REQUIRED UP IN PROGRESS PENDING 1 22 16 0 0 0 18 14 0 0 0 22 7 0 0 0 13 3 6 0 0 22 4 19 0 1 15 6 10 0 3 15 8 15 1 2 18 0 29 2 2 13 0 23 2 0 5 0 18 0 0 4 0 14 2 0 9 0 12 2

Barrels Recorded December 2024

CAUSATIVE FACTOR	NO. OF INCIDENTS	STIMATED BARRELS SPILLED	FREE OIL RECOVERED (BARRELS)
Oil theft	243	2518.219	2051.455
Other sabotage	125	1857.434	1629.68
Operational control spill	13	504.8478	455.4
Others (no spill/false alarm)	8	0	0
JIV pending (inconclusive)	9	0	0
Total events	398	4880.5008	4136.535

Waste Management

1. Routine Cleanup Activities

LOCATION	VOLUME	STATUS
Brass Canal	Cleanup of Brass Terminal Canal	Job ongoing

2. Contaminated Soil/Sludge/Cutting Management

LOCATION	VOLUME	STATUS
Ogboinbiri Gas Plant	Evacuated and transported 1380m³ of contaminated soil and	Job completed
	240m³ of sludge to Franco International for treatment and disposal.	
Idu Flowstation Cleanup Site	Evacuated and transported 28m3 of contaminated soil to Paschal	Job completed
	Technical Services Limited. Treatment completed.	

3. Waste Segregation Scheme

Land Area - Carried out waste management involving segregation, recycling and proper disposal in the following locations: Port Harcourt, OB/OB, Ebocha, Idu, Akri, Samabri, Oshie, Irri and Kwale Gas Plant and Tuomo location.

S/N o	WASTE	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
1	Medical (kg)	88.5	0	0	0	0	0	305.7	69.0	0.0	0.0	0.00	0	463.2
2	Glass (kg)	2,142	1841.4	1,670	1849	1822	1,657	4096.7	1898.3	2341.2	2630.2	2148.50	2,342.70	26,439
3	Bad battery (kg)	0	0	0	0	0	0	0.0	0.0	0.0	0.0	0.00	0.00	0
4	Biodegradable (kg)	25,251	20903.3	24,823	24,665.5	24,659	24,355	28,397.4	23,506.3	28,043.2	27,459.6	34,297.80	25,450.203	11,812
5	Paper (kg)	1,924	2,258.1	2,516	2,669	2,230.2	2,467	2,549.0	3,996.4	2,3552.4	17,635.7	10,912.70	1,212.20	73,922
6	Oil filter (kg)	550	881	293.1	382	763	1084.9	834.9	1080.0	3609.1	2342.4	1157.00	72.00	13049.4
7	Fuel filter (kg)	53	55	195	313	68	72	57.2	63.0	66.0	799.0	597.70	0.00	2338.9
8	Air Filter (kg)	0	0	0	0	0	0	0.0	0.0	0.0	0.0	0.00	0.00	0
9	Aluminum Cans & Metal (kg)	1,672	1657.9	1,834	1937	2026.5	2,001	2171.8	2859.4	4003.6	2922.0	2671.00	2,780.00	28,536
10	Plastics (kg)	1,745	1497.4	1,248	909.5	1801.7	1,373	1947.7	2086.6	2187.1	2059.8	1919.60	2,031.10	20,806
11	Fluorescent tubes (kg)	66.8	83.7	116.2	97.6	92.3	84.3	77.2	122.9	116.0	122.4	107.0	49.70	1136.1
12	Contaminated Rags (kg)	33	30.7	18.8	28	91	39	49.0	65.0	22.3	37.8	53.5	44.30	512.4
13	E – Waste (kg)	0	0	0	0	800	0	0.0	0.0	6000.0	0.0	0.0	0.00	6800
14	Woods (kg)	778	768.9	983	1069	16114	1109	1862.0	1845.7	2451.0	2187.0	1550.8	1,344.30	32,063
15	Sewage (litres)	5,850,000	5,396,000	6,168,000	4,832,000	5,663,000	4,432,000	2,862,000.0	3,150,000.0	3,484,000.0	3,822,000.0	3,360,000	2,712,000.0	51,731,000
16	Expired Chemicals (kg)	52,300	0	0	0	0	0	0.0	0.0	0.0	0.0	0.0	0.00	52,300
17	Waste water (Its)	0	0	0	0	112,000	0.0	0.0	0.0	0.0	0.0	0.00	0.00	112000
18	Spent Oil (Its)	6000	0	0	0	0	0	0.0	0.0	0.0	0.0	0.0	0.00	6000
	Total	5,942,603	5,425,977	6201696.6	4865919.6	5,713,468	4578241.3	2,904,349	3187592.6	3556391.9	3880195.9	3415415.6	2,747,326.50	52,419,177

Swamp Area - Carried out waste management involving segregation, recycling, and proper disposal in SAR locations of Brass Terminal, Ogboinbiri, Obama, Tebidaba, Clough creek and Beniboye flow stations.

S/N d	O WASTE	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	*OCT	NOV	DEC	TOTAL
1	Medical (kg)	0.0	0	0.0	0	0	0	0	0	0.00	95.00	0.00	0	95.00
2	Glass (kg)	1381.2	1331.39	1507.3	567.82	1462.62	1493.8	1540.42	1,564.34	1416.32	1441.77	1263.22	1502.58	16472.78
3	Bad battery (kg)	0.0	0	0.0	0	0	0	0	0	0	0.00	0.00	0	0.00
4	Biodegradable (kg)	32544.7	31899.33	33412.4	31972.76	33868.67	33254.1	34033.46	51,330.70	33195.43	33910.05	29969.35	32255.81	411646.78
5	Paper (kg)	1182.6	1255.78	1244.2	1178.27	1191.5	1261.44	1221.93	2,387.78	1110.72	1214.20	1097.09	1183.79	15529.31
6	Oil filter (kg)	188.9	190.2	190.3	204.5	175.67	208.9	143.68	125.85	156.54	161.24	133.39	0	1879.08
7	Fuel filter (kg)	0.0	0	0.0	0	0	0	0	0	0.00	0.00	0.00	0	0.00
8	Air Filter (kg)	0.0	0	0.0	0	0	0	0	0	0.00	0.00	0.00	0	0.00
9	Aluminum Cans & Metal (kg)	1666.0	1588.35	1648.7	1765.28	1725.07	1625.64	1753.92	1,568.07	1544.38	1615.04	1452.88	1793.96	19747.29
10	Plastics (kg)	1786.9	1745.7	1680.2	1931.42	1730.96	1993.29	1988.25	1,770.48	1796.67	1796.40	1557.57	1562.29	21340.05
11	Fluorescent tubes (kg)	0.0	0	0.0	0	0	0	0	0	0.0	0.00	0.00	0	0.00
12	Contaminated Rags (kg)	1.0	0	0.0	0	0	0	0	0	0.0	0.00	0.00	0	1.00
13	E – Waste (kg)	0.0	0	0.0	0	0	0	0	0	0.0	0.00	0.00	0	0.00
14	Woods (kg)	5.0	0	0.0	5	0	0	45	0	37.0	34.00	0.00	0	126.00
15	Sewage (litres)	0.0	0	0.0	0	0	0	0	0	0.0	0.00	0.00	0	0.00
16	Expired Chemicals (kg)	0.0	0	0.0	0	0	0	0	0	0.0	0.00	0.00	0	0.00
17	Waste water (Its)	0.0	0	0.0	0	0	0	0	0	0.0	0.00	0.00	0	0.00
18	Spent Oil (Its)	0.0	0	0.0	0	0	0	0	0	0.0	0.00	0.00	0	0.00
Total	38756.25	38,010.75	39682.99	37,625.05	40,154.49	39837.2	40,727	58,747.22	39257.06	40267.70	35473.50	38298.43	486837.29	

Safety & Emergency Response

Safety Operations

S/N	ACTIVITIES	DEC 2024	2024 CUMM
1	Statutory Safety Inspection with NUPRC	0	0
2	Pre-mobilization Inspections on Equipment	4	47
3	Mgt. Leadership Visit	2	22
4	Incident Investigation & Reporting	16	110
5	Accident Reduction programme	0	22
6	HSE Departmental Awareness	2	179
8	Project Kick-off Meetings	0	9
9	Contractor HSE Requirement Reviews	4	92
10	HSE Briefing / Induction for Visitors & Workers	0	58
11	HSE Audit For Contractors	1	8
13	Crane Inspection/ Tug Boat & Barge/MEWP	4	14
14	Total Hazardous Forms Filled	228	6630
15	Total Monthly Contractors Report	7	84

2024 January - December Safety Statistics

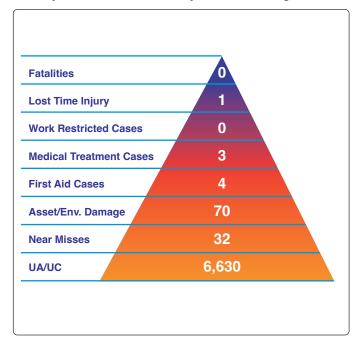
S/N ACTIVITIES	DEC 2024	2024 CUMM
Total Man-hours	1,742,774	20,195,526
Company Man-hours	159,511	2,346,626
Contractor Man-hours	1,583,263	17,848,900
Near Miss	0	32
Road Transport Accidents (RTA)	0	2
Fire/Explosions	6	28
Equipment Failure	0	0
Operational Error	0	0
Structural Damage	2	10
Other Incidents	10	30
First Aid Case (FAC)	0	4
Restricted Work Case (RWC)	0	0
Medical Treatment Case (MTC)	0	3
Company LTI – Lost Time Injury	0	0
Contractor LTI – Lost Time Injury	0	1
Company – Fatality	0	0
Contractor – Fatality	0	0
TRI - Total Recordable Incidents (Fatality+LTI+MTC+RWC)	0	4
TRIR (Fatality+LTI+MTC+RWC)*1,000,000/Manhours	0.00	0.19
LTI Frequency (Fatality+LTI)*1,000,000/Manhours	0.00	0.05



With over 20 million man-hours worked in 2024 and only one recorded lost-time injury (LTI), alongside zero company fatalities, our commitment to safety goes beyond compliance, it defines our culture.

We are Africa, We Are Oando

January - December 2024 Safety Statistics Triangle



RVIEW	STRATEGIC REPORT	GOVERNANCE REPORT	FINANCIAL STATEMENTS	ADDITIONAL INFORMATION		

Oando Foundation

2024 Annual Report



Oando Foundation 2024 Annual Report



Introduction

Oando Foundation is dedicated to improving basic education outcomes and fostering sustainable development across Nigeria, actively supporting the government's Universal Basic Education (UBE) mandate. Established as an independent charity in 2011 by Oando PLC, the Foundation is committed to ensuring that every child—regardless of background—has access to quality education, innovative learning opportunities, and the skills needed to thrive in a rapidly changing world. Our efforts have translated to a decade plus of measurable impact, enabling us to enrich the learning experiences of over 1 million beneficiaries across 295 public primary schools and their communities nationwide.

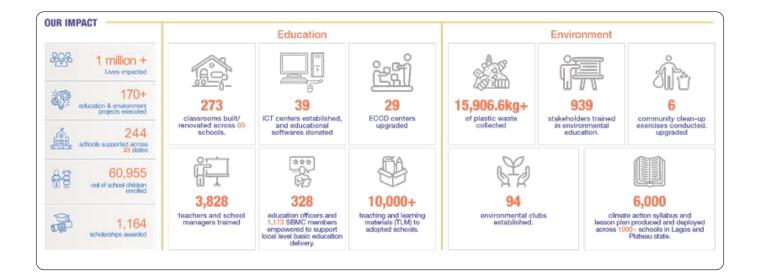
The Foundation's journey in education support continues to evolve – from our flagship Adopt-A-School programme to the recently launched LEARNOVATE strategy, addressing changing issues affecting basic skills mastery (foundational learning), green skills for the emerging global workforce, education advocacy and sector thought leadership given our track record of success at policy engagement, partnership development, and programme delivery.

Focusing on its three critical pillars: Learning, Planet, and Advocacy; the LEARNOVATE strategy is leveraging innovative methods, evidence-based practices, and strategic partnerships, to improve learning outcomes, enabling children to attain proficiency in foundational literacy and numeracy; STEAM (Science, Technology, Engineering, Arts and Mathematics); and promoting environmental stewardship. We are deliberate about ensuring that no child is left behind.



1 million+ beneficiaries

Reached through Oando Foundation's education support initiatives across 295 public primary schools nationwide.



Oando PLC currently funds the Foundation's operational and part programme costs. The Foundation has also established strategic partnerships with the government, donor organizations, the private sector, and civil society to augment funding gaps and actualize its goals and objectives. A Board of Trustees provides oversight functions to the Foundation, and the Head of Foundation oversees daily operations.

Our Commitment to Lasting Impact

The establishment of the Oando Foundation reflects Oando PLC's unwavering commitment to long-term, inclusive, and sustainable development across Nigerian communities. Conceived as a strategic departure from traditional short-term philanthropy, the Foundation was structured to deliver scalable and replicable interventions across Nigeria, ensuring that every initiative not only addresses immediate community needs but also contributes to systemic transformation in the education and development sectors.

The Foundation's initiatives are strategically aligned with Nigeria's national development objectives and the United Nations Sustainable Development Goals (SDGs), reflecting a holistic approach to social equity and sustainable progress.

Our programmatic focus encompasses foundational learning, digital inclusion, climate education, and green skills development – key drivers of sustainability and future-readiness. By targeting vulnerable and underserved populations, the Foundation seeks to foster inclusive growth, build community resilience, and contribute meaningfully to long-term social and environmental transformation.

Vision

A Nigerian nation where sustainable innovation is powered by an educated and climate-aware youth population.

Mission

To foster innovative learning for better life opportunities for children and youth through equitable quality and climatesensitive education.

Driven by Oando PLC's commitment to sustainable development, the Foundation delivers scalable education and climate-focused programmes aligned with national goals and the UN SDGs. With a vision for an educated, climate-aware youth population, it empowers underserved communities through inclusive learning, digital access, and green skills development.

3-YEAR ESG TARGETS

In fulfillment of its mandate to advance sustainable development and social impact, the Oando Foundation has, over years, strategically aligned its operations with the Environmental, Social, and Governance (ESG) priorities of Oando PLC. The Foundation's ESG Key Performance Indicators (KPIs) reflect its sustained commitment to delivering measurable, long-term value across core focus areas and serve as a framework for evaluating contributions to inclusive

education, environmental resilience, and institutional accountability

This update not only assesses progress against defined targets but also underscores the Foundation's role in supporting Oando PLC's broader ESG ambitions and driving transformative impact within beneficiary communities.

ESG GOAL

KPI (3 - 5 YEARS)

STATUS

Education: Access and Quality

- Support Oando Foundational Literacy and
- Numeracy initiatives in 200 primary schools across Nigeria between 2025 and 2027.
- Provide 300,000 beneficiaries with improved access to Oando Foundational Literacy and
- Numeracy through its education Initiatives.
- Pilot phase of the LEARNOVATE-FLIP (Foundational Learning Improvement Programme) is being implemented in 80 public primary schools across 4 states, targeting 45,000+
- Early Grade Reading (EGR) intervention for Primary 1-3 pupils across 60 public primary schools in Ebonyi, Sokoto and Plateau States.
- Remedial learning intervention for Primary 4-6 pupils who have had interrupted formal learning across 20 public primary schools in Adamawa State.

This pilot will run through the 2024/25 academic session, ending in July 2025.

• Through the Foundation's LEARNOVATE-SEED (Supporting Early-childcare Education and Development) project, we refurbished 18 Early Childcare Centers, equipping them with relevant learning resources for young learners aged 2-5years. We also enhanced the skills of 57 teachers in innovative, play-based pedagogies, reaching over 1,171 children.

Enroll 5,000 currently Out-of-School Children into schools across Nigeria year on year.

- 4,388 out-of-school children mobilized and enrolled into formal education across target school communities – Abakaliki and Ikwo in Ebonyi; Jos North and Mangu in Plateau, and Wamakko and Shagari in Sokoto State
- In addition, 120 Community Reading Hubs have been established, providing accelerated learning opportunities outside school hours for 10,800 children in target communities.

Facilitate the adoption of the standardized environmental education syllabus across schools nationwide in partnership with the Federal Ministry of Education and Universal Basic Education Commission.

- In collaboration with Lagos State Universal Basic Education Board and GreenHub Africa, the Foundation designed and produced 6,000 copies of the Climate Action Superheroes Syllabus with Lesson Plans for standardization of environmental education lessons in schools. This has been deployed across 1,040 primary schools in Lagos and Plateau and was recently adopted in Delta State.
- Additionally, the Clean Our World (Phase IV) project was implemented in Lagos and Plateau with the following key results:
- Full-scale Climate Action outreach deployed in 70 schools
- 69,500+ beneficiaries reached
- 3,250kg of plastic waste recycled; 230+ items upcycled
- 177 teachers and education managers trained
- 70 school environmental clubs established and empowered
- National-level advocacy is ongoing with relevant federal agencies to support adoption of a standardized environmental education syllabus for full-scale deployment at sub-national level.

Award 10 grants to innovative climate smart initiatives promoting green skills and innovation among youths and students.

In partnership with Teach For Nigeria (TFN), through the Incubation Hub Program, the Foundation has provided training and mentorship support to 10 young social innovators, and awarded seed grants to 3 of them to scale their innovative solutions in green skills and foundational learning.

Lead the Private Sector Education Cluster to improve funding and delivery of Basic Education by facilitating approval of the Education Tax Credit Scheme.

- Oando Foundation leads the Education Cluster under the Private Sector Advisory Group (PSAG) Nigeria, driving strategic initiatives to mobilize increased private-sector investment in basic education. In 2024:
 - Facilitated participation of 25+ top tier private sector organizations in a stakeholders' dialogue with the Universal Basic Education Commission (UBEC) to align government's basic education priorities and private sector interests.
- Co-designed the 'Regenerating Basic Education in Nigeria (RBEN)' proposal, an innovative, private sector-led, education financing model, which has received endorsements from UBEC, Federal ministry of Education, and the Nigerian Governors Forum. Further consultations are on-going to develop implementation framework and secure presidential consent for execution

2025 TARGETS

A recent report by the United Nations Secretary-General highlights a significant global shortfall in achieving the Sustainable Development Goals (SDGs). Despite notable progress, the call for urgent and coordinated action has never been more critical. The UN SDG Report 2024 indicates that progress has stalled due to factors such as COVID-19, conflicts, and climate change. At the Oando Foundation, we remain steadfast in our commitment to ensuring that no child is excluded from accessing quality basic education, and that youths are equipped and empowered to scale innovative solutions that address critical educational and environmental challenges.

As we look ahead, we are poised to consolidate and deepen the impact of our work across all strategic pillars by leveraging innovation, strategic partnerships, and community-driven solutions. Our programmatic priorities for the year include: 100%
Completion of the LEARNOVATE

Completion of the LEARNOVATE Foundational Learning pilot across 80 schools

PROGRAMME COMPONENTS	TARGETS
LEARNING	 100% completion of the LEARNOVATE-Foundational Learning pilot in 80 schools. Disseminate results and evidence to key sector actors for replication and scale. Scale the LEARNOVATE-SEED early childcare intervention in 15 schools through upgrade of early childcare centers and teacher training in innovative pedagogies. Launch the School STEAM Project in 30 public primary schools, targeting learner improvement in basic sciences through teacher capacity strengthening, setup of innovation labs for practical lessons, and young student innovators' competition. Enroll and mainstream 5,000 Out-Of-School Children (OOSC) across target states.
PLANET	 100% completion of the LEARNOVATE-Foundational Learning pilot in 80 schools. Disseminate results and evidence to key sector actors for replication and scale. Scale the LEARNOVATE-SEED early childcare intervention in 15 schools through upgrade of early childcare centers and teacher training in innovative pedagogies. Launch the School STEAM Project in 30 public primary schools, targeting learner improvement in basic sciences through teacher capacity strengthening, setup of innovation labs for practical lessons, and young student innovators' competition. Enroll and mainstream 5,000 Out-Of-School Children (OOSC) across target states.
ADVOCACY	Strengthen advocacy efforts, prioritizing government policy action and galvanizing private sector actors to drive systematic change.

Monitoring, Measuring and Reporting Impact

We measure and track results through a comprehensive monitoring and evaluation (M&E) framework embedded in all programme components. Each programme is designed with a tailored M&E framework that incorporates robust methods for data collection, progress monitoring, and impact assessment. This approach ensures efficient resource utilization and maximizes long-term impact.

Evidence shows that the Foundation's initiatives have led to meaningful change at both individual and community levels. Educational outcomes have improved as children who previously lacked access to quality education now receive the support needed to succeed academically. Teachers' capacity and pedagogical skills have been strengthened, resulting in better student engagement and improved performance. Upgraded infrastructure has created safer, more conducive learning environments, positively impacting students' wellbeing. Additionally, the Foundation's climate action initiative

has fostered a stronger sense of community responsibility for sustainable living and waste management, with increased adoption of eco-friendly practices. These efforts not only enhance current educational experiences but also contribute to long-term social and economic development.

2025 TARGETS

Stakeholder Engagement

Our stakeholder engagement strategy is all-encompassing and focused on cultivating meaningful relationships with a diverse range of partners to maximize impact and ensure our objectives are aligned. At Oando Foundation, we prioritize sustainability in our interactions by considering the needs and aspirations of our stakeholders. This approach lays a strong foundation for creating shared value and ensuring the long-term success of our initiatives.

Stakeholder Group	Basis of Identification	Format/Mode of Engagement	Key Stakeholder concerns/issues raised	Key Stakeholder concerns/ issues raised	Resolution Strategy
Universal Basic Education Commission (UBEC)	Education Sector Mapping	Letters / emails Meetings	On-going	Impact of organized private sector interventions is not sufficient to address scale of deficiencies affecting quality education delivery at national level. Urgent need for increased focus on smart initiatives that equip learners with 21st century skills	We continue to champion organized private sector engagement with government through the PSAG for approval of an innovative education financing model (RBEN) to increase private sector investment in the education sector. The LEARNOVATE strategy prioritizes design of STEAM initiatives that enrich learning experience and empower students and youths with skills that position them for success
State Universal Basic Education Board	Education Sector mapping States Education Index Report	Letters / emails Meetings Periodic project updates	Ongoing Quarterly	Inadequate funding for public primary schools, leading to insufficient resources, poor infrastructure, and lack of teaching materials.	We are spearheading advocacy efforts at State Executive and Legislative Arms for increased budgetary allocation for basic education
Community Members	Community mapping Based on State SBMC policy	Focus Group Discussions Meetings	Quarterly Ongoing	The impact of poverty on parents/care-givers in certain communities, resulting in significant decline in parental involvement in students' academic progress, and increase in school dropout rates among children who are required to support economic activities of their parents.	The Foundation actively seek partnerships with donor organizations and key government ministries to leverage existing livelihood programs, and influence design of new ones to support the economic growth of parents and caregivers in target communities.
Implementing Partners	Request for Proposal	Emails/ Meetings/ Periodic project updates	Ongoing	Effects of inflation and currency fluctuations on the prices of goods and services.	We prioritize local content in our procurement process. By sourcing items locally instead of importing them, we not only manage costs more effectively but also support and strengthen local industries.
Teachers/ School Managers	Education sector mapping	Meetings, Period updates	Ongoing	Frequent transfers of trained teachers from target schools benefiting from OF interventions	Our robust stakeholder engagement strategy ensures commitment is secured from relevant state bodies through Memorandum of Understanding (MoU) to retain trained teachers in target schools for at least three years post project implementation.

Vulnerable Groups Identified

The Oando Foundation continues to focus on the most underserved populations in accordance with our goal to provide inclusive and equitable access to high-quality basic education in the communities we serve. They include:

Out-of-School Children (OOSC): Nigeria is home to over 18 million out-of-school children, a challenge driven by factors such as poverty, insecurity, restrictive gender norms, and a shortage of quality educators. Through our flexible and evidence-based programme design, we are working with government and community stakeholder to create safe learning environments and offer accelerated, skill-focused

education-beyond traditional grade-based systems-to enhance educational outcomes and seamlessly integrate these children into the formal school system.

Girl Child: According to a 2022 report by the United Nations Children's Fund (UNICEF), 7.6 million girls in Nigeria, particularly from the northern regions, are deprived of education. This unfortunate reality stems from violations of girl child rights due to cultural norms, poverty, insecurity, gender stereotypes, religion, and early marriage.

HIGHLIGHTS OF 2024

Learning

From empowering pre-primary learners through early childhood center upgrades and teacher capacity strengthening, to the launch of our remedial program across four states; our approach is helping to reshape basic education delivery and outcomes in Nigeria, paving the way for a brighter future.

Building Strong Foundations through the LEARNOVATE-SEED (Supporting Early Childhood Education and Development) Project)

Through our rebranded early childhood intervention, now themed LEARNOVATE-SEED (Supporting Early-childhood Education and Development), we upgraded 18 Early Childhood Centers in Lagos, Plateau and Katsina states, benefiting 1,171 children aged 2 to 5years. These centers were renovated and equipped with appropriate furniture,

interactive learning setups, literacy and numeracy corners, feelings and emotions areas, gross motor skills sections, and instructional materials, fostering a stimulating environment tailored to support the unique needs of young learners.

FINANCIAL STATEMENTS

Additionally, 57 early childcare teachers and education managers received training on child development, inclusive education, and play-based learning, enhancing teaching quality. Our comprehensive intervention approach (infrastructure upgrade and capacity strengthening) ensures that young learners receive holistic education that fosters both cognitive and socio-emotional development.

Research shows that 90% of brain development occurs before age five, underscoring the critical importance of early childhood education in shaping lifelong learning and success. Recognizing this, Oando Foundation has made early childhood education a key part of its interventions, ensuring that young learners have access to nurturing environments and quality resources that set them on the right path for lifelong learning.

BEFORE







AFTER







EACHER TRAINING





HIGHLIGHTS OF 2024

Introducing LEARNOVATE-FLIP (Foundational Learning Improvement Programme) in 80 Schools

In line with our commitment to enhance proficiency in foundational literacy and numeracy skills through innovative, evidence-based methods, the Foundation launched the LEARNOVATE-FLIP pilot across 4 target states – Adamawa, Ebonyi, Plateau, Sokoto. This pilot utilizes two distinct approaches: i) Early Grade Reading (EGR), and ii) Teaching at the Right Level (TaRL).

The EGR Pilot aims to demonstrate that an integrated approach to learner support in mother-tongue can significantly improve reading achievements for pupils in primary 1-3, targeting 60 public primary schools across three states -Ebonyi, Plateau, and Sokoto. Key result areas include i) Improvement in capacity of teachers, school managers, and education administrators to deliver high quality numeracy, reading instructions and mentoring ii) Development of evidence-based grade-appropriate teaching and learning materials to improve pupil performance iii) Strengthening community participation in basic education quality through establishment and facilitation of community reading hubs in the target school communities and iv) Strengthening assessment and data collection systems to inform instruction, planning and continuous improvement. EGR instructional and assessment materials have been adopted and deployed for the pilot in Hausa (Sokoto), Igbo (Ebonyi) and English (Plateau).

The TaRL Remedial Support focuses on providing technology-enhanced remedial learning and improving foundational literacy and numeracy skills for pupils in primary 4-6, who have experienced interruptions in formal education with evident gaps in learning proficiency. This evidence-based method has already successfully impacted over 750,000 children across seven states in Nigeria. In line with the goals of LEARNOVATE, the Foundation is scaling the initiative, in partnership with TaRL Africa, infusing technology in its delivery across 20 public primary schools in Adamawa State.









LEARNOVATE-FLIP pilot has commenced and will run concurrently in target states throughout the 2024/25 academic year; reaching over 45,000 direct beneficiaries.



Project Zero: Mobilizing 150,000 Out-of-School Children (OOSC) from the Streets to the Classroom

Oando Foundation, in partnership with Lagos State Universal Basic Education Board (LASUBEB), Education Outcomes Fund, and other stakeholders aim to mobilize 150,000 OOSC, reduce the risk of children dropping out of school, and improve data management systems to track this category of at-risk children for targeted interventions. Five Local Governments reported to have the highest number of OOSC in the state have been identified to benefit from the joint project. Co-design activities on-going, full implementation scheduled to commence in the 2025/26 academic session.

In addition, the Foundation successfully mobilised and enrolled 4,388 OOSC through various community mobilisation drives championed by members of School-based Management Committees in target communities where the LEARNOVATE-FLIP project is being implemented in Ebonyi, Plateau, and Sokoto. As part of retention efforts, mobilised OOSC will receive back-to-school materials, including school uniforms, sandals, school bags, textbooks, and writing materials.

Supporting Oando Scholars

It is estimated that 35% of Nigerian primary school pupils do not proceed to secondary education, due to a myriad of reasons, including poverty. Oando Foundation's scholarship programme not only addresses this problem but also empowers children with the necessary knowledge, skills, and character to seize future economic opportunities and foster lifelong learning.

To date, we have awarded 1,153 scholarships to deserving beneficiaries through a competitive process, to support their transition and retention from our adopted schools into secondary (and in some cases) tertiary education, ensuring that financial barriers do not hinder their academic progress. In 2024, we disbursed grants to 15 secondary and 3 tertiary scholars under this scheme.

Beyond our core scholarship programme, we have also facilitated specialized scholarship initiatives: the Maiyegun scholarship programme and the Ebola Support Fund established to support the educational endeavors of children who lost parents to the Ebola virus. These initiatives have collectively benefitted 11 scholars receiving grants for secondary and tertiary education. To date, the scheme has produced a medical doctor and a legal practitioner, among others.

HIGHLIGHTS OF 2024

Planet

Our planet component under the LEARNOVATE strategy is promoting environmental stewardship and sustainability across Nigeria, empowering the next generation of climate champions through environmental education and green skills.

Raising Eco-conscious Champions: Clean Our World (COW) Project – Phase IV

In partnership with Sumitomo Chemical, Lagos State Universal Basic Education Board (LASUBEB), we introduced the climate action syllabus and lesson plans across 1,020 schools for standardized environmental lessons, with full-scale implementation across 50 schools in Lagos. Building on the success achieved in Lagos, where the project has had a substantial impact on public primary schools over the last three phases, we expanded the scope, bringing similar benefits to Plateau state, starting with 20 public primary schools across 3 Local Governments. The project expansion is testament to the Foundation's commitment to embedding environmental consciousness into Nigeria's education system, through a localized approach that can be adopted for scale at the sub-national level.

Key project activities included capacity strengthening for teachers and education managers on the utilization of 'edutainment' techniques for effective environmental education lesson delivery at classroom level; establishment of environmental clubs which exposed pupils to hands-on activities like recycling, upcycling and gardening; and interschool competition to test their knowledge and skills acquired.

Key Achievements:

- Climate Action Superheroes' outreach deployed in 70 schools.
- 69,500+ beneficiaries reached.
- 177 teachers and education managers trained
- 70 school environmental clubs established and empowered
- 6,000 copies of approved Climate Action Superheroes Syllabus and Lesson Plans produced and distributed to 1,021 primary schools in Lagos, to support lesson standardization.

The COW Phase IV close-out ceremony hosted in December served an opportunity to celebrate project accomplishments, recognize key stakeholders, and reward best-performing schools. A major highlight of the event which had in attendance stakeholders from the government, private sector and civil society, was the panel discussion on "Strategic Collaborations: Scaling School-based Environmental Education Programs for Greater Impact", with actionable solutions that will influence future action.

1,020 schools

Introduced to the climate action syllabus and lesson plans for standardized environmental education

ENVIRONMENTAL CLUB







GARGENING







CLOSE OUT EVENT





HIGHLIGHTS OF 2024

Seed Grant for Localized Solutions to Environmental and Educational Challenges

In partnership with Teach for Nigeria, Oando Foundation cosponsored the 2024 Incubation Hub program, empowering young social innovators with localized solutions to tackle key educational and environmental challenges. The program supports startups in select areas of social impact such as education and climate action with the funds, tools, and infrastructure to grow optimally and contribute significantly towards improving basic education in Nigeria. The Foundation supported this initiative through mentorship, strategic guidance, and award of seed grant to the finalist.

10 out of 20 promising innovators advanced to the Incubation Hub pitch competition finale in October 2024. The winner, Collins Odike Nnabuike, was awarded a seed grant for his project, 'Waste to Design', which transforms plastic waste into educational materials for underserved schools, bridging critical gaps in both education and environmental sustainability.

Our collaboration with Teach for Nigeria exemplifies the commitment of both organizations to fostering sustainable change through education and innovation, enhancing the impact on local communities.



Through our partnership with Teach for Nigeria, we empowered young innovators tackling education and climate challenges, proving that grassroots solutions can drive national transformation.

We are Africa, We Are Oando



10 out of 20

Promising social innovators advanced to the Incubation Hub pitch competition finale

HIGHLIGHTS OF 2024

Advocacy & Partnerships



STRATEGIC REPORT

Driving meaningful change through advocacy is at the heart of our mission. This year, we intensified efforts to address key policy and implementation gaps in Nigeria's basic education sector, galvanizing private sector participation through impactful advocacy initiatives in collaboration with government and other development partners.

As part of efforts to engage on these issues and enlist multistakeholder support, Oando Foundation served as a technical partner and co-sponsor for the **2024 Africa Social Impact Summit (ASIS).** Our Programmes Manager, Tonia Uduimoh, joined other panelists to discuss the importance of foundational learning for youth employability and positioning Africa as the global talent sourcing frontier. The panel emphasized the need for patient capital, a long-term view, and increased collaboration between the private sector and academia to nurture a more well-rounded, competitive talent pool.

To commemorate the International Day of the Girl Child, Oando Foundation joined key stakeholders at the inaugural International Conference on Girl Child Education in Nigeria hosted by the Nigeria Governors' Forum and the Federal Ministry of Education. The event provided a platform for the Foundation to emphasize its commitment to promoting girl child education, highlighting the urgent need for increased education financing, robust accountability framework to monitor progress, and the sharing of best practices among stakeholders to amplify impact. Innovative partnerships were explored and strategic partnerships forged to bridge gaps in inclusivity and ensure that every girl has the opportunity to thrive.

Other advocacy highlights from the year include:

- Human Capital Africa Pre-AU Summit Roundtable, which
 provided a key opportunity to mobilize major development
 partners around the shared goal of ending the foundational
 learning crisis and achieving targets under SDG 4.
- TEP Webinar on leveraging public-private partnerships to shape the future of education in Africa where the Foundation emphasized the transformative power of Public-Private Partnerships (PPPs) in Africa's education, exploring strategies for collaboration, innovative approaches, and policy recommendations to drive positive change.
- 2024 World Environment Day event hosted in partnership with the Federal Ministry of Environment, European Union/NCCRP, and OXFAM to raise awareness, share knowledge, and inspire action towards a more sustainable and resilient future.
- 79th session of the United Nations General Assembly
 where the Foundation actively engaged in key conversations
 and action toward shaping the future of education and
 climate action.
- Africa Philanthropy Forum Annual Conference provided an opportunity to connect with other philanthropic leaders, share lessons from the Foundation's initiatives, and explore innovative approaches to maximize social impact across the continent.
- **AriseTV interview** where our Programmes Manager joined other education advocates to address critical issues in the education sector and proffer solutions under the theme "Bridging Gaps and Building Futures in Education", with a focus on out-of-school children.
- The Basic Education in Nigeria Bootcamp (BEN-B) hosted by the Federal Ministry of Education, in collaboration with Oando Foundation and other strategic partners, with the theme, "Improving Access to Inclusive Quality Education for All Children in Nigeria: Addressing Challenges of Out-of-School Children" spotlighting Nigeria's dire educational challenge as the country with the highest number of out-of-school children globally.



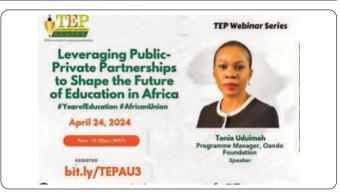
79th session

United Nations General Assembly, where the Foundation engaged in global education and climate action dialogue

HIGHLIGHTS OF 2024



Human Capital Africa Pre-AU Summit Roundtable



TEP Webinar



The 2024 World Environment Day event



The 79th session of the United Nations



The Africa Philanthropy Forum Annual Conference



The Basic Education in Nigeria Bootcamp



AriseTV interview

HIGHLIGHTS OF 2024

Building Partnership Bridges for Collective Impact

With a strong reputation as 'Partner of Choice' in basic education delivery through strategic partnerships with government, international institutions, private sector, and civil society; Oando Foundation continues to deepen its programme delivery efforts, showing evidence in community development, education thought leadership, and policy influence.

Courtesy Visits to Plateau and Katsina State Governments

As part of efforts to strengthen existing partnerships and explore new opportunities for better educational outcomes at the sub-national level, the Foundation paid courtesy visits to His Excellency, Barrister Caleb Mutfwang, the Governor of Plateau State and Barrister Abdullahi Garba Faskari, Secretary to the Katsina State Government. Following these engagements and renewed commitment from both states, we expanded the scope of our interventions, leveraging the states' counterpart contributions. These visits underscore the Foundation's proactive engagement with state partners for improved outcomes.





20+ corporate members

In the PSAG Education Cluster, led by Oando Foundation to accelerate private sector participation in education3



Education Outcomes Fund Visit to Oando Foundation

The Education Outcomes Fund (EOF) held a consultative meeting with Oando Foundation, alongside Sterling One Foundation and ACT Foundation, to discuss the potential launch of the Education Outcomes Fund program in Nigeria. The primary objective of this collaborative effort is to enhance learning outcomes and increase educational investment in Nigeria, particularly focusing on addressing the enrollment of out-of-school children. Leveraging their established outcomesbased education financing approach in Sierra Leone and Ghana, EOF aims to introduce innovative financing solutions in Nigeria, collaborating with state governments, development agencies, private sector, and civil society.

As the inaugural international trust fund dedicated to outcomes-based financing for education, EOF represents a pragmatic response to challenges in basic education, offering robust financial incentives to foster innovation and drive results in education. We look forward to deepening this engagement for results in the coming year, through a pilot project in partnership with Lagos State Universal Basic Education Board.

Regenerating Basic Education in Nigeria through Policies that Fuel Progress

The Private Sector Advisory Group (PSAG) Nigeria serves as a connector between the private sector and the government to drive policies and scale collaborative efforts and impact on the Sustainable Development Goals in Nigeria. Comprising over 20 corporate members, the PSAG Education Cluster, with the Oando Foundation as its lead, accelerates private sector participation in education delivery, fostering partnerships to address educational challenges and enhance educational access and quality for improved outcomes in Nigeria.

This year, the cluster pushed its Regenerating Basic Education in Nigeria (RBEN) proposal aimed leveraging private sector capital to address the funding and sustainability challenges facing the Nigerian education sector through a guaranteed capital recovery incentive, structured in the form of tax credits. Consultative meetings have been held with subnational representatives at the Nigeria Governor's Forum and the Universal Basic Education Commission (UBEC) for alignment.

HIGHLIGHTS OF 2024

Strengthening Collaboration with Government Education Agencies

STRATEGIC REPORT

The Universal Basic Education Commission (UBEC) in collaboration with the PSAG Education Cluster held a one-day stakeholders' dialogue with members of the Organized Private Sector in July 2024 to explore opportunities for collaboration towards enhancing the delivery of quality basic education in Nigeria. A major highlight of the dialogue was the endorsement of RBEN by the Executive Secretary, Dr. Hamid Bobboyi, as a strategic initiative to strengthen public-private partnerships in education and pledged their efforts to push the RBEN agenda forward.

These milestones underscore the impact that can be realized from our collaborative efforts and highlights Oando Foundation's leadership in advancing educational reforms in Nigeria.





600 households

Supported in 2024 through the TAP initiative in Langbasa (Ajah) and Bariga, Lagos State

Other Private Sector Engagements...

Oando Foundation represented the PSAG Education Cluster at a Stakeholders Technical Dialogue on 'Operationalization of the Multidimensional Poverty Index (MPI) as a Policy Tool in Nigeria' hosted by the United Nations Development Programme (UNDP), where insights were shared on effective ways the private sector can leverage the MPI for social investment efforts, targeting better educational outcomes and coordinated support to vulnerable populations.

The Foundation also represented PSAG at the 2024 Africa Social Impact Summit, alongside other education cluster members – MTN foundation, Sahara Foundation, and TEP Centre etc.; engaging with participants, showcasing our collective efforts, and onboarding new private sector members.



SPECIAL PROJECTS

Tap to Reach All

The Aggregator Platform (TAP), driven by the #HumansOfOando, is an inspiring initiative launched in April 2020 to combat hunger in Nigeria, aligning with SDG2: Zero Hunger. Initially focused on distributing food relief supplies to vulnerable households, TAP has evolved its strategy to ensure sustainability and long-term impact.

This year, in partnership with Siddiqah Foundation, TAP supported 600 households across Langbasa in Ajah and Bariga, Lagos State. With Oando Foundation facilitating planning and community engagement, the initiative has brought hope to underserved families.

We are proud to support TAP's mission and encourage continued efforts to towards a hunger-free Nigeria.





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Group Chief Financial Officer's Report



Adeola Ogunsemi Group Chief Financial Officer

₩4.1 trillion

Revenue in FY 2024, representing a 44% increase from FY 2023 (★2.8 trillion)

H282 billion

Revenue from crude oil volumes lifted rose by 76% to 3.0MMbbl (2023: 1.7MMbbl)

₩85billion

Revenue from natural gas, with volumes increasing to 4.7 MMboe and average price rising by 5%

Overview

Oando's 2024 results reflect a year of significant operational and financial growth, underpinned by the transformational NAOC acquisition of 100% of the shareholding interest in the Nigerian Agip Oil Company (NAOC) from the Italian energy company, Eni. Revenue recorded strong growth, supported by increased production volumes and improved asset reliability. While profitability was impacted by higher finance costs, impairments, and FX-related pressures, core business fundamentals remain sound. The Group remains focused on sustaining earnings momentum, reducing leverage, and unlocking the long-term value of its expanded upstream portfolio.

	UNIT	FY2024	FY2023	%CHANGE
Revenue	₩ 'billion	4,087	2,846	44%
Gross crude proceeds	₩ 'billion	282	76	271%
Gas proceeds	₩ 'billion	85	35	143%
NGL proceeds	₩ 'billion	0.357	0.263	36%
OTD operations	₩'billion	3,693	2,071	78%
Gross Profit	₩'billion	156	85	84%
Operating Profit	₩'billion	570	218	161%
Income tax expense	₩'billion	164	43	281%
Profit-After-Tax	₩'billion	220	60	267%
EPS	<u>₽4</u>	18	5	260%
Total assets	₩ 'billion	6,434	2,676	140%
Total liabilities	₩ 'billion	6,795	2,943	131%
Cash at bank	₩'billion	222	73	204%
Total Capex1	₩'billion	19	45	(58)%
Crude oil lifting	MMbbl	3.04	1.73	76%
Gas sales	Bscf	27.26	26.68	2%
NGL sales	MMbbl			
NGL sales	Iddiviivi	0.06	0.09	(33)%
Average Realized Oil Price	\$/bbl	73.91	83.15	(11)%
Average Realized Gas Price	\$/Mscf	2.14	2.03	5%
Average Realized NGL Price	\$/bbl	4.31	4.87	(11)%

Revenue

Group revenue grew by 44% year-on-year to ₩4.1 trillion (2023: ₩2.8 trillion), driven by a stronger performance in the Exploration & Production (E&P) segment and FX gains following the devaluation of the Naira (2024: ₩1,515.9/\$1 vs 2023: ₩668.6/\$1). Key performance drivers included:

- Crude Oil lifted volumes rose 76% to 3.0 MMbbl (2023: 1.7 MMbbl), contributing N282 billion in revenue. This was partly offset by an 11% decline in the average realised price to \$73.91/bbl (2023: \$83.15/bbl).
- Natural Gas sales volumes increased 2% to 4.7 MMboe (2023: 4.6 MMboe), with revenues of ₩85 billion. The average realised price improved by 5% to \$2.14/Mscf (2023: \$2.03/Mscf).
- Natural Gas Liquids (NGLs) revenue declined modestly due to both lower prices (\$4.3/boe vs. \$4.9/boe) and reduced volumes (0.06 MMboe vs. 0.09 MMboe).

Gross Profit

Gross profit rose by 84% to ₩155.8 billion in 2024 (2023: ₩85.0 billion), despite a rise in cost of sales to ₩3.9 trillion (2023: ₩2.8 trillion). The increase in costs reflects higher production expenses associated with the additional 20% interest in OMLs 60–63 following the NAOC acquisition.

Group Chief Financial Officer's Report continued

Administrative Expenses

Administrative expenses increased by 134% to ¥610.9 billion in 2024 (2023: ₹261.4 billion), driven by ₹106.1 billion in one-off professional and advisory fees related to the NAOC acquisition. These costs supported legal, technical, and strategic integration efforts. The overall increase was partially offset by a reduction in staff costs, reflecting internal streamlining initiatives. The Group has launched a cost optimisation programme targeting a c.20% reduction in operating and administrative expenses, aimed at improving efficiency and restoring margin strength in 2025.

The Group also recorded foreign exchange losses of ₩173.3 billion (2023: 156.1 billion), primarily arising from the revaluation of foreign currency denominated payables and borrowings.

Depreciation and amortisation (D&A) expenses rose to ₩71 billion in 2024 (2023: ₩31 billion), primarily due to the significant year-on-year naira devaluation and a modest increase in underlying USD-denominated depreciation, aligned with higher production volumes of 8.8 MMboe (2023: 8.0 MMboe).

Impairment Charges

Net impairment charges increased to ₹76.2 billion in 2024 (2023: ₹1 billion), primarily driven by higher-than-expected credit loss provisions on trade receivables and finance lease receivables, reflecting the expanded asset and counterparty base.

Operating Profit

Operating profit rose to ₩569.7 billion in 2024 (2023: ₩218.3 billion), mainly due to a ₩1.1 trillion boost in other operating income. This was primarily driven by a gain on bargain purchase from the NAOC-related acquisitions and substantial foreign exchange gains.

Finance costs

Net finance costs increased by 63% to ¥188.6 billion in 2024 (2023: ¥116.5 billion), primarily driven by the impact of foreign exchange revaluation and interest on new borrowings associated with the NAOC acquisition. This increase occurred despite a reduction in underlying dollar-denominated financing costs, reflecting improved terms from strategic lenders.

Taxation

The Group recognised a tax expense of ₩163.7 billion in 2024, compared to a tax expense of ₩42.7 billion in 2023.

Profit After Tax

Profit After Tax stood at ₩220.1 billion in 2024 (2023: ₩60.3 billion), reflecting stronger operating performance and one-off gains. Consequently, Earnings Per Share (EPS) increased to ₩18/sh, compared to ₩5/sh in the prior year.

Balance Sheet Position and Liquidity

Oando's balance sheet expanded significantly in 2024 following the consolidation of assets and liabilities from the NAOC acquisition. Total assets increased by 140% to ₩6.4 Trillion (2023: ₩2.7 Trillion), driven by rises in upstream infrastructure, intangible assets, and trade receivables associated with the expanded operational footprint.

Total liabilities also increased to ₩6.8 Trillion (2023: №2.9 Trillion), reflecting the acquisition related debt, vendor payables and accruals, and statutory obligations associated with the acquired assets.

In response, management remains focused on strengthening balance sheet health through disciplined capital allocation, effective FX exposure management, and targeted balance sheet restructuring and recapitalisation—measures aimed at reinforcing long-term solvency and financial resilience.

Cash Flow

In 2024, Oando reported a net cash used in operating activities of ₹535.2 billion, compared to ₹148.2 billion generated in 2023. The reversal was primarily due to a ₹500.3 billion working capital outflow, reflecting an increase in receivables and payables following the NAOC acquisition.

Investing activities resulted in a net outflow of ₩872.8 billion (2023: ₩28.2 billion), primarily driven by the ₩847.7 billion NAOC cash consideration and ₩18.5 billion in capital expenditures.

Financing activities delivered net inflows of ₩1.4 trillion (2023: ₩89.9 billion outflow), supported by drawdowns from strategic partners.

Despite elevated investment and acquisition funding, cash and cash equivalents rose to #221.8 billion (2023: #73.3 billion), providing near-term liquidity cover. The Group has launched targeted cash flow optimisation measures—tighter receivables control, leaner vendor terms, and disciplined capex—to achieve positive free cash flow over the short to medium term.

Capital Structure

Oando's capital structure expanded in 2024 following the NAOC acquisition, with total borrowings increasing to ₩2.8 trillion (2023: ₩818.3 billion), reflecting new acquisition-related financing and currency revaluations. Net debt stood at ₩2.6 trillion, while a strengthened year-end cash balance and access to a diversified lender base provided liquidity headroom.

Hedging

To protect against downside oil price risk and support revenue predictability, we implemented a hedging programme covering 3,000 barrels per day of crude production in 2024. This included purchased put options with strike prices of \$55/bbl and \$59/bbl. These instruments provided downside protection while preserving upside exposure, enabling us to manage price volatility and enhance cash flow stability amid fluctuating market conditions.

Financial Outlook

Following a transformative year, Oando is focused on restoring financial resilience and delivering long-term value. While 2024 performance reflected strong revenue growth, bottom-line results were impacted by one-time acquisition costs, impairments, and FX-driven balance sheet pressures.

In 2025, management is prioritising the following financial actions to strengthen fundamentals and position the Group for sustainable growth:

- Cost optimisation to improve margins and reduce overheads
- Capital re-structuring to address negative equity and reduce leverage
- Stronger working capital discipline to stabilise liquidity
- FX risk management through enhanced treasury practices
- Selective investment in short-cycle, high-return projects

With full-year contributions from the NAOC portfolio expected in 2025, Oando anticipates stronger cash flows, improved profitability, and a more robust balance sheet.



Adeola OgunsemiGroup Chief Financial Officer

Directors' Report

For the year ended 31 December 2024

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 Income tax expense	383,820,117 (163,700,064)	102,978,050 (42,700,882)	122,291,080 (10,484,456)	(208,403,444) (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 16.
- 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.

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.

^{*} 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.

Directors' Report continued

For the year ended 31 December 2024

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 5
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 Donations/charitable gifts

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

	otion	Amount N
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	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
	Oando PLC CSR Initiatives:	
XIV	0 11 11 11 11 11 11 11 11 11 11 11 11 11	007.000
	Donation to the American Society of Safety Professionals (ASSP)	687,232
XV	Sponsorship of the 2024 Africa Energy Week Side Event	98,566,197
XV	Sponsorship of the 2024 Africa Energy Week Side Event Sponsorship of Alake of Egbaland's 80th Birthday Golf Tournament	98,566,197 27,083,944
XV XVI XVII	Sponsorship of the 2024 Africa Energy Week Side Event Sponsorship of Alake of Egbaland's 80th Birthday Golf Tournament Sponsorship of the Nigeria Oil and Gas Conference & Exhibition 2024	98,566,197 27,083,944 337,205,401
XV XVI XVII XVIII	Sponsorship of the 2024 Africa Energy Week Side Event Sponsorship of Alake of Egbaland's 80th Birthday Golf Tournament Sponsorship of the Nigeria Oil and Gas Conference & Exhibition 2024 Sponsorship of the 2024 Lakowe Lakes Golf Club championship	98,566,197 27,083,944 337,205,401 11,998,209
XV XVI XVII XVIII	Sponsorship of the 2024 Africa Energy Week Side Event Sponsorship of Alake of Egbaland's 80th Birthday Golf Tournament Sponsorship of the Nigeria Oil and Gas Conference & Exhibition 2024 Sponsorship of the 2024 Lakowe Lakes Golf Club championship Sponsorship of the 2024 Nigerian Annual International Conference & Exhibition	98,566,197 27,083,944 337,205,401 11,998,209 13,298,756
XV XVI XVII XVIII XIX XX	Sponsorship of the 2024 Africa Energy Week Side Event Sponsorship of Alake of Egbaland's 80th Birthday Golf Tournament Sponsorship of the Nigeria Oil and Gas Conference & Exhibition 2024 Sponsorship of the 2024 Lakowe Lakes Golf Club championship Sponsorship of the 2024 Nigerian Annual International Conference & Exhibition Bronze sponsorship of the sixth edition Nigeria International Energy Summit 2024	98,566,197 27,083,944 337,205,401 11,998,209 13,298,756 60,637,212
XV XVI XVII XVIII XIX XX	Sponsorship of the 2024 Africa Energy Week Side Event Sponsorship of Alake of Egbaland's 80th Birthday Golf Tournament Sponsorship of the Nigeria Oil and Gas Conference & Exhibition 2024 Sponsorship of the 2024 Lakowe Lakes Golf Club championship Sponsorship of the 2024 Nigerian Annual International Conference & Exhibition Bronze sponsorship of the sixth edition Nigeria International Energy Summit 2024 Sponsorship for STEM Africa Fest 2024	98,566,197 27,083,944 337,205,401 11,998,209 13,298,756 60,637,212 4,736,221
XV XVI XVII XVIII XIX XX XXI XXII	Sponsorship of the 2024 Africa Energy Week Side Event Sponsorship of Alake of Egbaland's 80th Birthday Golf Tournament Sponsorship of the Nigeria Oil and Gas Conference & Exhibition 2024 Sponsorship of the 2024 Lakowe Lakes Golf Club championship Sponsorship of the 2024 Nigerian Annual International Conference & Exhibition Bronze sponsorship of the sixth edition Nigeria International Energy Summit 2024 Sponsorship for STEM Africa Fest 2024 Sponsorship of Recyclers Association of Nigeria (RAN) Conference (South West Region)	98,566,197 27,083,944 337,205,401 11,998,209 13,298,756 60,637,212 4,736,221 500,000
XV XVI XVII XVIII XIX XX XXI XXII XXIII	Sponsorship of the 2024 Africa Energy Week Side Event Sponsorship of Alake of Egbaland's 80th Birthday Golf Tournament Sponsorship of the Nigeria Oil and Gas Conference & Exhibition 2024 Sponsorship of the 2024 Lakowe Lakes Golf Club championship Sponsorship of the 2024 Nigerian Annual International Conference & Exhibition Bronze sponsorship of the sixth edition Nigeria International Energy Summit 2024 Sponsorship for STEM Africa Fest 2024 Sponsorship of Recyclers Association of Nigeria (RAN) Conference (South West Region) Sponsorship of Motorsport	98,566,197 27,083,944 337,205,401 11,998,209 13,298,756 60,637,212 4,736,221 500,000 15,765,675
XV XVI XVII XVIII XIX XX XXI XXIII XXIII XXIII	Sponsorship of the 2024 Africa Energy Week Side Event Sponsorship of Alake of Egbaland's 80th Birthday Golf Tournament Sponsorship of the Nigeria Oil and Gas Conference & Exhibition 2024 Sponsorship of the 2024 Lakowe Lakes Golf Club championship Sponsorship of the 2024 Nigerian Annual International Conference & Exhibition Bronze sponsorship of the sixth edition Nigeria International Energy Summit 2024 Sponsorship for STEM Africa Fest 2024 Sponsorship of Recyclers Association of Nigeria (RAN) Conference (South West Region) Sponsorship of Motorsport Support for Transformational Governance Corporate Toolkit Launch 2024 by Global Compact Network Nigeria Limited	98,566,197 27,083,944 337,205,401 11,998,209 13,298,756 60,637,212 4,736,221 500,000 15,765,675 3,517,500
XV XVI XVII XVIII XIX XX XXI XXII	Sponsorship of the 2024 Africa Energy Week Side Event Sponsorship of Alake of Egbaland's 80th Birthday Golf Tournament Sponsorship of the Nigeria Oil and Gas Conference & Exhibition 2024 Sponsorship of the 2024 Lakowe Lakes Golf Club championship Sponsorship of the 2024 Nigerian Annual International Conference & Exhibition Bronze sponsorship of the sixth edition Nigeria International Energy Summit 2024 Sponsorship for STEM Africa Fest 2024 Sponsorship of Recyclers Association of Nigeria (RAN) Conference (South West Region) Sponsorship of Motorsport	98,566,197 27,083,944 337,205,401 11,998,209 13,298,756 60,637,212 4,736,221 500,000

Directors' Report continued

For the year ended 31 December 2024

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 Disabled 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

Mr. Segun Oguntoye Shareholder 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

d)

e)

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/NBA/0000003578

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/NBA/0000003348

Group Chief Financial Officer

Mr. Adeola Ogunsemi FRC/2016/ICAN/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.

Director

23rd May 2025 Mr. Jubril Adewale Tinubu FRC/2013/NBA/00000003348

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.s.

Director

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

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/ICAN/0000016455

Members of the Audit Committee are:

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

Shareholder, Appointed December 17, 2024 Non-Executive Director, Appointed December 16, 2024

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:
 - 1) are responsible for establishing and maintaining internal controls;
 - 2) 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;
 - 3) 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:
 - 4) 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):
 - 1) 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
 - 2) 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 2/2

Group Chief Financial Officer

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

Independent Auditor's Report

For the year ended 31 December 2024



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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 ¥16.4 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.

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. Falola Wahab O. Afolabi BN: 170585

For the year ended 31 December 2024



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OANDO PLC - CONTINUED

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.

Kev 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 continued For the year ended 31 December 2024



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 N68.1 billion (2023: N58.4 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
Relevant disclosures in the Consolidated and separate 2024 Financial statements: Note 16(a), Exploration and evaluation assets impairment losses. Risk2: Oil and gas revenue recognition	line with capitalization criteria per IFRS 6. Key observations The assessment above resulted in nil impairment loss in 2024 (2023: N3.9 billion).
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 N4.1 trillion, for the year ended 31 December 2024 (2023: N2.85 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 Certification; - 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.

Independent Auditor's Report continued For the year ended 31 December 2024



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OANDO PLC - CONTINUED

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 14698.3 billion (2023: 14426.7 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.

For the year ended 31 December 2024



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OANDO PLC - CONTINUED

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 \(\frac{1}{43}\).13 trillion (2023: \(\frac{1}{41}\).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 preagreed date. This method transfers the risk and rewards of ownership to the buyer from that date, with no postcompletion 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.

OVERVIEW STRATEGIC REPORT GOVERNANCE REPORT FINANCIAL STATEMENTS ADDITIONAL INFORMATION

Independent Auditor's Report continued For the year ended 31 December 2024



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OANDO PLC - CONTINUED

Relevant disclosures in the Consolidated and separate	Our results:
financial statements:	odi results.
Note 9, Details of gain of bargain purchase.	We reviewed the Purchase Price Allocation (PPA) schedule and the supporting valuation model prepared by management consultant (<i>Name and FRC number disclosed in Note 9</i>). 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.

For the year ended 31 December 2024



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.

For the year ended 31 December 2024



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OANDO PLC - CONTINUED

- 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:

- 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.

Lagos, Nigeria 3 June 2025 Henry B. Omodigbo FRC/2013/ICAN/00000003977 For: BDO Professional Services Chartered Accountants



For the year ended 31 December 2024



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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. Falola Wahab O. Afolabi BN: 170585

For the year ended 31 December 2024



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/0000003977

For: BDO Professional Services Lagos, Nigeria

3 June 2025



ADDITIONAL INFORMATION

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 Gross profit	10a	(3,930,762,983)	(2,760,578,218) 85,020,090	(343,607,965)	(1,536,000,592) 4,594,251
Other operating income (Impairment)/reversal of impairment of non-financial assets Impairment of financial assets, net Administrative expenses	9 10d 10d 10c	1,100,879,352 - (76,227,627) (610,858,597)	399,986,733 (3,915,645) (1,431,880) (261,353,712)	836,911,482 50,970,378 (195,258,431) (521,781,435)	331,590,706 (19,006,439) (28,433,699) (469,311,634)
Operating profit/(loss)		569,681,141	218,305,586	171,095,110	(180,566,815)
Finance costs Finance income	12a 12b	(235,835,820) 47,197,353	(133,380,885) 16,903,484	(52,865,038) 4,061,008	(31,446,197) 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 Non-controlling interest		224,856,266 (4,736,213) 220,120,053	61,996,186 (1,719,018) 60,277,168	111,806,624 - 111,806,624	(216,197,450) - (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 114 to 224 and other national disclosures on pages 223 to 228 form an integral part of these consolidated and separate financial statements.

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OVERVIEW	STRATEGIC REPORT	GOVERNANCE REPORT	FINANCIAL STATEMENTS	ADDITIONAL INFORMATION

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 Share of associate's foreign currency translation reserve	33	(307,486,704) 3,603,776	(132,694,274) 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 - Non-controlling interests		(66,027,051) (17,014,094)	(59,823,683) (10,149,270)	111,806,624 -	(216,197,450)
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 114 to 224 and other national disclosures on pages 223 to 228 form an integral part of these consolidated and separate financial statements.

Annual Consolidated Financial Statements

Consolidated statement of financial position

For the year ended 31 December 2024

		Group	Group
Assets	Notes	2024 N'000	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 Investment properties	17 18	26,904,265 15,195,950	6,069,139 12.060.900
Investment in associates	19	7,842,436	5,046,606
Deferred income tax assets	20	60,515,346	5,040,000
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	0.4	40.047.050	7.045.000
Inventories	24	46,847,250	7,615,208
Finance lease receivables Trade, other receivables and contract assets	22 25	9,289,527 750,257,945	2,314,138 710,388,989
Deposit for shares	25 26	750,257,945	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
Non controlling interest		(325,571,544) (35,407,833)	(249,190,428) (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 Retirement benefit obligations	41 37	139,005,774	1 550 051
netirement benefit obligations	31	2,114,213	1,556,851 495,168,521
Output liebilitäise		2,57 0,000,000	100,100,021
Current liabilities Trade and other payables	20	2547 442 202	1 479 610 056
Trade and other payables Borrowings	38 34	2,547,443,382 1,313,495,410	1,478,619,056 771,397,980
Donowingo	36	8,043,281	2,336,333
Lease liabilities	13c	522,302,869	194,124,481
Lease liabilities Current income tax liabilities	130	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	- , -= -, -0 -
	35	25,609,812	_
Current income tax liabilities		25,609,812 1,650,277	1,650,277
Current income tax liabilities Decommissioning provisions	35		
Current income tax liabilities Decommissioning provisions	35	1,650,277	1,650,277 2,448,128,127 2,943,296,648

The financial statements and notes on pages 114 to 224 were approved and authorised for issue by the Board of Directors on 23rd May 2025 and were signed on its behalf by:

Group Chief ExecutiveMr. Jubril Adewale Tinubu
FRC/2013/NBA/0000003348

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

Annual Separate Financial Statements

Statement of financial position

As at 31 December 2024

N N	otes	Company 2024 N'000	Company 2023 N'000
Assets			
Non-current assets		4 0 44 0 70	
Property, plant and equipment	15 17	1,641,670	1,467,590
Right-of-use assets Investment properties	18	1,493,090 15,195,950	2,905,040 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	26 706 026	16 024 202
Trade, other receivables and contract assets	22 25	36,706,936 21,727,248	16,934,283 357,684,712
Prepayments	27	21,727,246	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
	13c	30,952,825	20,468,369
Lease liabilities	36	43,799,278	19,531,974
Dividend payable	39	1,650,277 476,770,383	1,650,277
Total liabilities		501,656,184	875,007,848
Total equity and liabilities		153,389,512	414,934,552
rotal equity and natimites		100,009,012	414,334,332

The financial statements and notes on pages 114 to 224 were approved and authorised for issue by the Board of Directors on 23rd May 2025 and were signed on its behalf by:

Group Chief ExecutiveMr. Jubril Adewale Tinubu
FRC/2013/NBA/00000003348

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

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)

Share capital includes Ordinary Shares and share premium (Note 32)

Other reserves include remeasurement gain/(loss) on defined benefit plan, currency translation reserves and share based payment reserves (SBPR). See Note 33.

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OVERVIEW	STRATEGIC REPORT	GOVERNANCE REPORT	FINANCIAL STATEMENTS	ADDITIONAL INFORMATION

Annual Financial Statements

Separate statement of changes in equity For the year ended 31 December 2024

Company	Share Capital & Share premium N'000	Retained earnings N'000	Equity holders of parent/ Total equity N'000
Balance as at 1 January 2023 Loss for the year	182,804,233 -	(426,680,079) (216,197,450)	(243,875,846) (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)

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)	7 3,3 17,020	4,410,004	555,040
<u> </u>	34				
		155,346,281	73,317,626	4,410,854	999,848

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

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For the year ended 31 December 2024

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

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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.

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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.

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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.

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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.

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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.

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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 reassesses 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.

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After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

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.

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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.

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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.

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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.

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(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).

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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;
- 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

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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.

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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;
- 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.

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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.

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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. Remeasurements 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.

Obligations for long-term benefits are determined by adopting actuarial assumptions. The effects of re-measurements are taken to profit and loss account in their entirety

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.

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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.

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(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.

(I) 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.

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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).

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(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.

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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.

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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 remeasured 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.

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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.

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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.

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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.

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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.

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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.

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

(ii) Price risk

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

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(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			024 s) before tax	2023 Income/(loss) before tax	
Instrument	Sensitivity Range	Increase in variable N'000	Decrease in variable N'000	Increase in variable N'000	Decrease in variable N'000
Variable rate borrowings	+/- 100 basis points	(24,639,044)	24,639,044	(6,594,497)	6,594,497
Company			024 ss) before tax	202 Income/(loss	
Instrument	Sensitivity Range	Increase in variable N'000	Decrease in variable N'000	Increase in variable N'000	Decrease in variable 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.

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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:

	Gross carrying amount - trade receivables (A)			Loss rate (B)		Expected credit loss (A*B)		
0 5 5 (055)	011.0.0	Power &		011.0	Power &	011.0	Power &	Total expected
Oando Energy Resources (OER)	Oil & Gas	Utilities	Total	Oil & Gas	Utilities	Oil & Gas	Utilities	credit loss
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

	Gross carrying amount - trade receivables (A)			Loss rate (B)		Expected credit loss (A*B)			
Oando Energy Resources Nigeria Limited (OERNL)	Oil & Gas	Power & Utilities	Total	Oil & Gas	Power & Utilities	Oil & Gas	Power & Utilities	Total expected credit loss	
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	

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	Gross carrying	amount - trade	receivables (A)	Loss	rate (B)	Expected cred	dit loss (A*B)	
Oando Petroleum and Natural Gas Ltd (OPNGL)	Oil & Gas	Power & Utilities	Total	Oil & Gas	Power & Utilities	Oil & Gas	Power & Utilities	Total expected credit loss
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

	Gross carrying a	mount – trade Power &	receivables (A)	Loss r	ate (B)	Expected cred	it loss (A*B) Power &	Total expected
Oando Trading DMCC Dubai (OTD)	Oil & Gas	Utilities	Total	Oil & Gas	Utilities	Oil & Gas	Utilities	credit loss
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

	Gross carrying a	mount – trade re	ceivables (A)	Loss r	ate (B)	Expected cred	lit loss (A*B)	
Oando Resources Limited (ORL)	Oil & Gas	Power & Utilities	Total	Oil & Gas	Power & Utilities	Oil & Gas	Power & Utilities	Total expected credit loss
Current	975,290	-	975,290	0.00%	0.00	-	-	_
Total	975,290	_	975,290			_	_	0

	Gross carrying amount – trade receivables (A) Power &		Loss rate (B) Power &		Expected cred	lit loss (A*B) Power &	Total expected	
Oando Logistics Services (OLS)	Oil & Gas	Utilities	Total	Oil & Gas	Utilities	Oil & Gas	Utilities	credit loss
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 Individuals	g amount – trade Oil & Gas	receivables (A) Total	Loss Individuals	rate (B) Oil & Gas	Expected cr Individuals	edit loss (A*B) Oil & Gas	Total expected credit loss
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

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The breakdown of the above table is shown below;

	Gross carryin	g amount – trade	receivables (A)	Loss	rate (B)	Expected cre	edit loss (A*B)	
Oando Energy Resources (OER)	Oil & Gas	Power & Utilities	Total	Oil & Gas	Power & Utilities	Oil & Gas	Power & Utilities	Total expected credit loss
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

	Gross carrying a	mount – trade	receivables (A)	Loss r	ate (B)	Expected cred	lit loss (A*B)	
Oando Trading DMCC Dubai (OTD)	Oil & Gas	Power & Utilities	Total	Oil & Gas	Power & Utilities	Oil & Gas	Power & Utilities	Total expected credit loss
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

	Gross carrying	amount – trade r	eceivables (A)	Loss	rate (B)	Expected cred	dit loss (A*B)	
Oando Logistics Services (OLS)	Oil & Gas	Power & Utilities	Total	Oil & Gas	Power & Utilities	Oil & Gas	Power & Utilities	Total expected credit loss
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

	Gross carrying amount - trade receivables (A)		Loss rate (B)		Expected credit loss (A*B)		Total expected	
COMPANY	Individuals	Oil & Gas	Total	Individuals	Oil & Gas	Individuals	Oil & Gas	credit loss
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:

	Gr	oup	Co	ompany
	2024	2023	2024	2023
	N'000	N'000	N'000	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).

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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 macroeconomic 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.

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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 Non – performing	93,195,984	-	-	93,195,984	99,728,767
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 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	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 Non – performing	99,728,767	-	_	99,728,767	
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	
	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000	Total N'000
Performing Non – performing	-	-	495,590,553	495,590,553	_
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	_	_	_	_

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	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) Non – performing Individually impaired	481,330,550	-	-	481,330,550	180,272,031
marriadally 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	N'000	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total
Performing (Note 22ii) Non – performing Individually impaired		180,272,031	-	-	180,272,031
mulvidually impalled		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

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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
Company	Stage 1 N'000	Stage 2 N'000	Stage 3 N'000	Total N'000	Total N'000
Performing Non – performing	13,372,772	-	-	13,372,772	162,165,149
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 Non – performing	162,165,149	-	-	162,165,149	
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.

		2024			2023
Company	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		_		_

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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 Non – performing	52,113,160	-	_	52,113,160	34,450,154
Individually impaired	_	-	-	-	
	52,113,160	_	_	52,113,160	34,450,154

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	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 Non – performing	34,450,154	-	-	34,450,154	
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

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For the year ended 31 December 2024

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	474.000				474.000
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 Non-current receivables measured at amortised cost – reversed in statement of profit	44,330	_	3,058,972	-	3,103,302
or loss Finance lease receivables measured at amortised cost – reversed in statement of profit	_	_	_	_	_
or loss Cash and cash equivalent measured at amortised cost – charged to statement of profit	(1,994,256)	_	_	_	(1,994,256)
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.

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

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.

2	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Group	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)

^{***} Trade and other payables excludes statutory payables

Company	Less than 1 year N'000	Between 1 and 2 years N'000	Between 2 and 5 years N'000	Over 5 years N'000	Total 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

	Less than 1 year N'000	Between 1 and 2 years N'000	Between 2 and 5 years N'000	Over 5 years N'000	Total N'000
At 31 December 2023:					
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)

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.

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

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

^{***} Trade and other payables excludes statutory payables.

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

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	Group	Company	Company
	2024	2023	2024	2023
	N'000	N'000	N'000	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 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	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 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	422,562	_	_	422,562
Investment properties	_	_	15,195,950	15,195,950
Total assets	422,562	-	15,195,950	15,618,512

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

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

	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	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 N'000	Level 2 N'000	Level 3 N'000	Total N'000
Assets 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 Lease liabilities		- -	2,338,523,613 7,314,954	2,338,523,613 7,314,954
31 December 2023 Borrowings Lease liabilities	_ _	_ _	747,459,994 5,028,346	747,459,994 5,028,346

Company	Level 1 N'000	Level 2 N'000	Level 3 N'000	Total N'000
Assets 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

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

(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.

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(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:

2024	Valuation technique	Significant unobservable inputs	Sensitivity Range	Sensitivity of the input to fair value	
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).

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2023	Valuation technique	Significant unobservable inputs	Sensitivity Range	Sensitivity of the input to fair value	
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 N'000	Supply & Trading N'000	Mining & Infrastructure Development N'000	Corporate & Others* N'000	Total 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

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

	Exploration & Production N'000	Supply & Trading N'000	Mining & Infrastructure Development N'000	Corporate & Others* N'000	Total N'000
Total gross segment revenue Inter-segment revenue	126,778,214 -	2,856,862,877 (786,222,756)	_ _	1,552,154,901 (903,974,928)	4,535,795,992 (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 Finance income	(93,565,755) 16,517,504	(12,011,093)	(5,503)	(27,798,534) 385,980	(133,380,885) 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 Income tax expense	38,163,033 (20,449,273)	(31,278,501) (2,972,498)	(2,971,522)	99,065,040 (19,279,111)	102,978,050 (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 N'000	Operating profit N'000	Finance income N'000	Finance cost N'000	Profit before income tax N'000	Income tax expense N'000
As reported in the segment report Elimination of inter-segment transactions on consolidation	4,452,410,721 (365,759,725)	569,681,141 -	47,197,353 -	(235,835,820)	383,820,117 -	(163,700,064)
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 N'000	Operating profit N'000	Finance income N'000	Finance cost N'000	Profit before income tax N'000	Income tax expense 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 N'000	Supply & Trading N'000	Mining & Infrastructure Development N'000	Corporate & Others* N'000	Total 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 N'000	Supply & Trading N'000	Mining & Infrastructure Development N'000	Corporate & Others* N'000	Total 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.

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

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

	Exploration & Production N'000	Supply & Trading N'000	Mining & Infrastructure Development N'000	Corporate & Others* N'000	Total 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 N'000	Supply & Trading N'000	Mining & Infrastructure Development N'000	Corporate & Others* N'000	Total 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.

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 N'000	Supply & Trading N'000	Mining & Infrastructure Development N'000	Corporate & Others* N'000	Total N'000
Segment revenue:					
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

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

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

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

	Exploration & Production N'000	Supply & Trading N'000	Mining & Infrastructure Development N'000	Corporate & Others* N'000	Total N'000
Segment revenue:					
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 N'000	Supply & Trading N'000	Mining & Infrastructure Development N'000	Corporate & Others* N'000	Total N'000
Total assets					
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 N'000	Supply & Trading N'000	Mining & Infrastructure Development N'000	Corporate & Others* N'000	Total 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.

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

(c) Disaggregated revenue information

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

	Exploration & Production N'000	Supply & Trading N'000	Mining & Infrastructure Development N'000	Corporate & Others* N'000	Total N'000
Segments					
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.

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

* 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:

	Exploration & Production N'000	Supply & Trading N'000	Mining & Infrastructure Development N'000	Corporate & Others* N'000	Total N'000
Segments					
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

	Exploration & Production N'000	Supply & Trading N'000	Mining & Infrastructure Development N'000	Corporate & Others* N'000	Total N'000
Segments					
Geographical markets					
Within Nigeria	126,778,214	-	_	1,552,154,901	1,678,933,115
Other West African countries	_	-	_	_	_
Other countries	- 2,8	356,862,877	_	_	2,856,862,877
Inter-segment revenue	- (7	786,222,756)	_	(903,974,928)	(1,690,197,684)
Total revenue from contracts with customers	126,778,214 2,0	70,640,121	_	648,179,973	2,845,598,308

Corporate & Others include consolidation adjustments

	Exploration & Production N'000	Supply & Trading N'000	Mining & Infrastructure Development N'000	Corporate & Others* N'000	Total N'000
Segments					
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 N'000	2023 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 N'000	2023 N'000
Goods transferred at a point in time	343,861,081	1,540,594,843

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

(d) Assets related to contracts with customers

	Group	Group	Company	Company
	2024	2023	2024	2023
	N'000	N'000	N'000	N'000
Trade receivables (Note 25) Loss allowance (Note 25)	816,021,204	574,205,606	17,966,702	202,905,984
	(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 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 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.

Notes to the consolidated and separate financial statements continued

For 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.

(d) Impairment of assets/(reversal of impairment) of assets Impairment of non-financial assets

Impairment of intangible assets (Note 16, 40a) (Reversal) of impairment of investment in a subsidiary (Note 29)	-	3,915,646	(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

^{*}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.

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

11 Employee benefit expense

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

	Group 2024 Number	Group 2023 Number	Company 2024 Number	Company 2023 Number
(b) Staff costs				
Wages, salaries and staff welfare cost	5,531,817	25,343,308	623,686	364,396
Gratuity (Note 37b, 40a)	1,996,677	757,563	_	-
Pension costs – defined contribution scheme	3,244,563	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

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

12 Net finance costs

	Group 2024 Number	Group 2023 Number	Company 2024 Number	Company 2023 Number
(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)

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.

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

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

	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

At 1 January 2023	Upstream Assets¹ N'000	Land & Leasehold improvements N'000	Fi Plant & machineries N'000	xtures, fittings, computer & equipment, motor vehicles N'000	Total N'000
Group					
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

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

	Upstream Assets¹	Land & Leasehold improvements	Fi Plant & machineries	xtures, fittings, computer & equipment, motor vehicles	Total
Year ended 31 December 2024	N'000	N'000	N'000	N'000	N'000
Group					
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)		(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.

	Land & Leasehold improvements N'000	Plant & machineries N'000	xtures, fittings, computer & equipment, motor vehicles N'000	Total N'000
Company				
Year ended 31 December 2023				
Cost or valuation	000,000	100.041	0.407.700	4 400 000
Opening balance Additions	868,929 –	123,641 -	3,407,792 381,741	4,400,362 381,741
	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

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

	Land &	F	ixtures, fittings, computer & equipment,	
	Leasehold improvements	Plant & machineries	motor vehicles	Total
Accumulated depreciation	improvements	macminenes	vernicles	TOTAL
Opening balance	(528,700)	(112,736)	(2,673,077)	(3,314,513
Depreciation charge (Note 10c, 40a)	(79,652)	(112,736)	(383,360)	(463,012)
	(608,352)	(112,730)	(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				
			Exploration	
	Goodwill	costs	and Evaluation asset	Total
At 1 January 2023 Group	N'000	N'000	N'000	N'000
Cost				
Opening balance Additions	479,080,012	714,200	115,138,875 1,834,443	594,933,087 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 Amortisation charge (Note 10c, 40a)	(197,443,671)	(699,236)	(84,289,881)	(282,432,788)
Impairment (Note 10d)	_ _	(14,964)	(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 Accumulated amortisation and impairment	938,897,517 (374,813,886)	714,200 (714,200)	232,442,233 (174,089,467)	1,172,053,950 (549,617,553
·	564,083,631	_	58,352,766	622,436,397
	Goodwill N'000	Software costs N'000	Exploration and Evaluation asset N'000	Total N'000
Year ended 31 December 2024	N 000	N 000	N 000	N 000
Cost	020 007 517	714 000	232,442,233	1,172,053,950
Opening balance Additions	938,897,517	714,200	2,267,891	2,267,891
Transfer to Upstream Asset	- 649,303,449	_	(33,508,222) 164,129,031	(33,508,222
Exchange difference	1,588,200,966	714,200	365,330,933	813,432,480 1,954,246,099
A considered and address of the constant of th	1,000,200,000	, 200	000,000,000	1,001,210,000
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)	(714,200)	(123,091,655)	(373,554,268)
	(020,210,433)	(17,200)	(201,101,122)	(020,171,021
			Exploration	
	Goodwill	Software costs	and Evaluation asset	Total
Net book amount as at 31 December 2024 Cost	N'000 1,588,200,966	N'000 714,200	N'000 365,330,933	N'000 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

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

Year ended 31 December 2023	Software costs N'000
Company	11 000
Cost	
Opening balance	714,200
Additions	<u> </u>
	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 were performed 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.

Year	2025	2026	2027	2028	2029	2030	2031
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
			2004				
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.

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

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 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 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 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.

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

Fair value of the properties:

	Group	Group	Company	Company
	2024	2023	2024	2023
	N'000	N'000	N'000	N'000
Land located in Abuja (5,168.14 sqm)* Land located in Lagos (10,864.11 sqm)	5,961,950	5,300,000	5,961,950	5,300,000
	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	-	_
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
Nigeria	Nigeria	11.25%	Associate	Equity Accounting
Nigeria	Nigeria	40.00%	Associate	Equity
3	J			Accounting
Nigeria	Nigeria	11.25%	Associate	Equity Accounting
		business incorporation Nigeria Nigeria Nigeria Nigeria	Place of business Country of incorporation ownership interest Nigeria Nigeria 11.25% Nigeria Nigeria 40.00%	Place of business Country of incorporation ownership interest Nature of the relationship Nigeria Nigeria 11.25% Associate Nigeria Nigeria 40.00% Associate

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.

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

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 2024 N'000	Umugini Pipeline Infrastructure Limited 2023 N'000
Summarised statement of financial position		
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 2024 N'000	Umugini Pipeline Infrastructure Limited 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

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

	Alliance Oil Producing Nigeria Limited 2024 N'000	Umugini Pipeline Infrastructure Limited 2024 N'000	Total 2024 N'000
Carrying value:			
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 2023 N'000	Umugini Pipeline Infrastructure Limited 2023 N'000	Total 2023 N'000
Carrying value:		1 747 005	1 7 17 000
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			

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 N'000	Group 2023 N'000
The analysis of deferred tax liabilities and deferred tax assets is as follows:		
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

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

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	1.1.202 N'00		Exchange Differences N'000	31.12.2023 N'000
2023				
Deferred income tax liabilities*				
Property, plant & equipment and exploration & evaluation assets	446,459,65	4,725,325	434,148,362	885,333,337
Provisions	(473,103,51	9) –	(459,237,276)	(932,340,795)
Exchange differences	3,793,66	5,493,964	-	9,287,624
Tax losses	(705,37	1) 334,092	-	(371,279)
Finance leases	27,236,24	5 –	27,314,203	54,550,449
	3,680,66	6 10,553,381	2,225,289	16,459,336
Deferred income tax assets				
Provisions	45,946,44) –	46,080,447	92,026,887
Property, plant & equipment and exploration & evaluation assets	(7,698,32	5) 944,051	(7,394,789)	(14,149,063
Exchange differences	31	(461)	151	_
Tax losses	(38,882,17	5) –	(38,995,649)	(77,877,824)
	(633,75	943,590	(309,840)	-
Net deferred income tax liabilities	3,046,91	6 11,496,971	1,915,449	16,459,336
	Charged (credite	d)	Exchange	
	1.1.2024 to P/ N'000 N'00		Differences N'000	31.12.2024 N'000

	1.1.2024 N'000	(credited) to P/L N'000	Business acquisition	Exchange Differences N'000	31.12.2024 N'000
2024					
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 liabilities	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.

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

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 Current	7,708,825 -	-	- -	
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	Fixed (\$)	Price/Unit Strike (\$) ³	Premium⁴	Volume (bbl/d) ²	Fair value =N=
- Purchased put ¹		_	55 – 59	_	3.000	7.708.825

- 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.

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

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

	Group 2024 N'000	Group 2023 N'000	*Company 2024 N'000	Company 2023 N'000
Finance lease receivables Finance lease – gross receivables Unearned finance income	759,578,570 (278,248,020)	300,111,125 (119,839,094)	54,008,181 (1,895,021)	37,799,331 (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

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

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

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For the year ended 31 December 2024

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.

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For the year ended 31 December 2024

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	Group	*Company	Company
	2024	2023	2024	2023
	N'000	N'000	N'000	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.

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

29 Investment in subsidiaries

	Company 2024 N'000	Company 2023 N'000
Investment in subsidiaries (cost)		
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
Oando Servoo Nig Limited	1,010	1,010
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	19,250	_
Oando Gazelle Eld Madrillos Oando E&P Holdings Limited	50,997,513	50,997,513
Oando Yield Ltd	153	30,997,313
Oando Field Etd Oando E&P IV Limited	1.000	_
Oando E&P Limited Oando E&P Limited	1,000	_
	1,000	_
Oando Hydrocarbons Limited Oando V Limited	1,000	_
Oando Valiniled Oando Gazelle DMCC	38,278	_
Oando Gazelle DMCC Oando Investments Limited	1,000	_
Oando PLC	1,000	_
	1,000	
Oando Energies Limited	1,000	_
Oando Oil Holdings II Limited		_
Oando Treasure Limited	148	_
Oando Leopard Limited Oando Pacific Limited	165	_
	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
	Company 2024 N'000	Company 2023 N'000
Movement in allowance for impairment of investments for the year is as detailed below:		
At start of the year	58,396,446	39.390.007
Impairment of investment (Note 10d, 40a)	(50,970,378)	19,006,439
impairment of invocament (rvote roa, roa)	(30,310,310)	10,000,400

30 Short-term investments

	Group	Group	*Company	Company
	2024	2023	2024	2023
	N'000	N'000	N'000	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).

At end of year

7,426,068

58,396,446

Notes to the consolidated and separate financial statements continued

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31 Cash and bank balances

		Group 2024 N'000	Group 2023 N'000	*Company 2024 N'000	Company 2023 N'000
а	Cash and cash equivalents (excluding bank overdrafts) Impairment allowance on bank balances* (Note 10d)	221,775,277	73,588,961 (271,335)	4,410,854 -	999,848
		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

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

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

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 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)

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	Group	*Company	Company
	2024	2023	2024	2023
	N'000	N'000	N'000	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 Bank loans	66,428,996	-	-	-
	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

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Loan type	Purpose	Tenure/ Interest rate	Loan Start Date	Security	Borrower/ Lender	Available facility N'000	2024 Balance N'000	2023 Balance N'000
Group 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		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 LTI	D 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	383,829,400	306,026,139	-
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
Less current p	ortion					2,935,196,147 -	1,973,746,754 (515,358,276)	363,106,531 (316,160,660)
Total non-curre	ent borrowing (See a a	above)				2.935.196.147	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.

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

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.

Loan type	Purpose	Tenure/ Interest rate	Loan Start Date	Security	Borrower/ Lender	Available facility N'000	2024 Balance N'000	2023 Balance N'000
Company 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
Less current po	rtion					130,744,148	105,838,587 (95,312,740)	102,005,745 (94,040,890)
Total non-current borrowing (See a above)							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 2024 N'000	Balance 2023 N'000
Group 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	1 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	a 1 July 2022	None	Oando PLC/Services Liquid &	Gas Limited –	35,976
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.	17 January 2014	Oando legacy assets	OER/Corporate Facility lenders	343,793,649	201,395,204
Short-term loan	Term loans	1 year/12.5% p.a.	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%	19 October 2023	None	OPNGL/Indorama	-	50,000,000
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 Ioan	2,500,000	2,500,000
Term loan	Working capital	1 year/SOFR+12%	30 October 2024	None	Oando PLC/Providus Bank	15,353,175	-
Short-term loan	Working capital		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 Bank	OERNL/Fidelity	29,193,633	-
					<u>.</u>	798,137,134	455,237,320
Current portion of	of non-current borrow	ings (See c above)				515,358,276	316,160,660
Total current bor	rrowing (See b above)				1,313,495,410	771,397,980

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Loan type	Purpose	Tenure/Interest rate	Loan Start Date	Security	Borrower/Lender	Balance 2024 N'000	Balance 2023 N'000
Company 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 Ioan	2,500,000	2,500,000
Current portion	of non-current borrow	vings (See c above)				18,303,175 95,312,740	2,985,976 94,040,890
Total current box	rrowing (See b above	e)				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.

	Carrying a	amounts	Fair va	r values	
Group	2024 N'000	2023 N'000	2024 N'000	2023 N'000	
Group	14 000	14 000	14 000	14 000	
Bank loans	2,771,883,888	818,343,851	2,338,523,613	747,459,994	

	Carrying a	amounts	Fair va	Fair values	
	2024	2023	2024	2023	
Company	N'000	N'000	N'000	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: Company

Group Group Company

	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

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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 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				
Ren	neasurement gain recognised in the statement of other comprehensive income in the period	(721,730)	(294,797)	_	-

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

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
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	Group 2023	*Company 2024	Company 2023
At 1 January:	N'000	N'000	N'000	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	Group
	2024	2023
	N'000	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 Salary increase rate per annum	(0.42%) 0.45%	(163,870) 175.575	(0.5%) 0.5%	(55,552) 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).

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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:

At 1 January:		Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Present value of defined benefit obligation by plan					
Present value of the defined benefit obligation-wholly unfunded	(99,8	356,071)	_	_	_
Fair value of plan – pension plan	124,0	019,502	_	_	_
Gratuity scheme -	(23,8	383,211)	_	_	_
Fair value of plan – gratuity plan	26,7	791,066	_	_	_
Post retirement medical liabilities	(9,5	547,756)	_	_	_
Long service award	(2,0	095,443)	_	_	_
Fuel and Diesel for Div & General Managers	(13,5	590,735)	_	-	_
Present value of defined benefit obligation	1,8	337,352	_	_	_

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)	-	-	-

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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	804,408			
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	_	-	_

			Group 2024	Compa 2024	
Fair value of plan assets at year end split by major asset class (%)	F	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	_	-	_

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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 Age Band	Number of deaths in year out of 1,000 lives
Less than or equal to 30	-
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 Discount rate (-0.5%)	(37,870,144) (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	_

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

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	72,696	_	-	_
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:

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
Discount rates	21%	_	_	_
Salary increase rate	11%	-	-	_

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

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

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
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	-	-	_

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

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 40-44 45-54 55-59	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
Defined benefit obligation	3,301,404	3,337,332	10,200,007
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	_	-	_

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

37.4.2 Net expense recognised in the profit or loss

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
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 202: N'000	2023	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	8,131,27	-	_	_
Exchange rate realignment	150,615			
Balance, end of the year	13,590,735	_	_	_

37.5.2 Expense recognized in profit or loss:

	Group 2024 N'000	Group 2023 N'000	Company 2024 N'000	Company 2023 N'000
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	_	-	_
	(3,092,889)	-	-	_

Notes to the consolidated and separate financial statements continued

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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 40-44 45-54 55-59	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).

OVERVIEW	STRATEGIC REPORT	GOVERNANCE REPORT	FINANCIAL STATEMENTS	ADDITIONAL INFORMATION

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

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 of 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	Group	Company	Company
	2024	2023	2024	2023
	N'000	N'000	N'000	N'000
Unpaid dividend (Note 40b)	1,650,277	1,650,277	1,650,277	1,650,277

Notes to the consolidated and separate financial statements continued

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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	01-Jan-24 N'000	Cash flows – proceeds N'000	Cash flows – payment N'000	Foreign exchange movement N'000	Other N'000	31-Dec-24 N'000
Interest bearing loans and borrowings (current and non-current) Interest bearing lease liabilities (current and non-current) Dividends payable (Note 39)	818,343,851 5,880,935 1,650,277	2,236,904,097 - -	(752,930,279) (3,659,958)	469,566,219 3,063,204 -	26,122,580 -	2,771,883,888 31,406,761 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	01-Jan-23 N'000	Cash flows – proceeds N'000	Cash flows – payment N'000	Foreign exchange movement N'000	Other N'000	31-Dec-23 N'000
Interest bearing loans and borrowings (current and non-current) Interest bearing lease liabilities (current and non-current) Dividends payable (Note 39)	507,336,741 3,617,209 1,650,277	310,007,796 - -	(400,719,664) (2,006,815)	403,529,101 3,545,343 -	(1,810,123) 725,198 -	818,343,851 5,880,935 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

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COMPANY

2024	01-Jan-24 N'000	Cash flows – proceeds N'000	Cash flows – payment N'000	Foreign exchange movement N'000	Other N'000	31-Dec-24 N'000
Interest bearing loans and borrowings (current and non-current) Interest bearing lease liabilities (current and non-current) Dividend payable (Note 39)	104,991,721 38,961,674 1,650,277	16,646,000 - -	(4,050,101) (13,048,035) –	9,536,801 27,202,546 –	(2,982,659) 4,801,573 –	124,141,762 57,917,758 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	01-Jan-23 N'000	Cash flows – proceeds N'000	Cash flows – payment N'000	Foreign exchange movement N'000	Other N'000	31-Dec-23 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) Dividend payable (Note 39)	21,654,897 1,650,277	_	(6,226,650) –	20,260,878	3,272,549 –	38,961,674 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 Coöperatief 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. (\$150 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 acquisition 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 business 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.

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

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 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
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	(107,756,354)	(677,059,258)	_	-	(784,815,612)
Net assets acquired	279,598,331	796,233,501	147	147	1,075,832,126

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.

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

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.

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

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:

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

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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.

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OVERVIEW	STRATEGIC REPORT	GOVERNANCE REPORT	FINANCIAL STATEMENTS	ADDITIONAL INFORMATION

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

(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.

Notes to the consolidated and separate financial statements continued

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Year-end balances arising from transactions with related parties

The following receivables or payables at December 31, 2024 arose from transactions with related parties:

	Company 2024 N'000	Company 2023 N'000
Receivables from related parties:		
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 Coöperatief 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

	Company 2024 N'000	Company 2023 N'000
Payables to related parties:		
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	_
	184,470,115	606,581,321

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

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.

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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

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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 Coöperatief (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.

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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 Limited 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 \$524,590,723.9 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		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 Limite	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

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Entity	Instrument (Deed, mortgage trust etc.)	Description	Summary of charges/pledge	Beneficiary
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 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 Limited's RBL and Junior Facilities	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.

(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.

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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.

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46 Subsidiaries' information

(a) Below is a summary of the principal subsidiaries of the Group

Entity name Operational subsidiaries	Country of incorporation	Investment Currency	Nature of business	Issued share capital	Percentage interest held 2024	Percentage interest held 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	UĀĒ	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%	_

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Entity name Operational subsidiaries	Country of incorporation	Investment Currency	Nature of business	Issued share capital	Percentage interest held 2024	Percentage interest held 2023
Indirect Shareholding	-					
Ebony Oil and Gas South Africa	South Africa	Rand	Storage, Trading and Distribution of	120	100%	100%
Proprietary Limited			Petroleum and Gas Products			
Royal Ebony Terminal Proprietary Limited	South Africa	Rand	Storage, Trading and Distribution of Petroleum and Gas Products	980	49%	49%
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 Coöperatief U.A.						
Netherlands	EUR	100	100%	_		
Oando Oil V Coöperatief 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 Energ	y Resources
Summarised statement of profit or loss	2024 N'000	2023 N'000
Revenue (Loss)/profit before income tax Taxation (Loss)/profit after taxation	286,641,895 (60,540,616) (37,806,128) (98,346,744)	126,778,214 38,163,433 (20,449,273) 17,714,160
Total comprehensive (loss)/profit	(98,346,744)	17,714,160
Non-controlling interest proportion Loss allocated to non-controlling interests Dividends paid to non-controlling interests	1.2% (4,736,213) –	1.7% (1,719,018) –
Summarised statement of financial position Current: Asset Liabilities	275,263,467 (2,825,787,112)	84,461,406 (1,487,988,263)
Net current liabilities	(2,550,523,645)	

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	Oando Energy Resources		
Summarised statement of profit or loss	2022 N'000	2021 N'000	
Non-current: Asset Liabilities	2,781,940,504 (366,619,520)	1,846,921,604 (464,391,403)	
Net non-current assets Net liabilities	2,415,320,984 (135,202,661)	1,382,530,201 (20,996,656)	
Accumulated non-controlling interest	(35,390,833)	(17,971,295)	

	Oando Energy Resources	
Summarised statement of profit or loss	2022 N'000	2021 N'000
Summarised cash flows		
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

	Financial assets at fair value through profit and loss N'000	Financial assets	Financial assets at fair value through other comprehensive income N'000	Total N'000
GROUP – 2024				
Assets per statement of financial position:				
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
Non-current receivables	_	495,590,553	_	495,590,553
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.

Notes to the consolidated and separate financial statements continued

For the year ended 31 December 2024

	Financial liabilities at fair value through profit and loss N'000	Financial liabilities at	Total N'000
2024 Liabilities per statement of financial position: Borrowings Lease liabilities Trade and other payables	_	2,771,883,888 31,406,761 2,500,047,570	2,771,883,888 31,406,761 2,500,047,570
Trade and other payables		5,303,338,219	5,303,338,219
Financial instruments at fair value through profit and loss N'000	Loans and receivables N'000	Financial assets at fair value through other comprehensive income N'000	Total N'000
2023 Assets per statement of financial position: Financial assets at fair value through profit or loss (FVPL) 138,654 Trade and other receivables** - Restricted cash Cash and cash equivalents -	- 705,896,333 4,484,430 73,317,626	- - - -	138,654 705,896,333 4,484,430 73,317,626
** Excluding non-financial assets.	783,698,389	_	783,837,043
2023	Financial liabilities at fair value through profit and loss N'000	Financial liabilities at	Total N'000
Liabilities per statement of financial position: Borrowings Lease liabilities Trade and other payables	- - -	818,343,851 5,880,935 1,452,632,803	818,343,851 5,880,935 1,452,632,803
		2,276,857,589	2,276,857,589
Financial assets at fair value F through profit and loss N'000	Financial assets at amortised cost N'000		Total N'000
COMPANY – 2024 Assets per statement of financial position: Financial assets at fair value through profit or loss (FVPL) Trade and other receivables** Cash and cash equivalents	- 17,989,425 4,410,854	- - - -	422,562 17,989,425 4,410,854
422,562	22,400,279	_	22,822,841
** Excluding non-financial assets.			
	Financial liabilities at fair value through profit and loss N'000	Financial liabilities at	Total N'000
2024 Liabilities per statement of financial position: Borrowings		124,141,762	124,141,762
Lease liabilities Trade and other payables	_	57,917,758 277,263,361	57,917,758 277,263,361

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For the year ended 31 December 2024

	Financial instruments at fair value through profit and loss N'000		Financial assets at fair value through other comprehensive income N'000	Total N'000
2023				
Assets per statement of financial position:				
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 liabilities at fair value through profit and loss N'000	Financial liabilities at amortised cost N'000	Total N'000
2023			
Liabilities per statement of financial position:			
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

(b) Financial Instruments: Carrying values and fair values

	Carrying	Carrying amounts Fair val		
Group	2024 N'000	2023 N'000	2024 N'000	2023 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

	Carrying amounts Fair val			values	
Company	2024 N'000	2023 N'000	2024 N'000	2023 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 N'000		Expl. costs and producing wells		Oil and gas properties N'000	Other fixed assets N'000	Total 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

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For the year ended 31 December 2024

	Mineral rights acquisition N'000		Expl. costs and producing wells		Oil and gas properties N'000	Other fixed assets N'000	Total 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	e 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:

Subsidiary	License	Operator	Working/ Participating interest	Location	License type	Expiration date	Status
Oando Oil Limited		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		

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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 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 Coöperatief ("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.

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 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

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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.
- Proceeds 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 Coöperatief 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 Coöperatief 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.

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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:

0/1	Occupito:	Notes to the Financial	NU
S/No	Security	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 U\$\$50million Ecobank Development Company Limited Facility Agreement. This default is based on the total outstanding amount of U\$\$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 U\$\$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

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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.

Value Added Statements

For the year ended 31 December 2024

	2024 N'000	%	2023 N'000	%
Group				
Turnover Other income	4,086,650,996 1,100,879,352		2,845,598,308 399,986,733	
Interest received	47,197,353		16,903,484	
	5,234,727,701		3,262,488,525	
Bought in goods and services	(4, 400, 500, 000)		(4.400.454.005)	
Local purchasesForeign purchases	(1,496,533,330) (3,048,799,853)		(1,188,451,995) (1,788,981,384)	
Value added	689,394,518	100	285,055,146	100
Distributed as fallous	, ,		, ,	
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
DepreciationRetained in the business	71,243,405 224,856,266	10 31	30,760,375 61,996,186	11 22
Value distributed	689,394,518	99	285,055,146	100
value distributed	003,034,310	33	200,000,140	100
	2024		2023	
	N'000	%	N'000	%
Company 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 purchasesForeign purchases	(1,007,064,316)	((1,409,387,021) (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			4.045.700	
DepreciationRetained in the business	1,974,794 111,806,624	1 63	1,945,702 (216,197,450)	(1) 123
Value distributed	177,769,255	100	(174,637,992)	100

Five-Year Financial Summary (2020 – 2024) For the year ended 31 December 2024

	2024 N'000	2023 N'000	2022 N'000	2021 N'000	2020 N'000
GROUP					
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)		(818,743,209)	(578, 158, 281)	(432,605,696)
Non current borrowings	(1,458,388,478)	(46,945,871)	, , ,	(166,132,553)	(30,635,428)
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)	_	_	-	-	_

Five-Year Financial Summary (2020 – 2024) For the year ended 31 December 2024

	2024 N'000	2023 N'000	2022 N'000	2021 N'000	2020 N'000
COMPANY					
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)	_	()	(6)	-	(0)

Annual Consolidated Financial Statements

Share Capital History & Range of Shareholding

For the year ended 31 December 2024

Share Capital History

Year/ Date	Authorized (N) Increase	Cumulative	Issued and fully Paid-up (N) Increase	Cumulative	Consideration Cash/Bonus
Date	increase	Cumulative	Ilicrease	Cumulative	Casil/Bollus
1969	0	4,000,000	0	4,000,000	Cash
1978	3,000,000	7,000,000	2,100,000	6,100,000	Cash
1987	43,000,000	50,000,000	33,900,000	40,000,000	Cash
1991	10,000,000	60,000,000	0	40,000,000	-
1993	40,000,000	100,000,000	10,000,000	50,000,000	Bonus
1995	0	100,000,000	12,500,000	62,500,000	Cash
1998	0	100,000,000	15,625,000	78,125,000	Bonus
2001	50,000,000	150,000,000	0	78,125,000	-
2002	150,000,000	300,000,000	70,129,233	148,254,233	Bonus, Loan Stock Conversion and Agip Share Exchange
2003	0	300,000,000	14,825,423	163,079,656	Bonus
2004	0	300,000,000	40,769,914	203,849,570	Bonus
2005	0	300,000,000	82,300,879	286,150,449	Cash
2005	100,000,000	400,000,000	0	286,150,449	-
2007	100,000,000	500,000,000	90,884,813	377,035,262	Share Exchange under Scheme of Arrangement
2008	0	500,000,000	75,407,052	452,442,314	Bonus issue
2009	0	500,000,000	100,000	452,542,314	Staff Share Scheme
2009	500,000,000	1,000,000,000	0	452,542,314	-
2010	2,000,000,000	3,000,000,000	150,847.438	603,389,752	Right Issue
2010	0	3,000,000,000	301,694,876	905,084,628	Bonus Issue
2011	0	3,000,000,000	226,271,157	1,131,355,785	Bonus Issue
2011	0	3,000,000,000	5,703,284	1,137,059,069	Staff Equity Scheme
2012	2,000,000,000	5,000,000,000	0	1,137,059,069	Rights Issue
2013	0	5,000,000,000	2,274,118,138	3,411,177,207	Rights Issue
2014	2,500,000,000	7,500,000,000		3,411,177,207	-
2014	0	7,500,000,000	1,023,353,162	4,434,530,369	Private Placement
2014	0	7,500,000,000	107,812,500	4,542,342,869	Debt-to-equity conversion
2015	0	7,500,000,000	1,474,966,578	6,017,309,447	Rights Issue
2017	0	7,500,000,000	198,396,794	6,215,706,241	Convertible Notes
2018	7,500,000,000	15,000,000,00	0	0	0

Range of Shareholding

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 5
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

Annual Consolidated Financial Statements

Shareholding Structure/Free Float Status

For the year ended 31 December 2024

Shareholding Structure/Free Float Status

Description	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 in	nterests	
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		
Total Other Influential Shareholdings	0	0.00%
Free Float in Units and Percentage	3,311,791,626	26.64%
Free Float in Value	₩24,8	338,437,195.00

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.

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OVERVIEW	STRATEGIC REPORT	GOVERNANCE REPORT	FINANCIAL STATEMENTS	ADDITIONAL INFORMATION

Annual Consolidated Financial Statements

Unclaimed Dividend

For the year ended 31 December 2024

Payment Number	Payable Date	Unclaime			
		Position As at			
		31st Dec 2023			
19	03/08/2009	16,161,068.73			
20	31/08/2010	145,833,674.92			
21	30/08/2011	338,199,714.35			
22	30/08/2013	161,160,297.81			
23	17/11/2014	72,335,023.94			
24	15/12/2014	171,340,990.40			
		905,480,770.15			



Additional Information

ADDITIONAL INFORMATION

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Directors and Professional Advisers

Directors

HRM. Oba Adedotun Gbadebo, CFR

Chairman, Non-Executive Director, Resigned December 17, 2024

Mr. Jubril Adewale Tinubu, CON

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

Mrs. Ronke Sokefun

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

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

Company Secretary and Chief Compliance Officer

Ayotola Jagun (Ms)

Executive Director, Appointed May 20, 2025

Directors and Professional Advisers

Registered Office

The Wings Office Complex 17a Ozumba Mbadiwe Avenue Victoria Island Lagos

Registered Number

RC No 6474

Tax Identification Number

01061331-0001

Auditors

BDO Professional Services

Chartered Accountants ADOL House 15, CIPM Avenue Central Business District Alausa, Ikeja Lagos, Nigeria

The Registrars & Transfer Offices:

First Registrars & Investor Services Limited Plot 2, Abebe Village Road Iganmu, Lagos, Nigeria.

Computershare Investor Services (Pty) Limited

Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold, 2132



With a diverse Board, global advisers, and a trusted network of financial partners, our governance reflects the strength and reach of our ambitions.

We are Africa, We Are Oando



Complaints Management Policy

Introduction

- Oando PLC. (the Company) is committed to providing the highest standards of services to its Stakeholders in line with the Oando Quality Policy Statement.
- The Company acknowledges that complaints are a common occurrence in all Stakeholder business engagements. The Company further recognizes the right of any person covered under this Policy to raise an issue or make a complaint in the course of their dealings with the Company and shall ensure that their complaints are dealt with in an efficient, responsive, impartial and courteous manner.
- This Policy will complement the Company's Whistle Blowing Policy which provides a broader framework for employees and other stakeholders to report unlawful conduct, financial malpractice, harassment or misbehavior at work or an actual or potential infraction of the company's policies and business principles or danger to the public or the environment.

Regulatory Framework

This Policy is issued in compliance with the provisions of:

- a. the Investment and Securities Act 2007 (ISA);b. the Securities and Exchange Commission (SEC) Rules and Regulations 2013; and
- Rules Relating to the Complaints Management Framework of the Nigerian Capital Market released by the Securities and Exchange Commission in February 2015.

Scope and Objective of the Policy

The key objective of this Policy is to provide information about the framework for handling complaints relating to the Company. The Policy will:

- provide a fair complaints procedure which is clear and easy to follow by any Complainant wishing to make a complaint;
- document and publicise the existence of our complaints procedure so that Stakeholders know what to do when they have a complaint.
- make sure that all complaints are investigated fairly and in a timely manner.
- make sure that complaints are, wherever possible, resolved and that relationships are appropriately managed.

4. Definitions	
Complaint	A written expression of dissatisfaction (justified or not) made to the Company, relating to an act or omission of the Company covered under the Investment and Securities Act 2007, Securities and Exchange Commission Rules; NSE Listing Rules for which a response or resolution is expected.
	 For the avoidance of doubt, the following shall not constitute a complaint under this Policy: i. a request for information, clarification of service offered or provided; ii. a complaint against any of the Company's unlisted, delisted, wound up or liquidated subsidiaries or affiliates; iii. a request for explanation(s) for non-trading of shares or illiquidity of shares; iv. dissatisfaction with the trading price of the shares of the Company; v. Complaints whose subject matter are being investigated by competent persons or have been or are currently the subject of legal proceedings. vi. complaints that are not covered under the ISA, SEC Rules, NSE and/or within the purview of other regulatory bodies;
Complainant	A person, organization or their legal representative who makes a complaint
Competent Authority	Means Self-Regulatory Organizations (SROs) and recognized Capital Market Trade Associations
СМО	Capital Market Operators as defined under ISA
NGX	Nigerian Exchange Limited
Stakeholder	A shareholder and/or an investor of Oando PLC; including their legal representatives.
SEC	Securities and Exchange Commission
SROs	Self-Regulatory Organisations (SROs)

Complaints Management Policy

Complaints Handling Responsibility 5.

The Chief Compliance Officer & Company Secretary (CCO&CS) shall be responsible for handling all complaints received from complainants. In this context, complaints should be in writing and addressed to any of

(a) The Chief Compliance Officer & Company Secretary Oando PLC

The Wings Complex 17a Ozumba Mbadiwe Avenue Victoria Island Lagos, Nigeria

(b) Head, Investor Relations

Oando PLC The Wings Complex 17a Ozumba Mbadiwe Avenue Victoria Island Lagos, Nigeria

(c) Head, Corporate Communication

Oando PLČ The Wings Complex 17a Ozumba Mbadiwe Avenue Victoria Island Lagos, Nigeria

E-mail: complaint@oandoplc.com

- The CCO&CS may be responsible for ensuring that the proper process for managing complaints is followed and for monitoring compliance.
- The CCO&CS shall designate a Governance Officer to assist him /her in the discharge of these responsibilities.
- A copy of this Policy shall be made freely available on the Company website.

Compliance Handling Procedure 6.

- Receipt and Acknowledgment
- 6.1.1 Upon receipt of a Complaint, the Complaint will be recorded in the Electronic Complaints Register by the Governance office.
- 6.1.2 Receipt of an electronic Complaint via email shall be acknowledged as soon as possible (not exceeding 2 (two) working days from the date of receipt), whilst a Complaint received by post shall be acknowledged within 5 (five) working days of receipt.
- 6.1.3 Where a Complaint is resolved within the timeframe for acknowledging complaints as set out in paragraph 6.1.2 above, and a response containing the decision regarding the complaint sent to the Complainant, this will be deemed to be sufficient acknowledgment and resolution of the complaint.
- 6.1.4 Sufficient records of complaints received by email and the respective email acknowledgement shall be made available to the NGX on a quarterly basis. Records of complaints received and resolved via a physical or post office box addresses shall also be sent to the NGX on a quarterly basis. Evidence of posting a response to the complainant shall be deemed sufficient proof that the complaint received attention from the company.
- 6.2 Resolving a Complaint
- 6.2.1 The CCO&CS shall have the capacity to investigate and take all reasonable steps to resolve complaints and to implement appropriate remedies as may be required.

- 6.2.2 Upon resolution of a complaint, the outcome shall be communicated to the Complainant and the Governance Officer shall record the decision in the Complaint Register.
- 6.2.3 Where a complainant is dissatisfied with the decision reached by the Company, the complainant, may, if he/she so wishes, refer the complaint to a Competent Authority.
- 6.3 Timing of Complaint Resolution
- 6.3.1 All complaints received shall be resolved and a final response sent to the Complainant within 10 (ten) business days of it being received by the Company and the NGX shall be notified of the resolution of the complaint within two (2) working days following the date the response was sent to the Complainant.
- 6.3.2 Where the Company is unable to resolve a particular complaint within the timeline stipulated above, the complainant shall have a right to refer the complaint to a Competent Authority.

7. **Complaints Record Management**

- The Company shall maintain a Complaints Register which shall be in electronic form. The Complaints Register shall contain the following details:
 - Name of the Complainant;
 - Date the complaint was received;
 - iii. Nature of the complaint;
 - iv. Summary of the complaint; v. Decision/resolution made
- Copies of letters, memos sent including any update letters, acknowledgment letters, and response/resolution documents shall form part of the complaint management record that shall be kept in accordance with the Oando Document Management Policy.

Malicious Complaints

Any improper use of the Complaint process by way of malicious accusations shall not be tolerated and appropriate actions shall be taken within the confines of the law.

Confidentiality

The identity of Complainants shall be kept strictly confidential except where the concern raised is of a criminal nature and requires legal proceedings. However, the Company will to the best of its ability ensure that the Complainant is protected from any form of retaliation, victimization or retribution.

Monitoring and Reporting

The CCO&CS shall monitor the resolution status of all complaints and shall provide a quarterly report of complaints received and their status, independently verified by the Internal Audit, to the Group Leadership Council of the company. The report shall serve as a monitoring tool which shall enable management monitor the effectiveness of the Company's complaint-handling procedures, other related policies and/or procedures and identify relevant trends (if any) which could indicate areas for future focus or improved performance.

Publicity

This Policy shall be published on the Company's website together with details of the contact person(s) mentioned in section 5 above and the procedure described under section 6 above.

Commencement Date

This Policy shall come to force on the 20th day of November 2015.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 46th Annual General Meeting (the "Meeting") of Oando PLC (the "Company") will be held virtually via https://www.oandoplc.com/meetings on Monday, August 11, 2025, at 10:00am for the purposes of:

ORDINARY BUSINESS

Transacting the following ordinary business:

- 1.1. To lay before the shareholders the audited financial statements of the Company and of the Group for the year ended December 31, 2024, and the Reports of the Directors, Auditors and Audit Committee thereon.
- 1.2. To re-appoint the firm of BDO Professional Services as the Company's Auditors in relation to the audit of the financial statements of the Company for the year ended December 31, 2026, and to hold office until the next general meeting of the Company; and to authorize the directors of the Company
- 1.3. To consider the re-election of the following Directors who are eligible for retirement by rotation and have offered themselves for re-election:
 - Mrs. Nana Fatima Mede, OON Mrs. Ronke Sokefun

 - Dr. Ainojie Irune

Biographical details of the directors standing for re-election are available in the 2024 Annual Report and on the Company's website https://www.oandoplc.com

To elect Mr. Cosmas Iwueze and Ms. Ayotola Jagun to the Board of Directors of the Company with effect from December 16, 2024, and May 20, 2025, respectively, as Directors whose term expires in accordance with Article 88 of the Articles of Association of the company, but being eligible for retirement by rotation, offer themselves for election.

Biographical details of the directors to be elected are available in the 2024 Annual Report and the Company's website https://www.oandoplc.com.

- 1.5 To elect members of the Statutory Audit Committee
- 1.6 To disclose the remuneration of managers of the Company.

SPECIAL BUSINESS

Transacting the following special business:

Resolution 1: Directors Remuneration

1.1 To approve the remuneration of the Non-Executive Directors of the Company

Resolution 2: Mandates Authorizing Transactions with Related Parties/Interested Persons

To consider and if thought fit pass, with or without modifications, the following resolutions as ordinary resolutions of the Company

- "That, pursuant to the Rules Governing Related Party Transactions of the Nigerian Exchange Limited, a general mandate be and is hereby given authorizing the Company to procure goods, services and financing and enter into such incidental transactions necessary for its day-to-day operations from its related parties or interested persons on normal commercial terms consistent with the Company's Transfer Pricing Policy and all relevant Transfer Pricing Regulations in force in Nigeria.
- 2.2 That all transactions falling under this category which were earlier entered into prior to the date of this meeting are hereby ratified.

Resolution 3: Capital Raise and Restructuring Initiatives

To consider and if thought fit pass the following resolutions as special resolutions of the Company, THAT:

- 3.1 The Company be and is hereby authorised to raise additional capital of up to N500,000,000,000.00 (Five Hundred billion Naira only) or its foreign currency equivalent in the Nigerian and/or international capital markets through the issuance of up to 10,000,000,000 (Ten Billion) ordinary shares of 50 kobo each, either as a standalone issue or by the establishment of capital raising programmes, whether by way of public offerings, private placements, debt to equity conversions, rights issues and/or other transaction modes, at price(s) determined through book building or any other acceptable valuation method combination of methods at such dates, and on such terms and conditions as may be determined by the Board of Directors of the Company (the "Board") subject to obtaining the requisite regulatory approvals;
- 3.2 The Board be and is hereby authorized to enter into capital restructuring agreements with key stakeholders and Lenders and convert up to US\$ 300,000,000.00 (Three Hundred Million US Dollars only) out of the Company's existing Reserves-Based Lending (RBL) debt into equity, subject to terms and conditions to be determined by the Directors.
- 3.3 The Board be and is hereby authorized to establish a multi-instrument issuance programme in an amount up to US\$1,500,000,000.00 (One Billion, Five Hundred million US Dollars only) or its Naira equivalent and to proceed with subsequent issuances of bonds, certificates, instruments and/or other securities under the Programme, at such time and on such terms and conditions to be determined by the Directors subject to obtaining all relevant regulatory approvals subject to terms and conditions to be determined by the Board.
- 3.4 The Company be and is hereby authorised to accept surplus monies arising from any potential oversubscription from the capital raising programmes, in such proportion as may be determined by the Board, subject to obtaining the relevant regulatory approvals.
- 3.5 The Board be and is hereby authorized to enter into any agreements and/or execute any documents, appoint such professional parties, perform all such other acts and do all such other things as may be necessary for or incidental to effecting the above resolutions, subject to obtaining the approvals of relevant regulatory authorities, including without limitation, complying with the directives of any regulatory authority

Resolution 4: Approval of Increase in Issued Share Capital and Cancellation of Unallotted

To consider, and if thought fit, pass with or without modification the following resolutions as ordinary resolutions of the Company, THAT:

- 4.1 Further to the approvals granted in Resolution 3 above, the Board be, and is hereby, authorised to:
 - pass the relevant resolutions increasing the Company's share capital by the specific number of new ordinary shares required for the respective capital raising programmes undertaken by the Company, including any oversubscriptions; and
 - allot such said number of new ordinary shares upon completion of the capital raising programme(s);

4.2 The Board (where it deems appropriate) be authorised to take the necessary steps to cancel any unallotted shares of the Company created pursuant to resolutions 3.4 above:

Resolution 5: Approval of Amendment of the Memorandum and Articles of Association of the Company

To consider, and if approved, to pass with or without modification the following resolution as a special resolution of the Company

THAT upon completion of the capital raising programmes and following the increase of the Company's share capital and allotment of the new ordinary shares in accordance with the foregoing resolutions, Clause 6 of the Memorandum of Association and Article 3 of the Articles of Association of the Company be amended to reflect the Company's new issued share capital.

Virtual Meeting Link and Live Streaming of the Annual General Meeting

Further to the signing into Law of the Business Facilitation (Miscellaneous Provisions) Act 2023 which allows companies to hold meetings electronically, this Annual General Meeting will be held virtually via https://www.oandoplc.com/meetings and streamed live. Accreditation of shareholders for the AGM shall begin from August 08, 2025, till the commencement of the meeting.

A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend, speak and vote in their stead. A proxy need not be a member of the Compan

In line with the provisions of the Rules Governing Related Party Transaction of Nigerian Exchange Limited, interested persons have undertaken to ensure that their proxies, representatives, or associates shall abstain from voting on Resolution 2.

Registered holders of certificated shares and holders of dematerialized shares in their own name Hegistered noticers of certificated shares and noticers of certificated shares in their own name who are unable to attend the Meeting virtually and who wish to be represented at the Meeting, must complete and return the attached form of proxy in accordance with the instructions contained in the form of proxy so as to be received by the share registrars, First Registrars Nigeria Limited at Plot 2, Abbeb Village Road, Iganmu, Lagos, Nigeria or Computershare Investor Services (Pty) Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold, 2132; or email to proxy@computershare.co.za), not less than 48 hours before the time of the Meeting.

Holders of the Company's shares in South Africa (whether certificated or dematerialized) through a nominee should timeously make the necessary arrangements with that nominee or, if applicable, Central Securities Depository Participant ("CSDP") or broker to enable them attend and vote at the Meeting or to enable their votes in respect of their shares to be cast at the Meeting by that nominee or a proxy

C. No Voting by Interested Persons:

In line with the provisions of Rule 20.8(c), Rules Governing Related Party Transaction of Nigerian Exchange Limited, interested persons have undertaken to ensure that their proxies, representatives, or associates shall abstain from voting on Special Resolution 2.1 above.

Closure of Register of Members

The Register of Members and Transfer Books of the Company (Nigerian and South African) will be closed between July 28, 2025, and July 30, 2025 (both days inclusive) for updating the register in accordance with the provisions of Section 114 of CAMA.

Nominations for the Audit Committee

In accordance with Section 404(6) of the Companies and Allied Matters Act 2020 (CAMA), any member may nominate a shareholder as a member of the Audit Committee, by giving notice in writing of such nomination to the Chief Compliance Officer and Company Secretary at least 21 days before the Meeting.

The Consolidated Rules of the Securities and Exchange Commission, 2013 (as amended) and the Nigerian Code of Corporate Governance, 2018 stipulates that members of the Audit Committee should have basic financial literacy and should be able to understand Financial Statements. Additionally, at least one committee member should be a financial expert with up-to-date knowledge in accounting and financial management, capable of interpreting financial statements.

Shareholders have a right to ask questions not only at the meeting, but also in writing prior to the meeting. For the good and orderly conduct of the meeting, shareholders are encouraged to submit their questions in writing ahead of the AGM and those questions will be acknowledged and answered in full at the AGM. Such questions should be addressed to the Company Secretary and submitted to the Registered Office or by electronic mail at info@oandoplc.com not later than 7 days before the Meeting.

The 2024 Annual Report is available online for viewing and can be downloaded from the Company's website at www.oandoplc.com. The electronic copy of the annual Report is sent to our shareholders who have provided their email addresses to the Registrars. Shareholders who are interested in receiving the soft copy of the 2024 Annual Report should request via email to: info@oandoplc.com.

H. Profile of Directors

The Profile of Directors are available on the Company's website:

https://www.oandoplc.com

Unclaimed Dividend Warrants and Share Certificate

Shareholders are hereby informed that some dividends have remained unclaimed and returned to the Registrar. The list of all unclaimed dividends would be published on our website and shareholders are advised to contact the Registrar, First Registrars & Investor Services Limited at shareholders are advised to contact the Registrar, Plot 2, Abebe Village Road, Iganmu, Lagos, Nigeria.

July 21, 2025

By the Order of the Board

Ayotola Jagun Chief Compliance Officer and Company Secretary FRC/2013/PRO/NBA/002/0000003578

9th -12th Floor 17a Ozumba Mbadiwe Avenue Victoria Island, Lagos, Nigeria

Proxy Form



(the "Company") to be held virtually and strear https://shorturl.at/hS0yO and https://www.oand Monday, August 11, 2025, at 10:00am.	
I / We*	
of	
being a member/members of Oando PLC	
and holders of	shares
hereby appoint**	

The 46th Annual General Meeting (the "Meeting") of Oando PLC

or failing him/her, the Chairman of the Meeting as my/our proxy to act and vote for me/us on my/our behalf at the Meeting of the Company to be held on Monday, August 11, 2025, at 10:00am and at any adjournment thereof, which will be held for the purposes of considering and, if deemed fit, passing with or without modification, the resolutions to be proposed at the Meeting and to vote for or against the resolutions in accordance with the following instructions.

INSTRUCTIONS TO NOTE

- THIS PROXY FORM SHOULD NOT BE COMPLETED/RETURNED IF THE MEMBER IS ATTENDING THE MEETING
- A member entitled to attend and vote at the Meeting is entitled to and may, if he/she wishes, appoint a proxy to act for him/her. All proxy forms must be deposited at the registered office of the Company not less than 48 hours before the time for holding the Meeting. A proxy need not be a member of the Company.
- (iii) The Chairman of the meeting has been printed on the form to ensure that someone will be at the Meeting to act as your proxy but if you wish you may appoint anyone else from the provided list instead, by entering the person's name in CAPITAL LETTERS in the blank space (marked*) above.
- (iv) In the case of joint shareholders anyone of such may complete the form but the names of all joint shareholders must be stated.
- It is a requirement of the Law under the Stamp Duties Act, Cap. 411 Laws of the Federation of Nigeria. 1990 that any instrument of proxy to be used for the purpose of voting by any person entitled to vote at any meeting of shareholder must be duly stamped by the Commissioner for Stamp Duties.
- (vi) If the shareholder is a corporation this form must be under its common seal or under the hand of some officer or attorney duly authorised in that behalf.

Kindly complete the form as follows:

- Write your name in BLOCK CAPITALS on the proxy form where marked * above
- Write the name of your proxy where marked ** above
- Ensure that the proxy form is signed and dated by you where marked *** below.
- If the shareholder is a corporation, this form must be under its common seal or under the hand of some officer or attorney duly authorised in that behalf.

S/N	PROPOSED RESOLUTION	FOR	AGAINST
	ORDINARY BUSINESS		
1	To lay before the shareholders the audited financial statements of the Company and of the Group for the year ended December 31, 2024, and the Reports of the Directors, Auditors and Audit Committee thereon.		
2.	To re-appoint the firm of BDO Professional Services as the Company's Auditors in relation to the audit of the financial statements of the Company for the year ended December 31, 2026, and to hold office until the next general meeting of the Company; and to authorize the Directors of the Company to fix their remuneration.		
3.	To re-elect Mrs. Nana Fatima Mede, OON as a director		
4.	To re-elect Mrs. Ronke Sokefun as a director.		
5.	To re-elect Dr. Ainojie Irune as a director.		
6.	To elect Mr. Cosmas Iwueze as a director with effect from December 16, 2024.		
7.	To elect Ms. Ayotola Jagun as a director with effect from May 20, 2025.		
8.	To elect members of the Statutory Audit Committee.		
9.	To disclose the remuneration of managers of the Company.		
	SPECIAL BUSINESS		
10.	To approve the remuneration of the Non-Executive Directors of the Company.		
11.	Mandates Authorizing Transactions with Related Parties/Interested Persons		
	To consider and if thought fit pass, with or without modifications, the following resolutions as ordinary resolutions of the Company:		
	That, pursuant to the Rules Governing Related Party Transactions of the Nigerian Exchange Limited, a general mandate be and is hereby given authorizing the Company to procure goods, services and financing and enter into such incidental transactions necessary for its day-to-day operations from its related parties or interested persons on normal commercial terms consistent with the Company's Transfer Pricing Policy and all relevant Transfer Pricing Regulations in force in Nigeria.		
	That all transactions falling under this category which were earlier entered into prior to the date of this meeting are hereby ratified.		
12.	Capital Raise and Restructuring Initiatives		
	To consider, and if thought fit pass the following resolutions as special resolutions of the Company:		
	That the Company be and is hereby authorised to raise additional capital of up to "N500,000,000,000.000 (Five Hundred billion Naira only)" or its foreign currency equivalent in the Nigerian and/or international capital markets through the issuance of up to "10,000,000,000 (Ten Billion)" ordinary shares of 50 kobo each, either as a standalone issue or by the establishment of capital raising programmes, whether by way of public offerings, private placements, debt to equity conversion, rights issues and/or other transaction modes, at price(s) determined through book building or any other acceptable valuation method or combination of methods at such dates, and on such terms and conditions as may be determined by the Board of Directors of the Company (the "Board") subject to obtaining the requisite regulatory approvals;		
	The Board be and is hereby authorized to enter into capital restructuring agreements with key stakeholders and Lenders and convert up to U\$\$300,000,000,000 (Three Hundred Million U\$ Dollars only) out of the Company's existing Reserves-Based Lending (RBL) debt into equity, subject to terms and conditions to be determined by the Directors;		
	The Board be and is hereby authorized to establish a multiinstrument issuance programme in an amount up to US\$1,500,000,000.00 (One Billion, Five Hundred million US Dollars only) or its Naira equivalent and to proceed with subsequent issuances of bonds, certificates, instruments and/or other securities under the Programme, at such time and on such terms and conditions to be determined by the Directors subject to obtaining all relevant regulatory approvals subject to terms and conditions to be determined by the Board;		
	The Company be and is hereby authorised to accept surplus monies arising from any potential oversubscription from the capital raising programmes, in such proportion as may be determined by the Board, subject to obtaining the relevant regulatory approvals;		
	The Board be and is hereby authorized to enter into any agreements and/or execute any documents, appoint such professional parties, perform all such other thiops are may be		

and/or execute any documents, appoint such professional parties, perform all such other acts and do all such other things as may be necessary for or incidental to effecting the above resolutions, subject to obtaining the approvals of relevant regulatory authorities, including without limitation, complying with the directives of any regulatory authority.

Approval of Increase in Issued Share Capital and Cancellation of Unallotted Shares

To consider, and if thought fit, pass with or without modification the following resolutions as ordinary resolutions of the Company, THAT: Further to the approvals granted in Resolution 3 above, the Board be, and is hereby, authorised to:

- pass the relevant resolutions increasing the Company's share capital by the specific number of new ordinary shares required for the respective capital raising programmes undertaken by the Company, including any oversubscriptions; and
- allot such said number of new ordinary shares upon completion of the capital raising programme(s). The Board (where it deems appropriate) be authorised to take the necessary steps to cancel any unallotted shares of the Company created pursuant to resolutions 3.4 above. (ii)
- Approval of Amendment of the Memorandum and Articles of Association of the Company

To consider, and if approved, to pass with or without modification the following as a special resolution of the Company:

That upon completion of the capital raising programmes and following the increase of the Company's share capital and allotment of the new ordinary shares in accordance with the foregoing resolutions, Clause 6 of the Memorandum of Association and Article 3 of the Articles of Association of the Company be amended to reflect the Company's new issued share capital.

Registered holders of certificated shares and holders of dematerialized shares in their own name who are unable to attend the Meeting and who wish to be represented at the Meeting, must complete and return the attached form of proxy in accordance with the instructions contained in the form of proxy so as to be received by the share registrars First Registrars Nigeria Limited at Plot 2, Abebe Village Road, Iganmu, Lagos, Nigeria or Computershare Investor Services (Pty) Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold, 2132; or email to proxy@computershare.co.za), not less than 48 hours before the time of the Meeting.

Holders of the Company's shares in South Africa (whether certificated or dematerialized) through a nominee should timeously make the necessary arrangements with that nominee or, if applicable, Central Securities Depository Participant ("CSDP") or broker to enable them attend and vote at the Meeting or to enable their votes in respect of their shares to be cast at the Meeting by that nominee or a proxy.

Signed*** Dated***

First Registrars & Investors Services Limited Plot 2, Abebe Village Road, Iganmu, Lagos, Nigeria or Computershare Investor Services (Proprietary) Limited Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold,	Please affix postage stamp



ADMISSION CARD

THE 46TH (FORTY-SIXTH) ANNUAL GENERAL MEETING (THE "MEETING") OF OANDO PLC (THE "COMPANY") TO BE HELD VIRTUALLY AND STREAMED LIVE VIA https://shorturl.at/hS0yO and https://www.oandoplc.com/meetings

On Monday, August 11, 2025, at 10:00am

NAME OF SHAREHOLDER

SIGNATURE OF PERSON ATTENDING

NOTE: The Shareholder or his/her proxy must produce this admission card in order to be admitted at the meeting.

Collect Your Oando Dividend and Bonus Instantly With Ease



Dear Shareholder.

Now, your dividend can be paid directly into your bank account and your bonus credited to your CSCS account instantly on issue, through an electric channel.

STRATEGIC REPORT

Benefits

- Shareholders' bank and CSCS accounts will be credited with declared dividend and bonus respectively within 24 hours!
- Elimination of time and cost of verification of physical share certificate with the registrar before trading bonus shares
- Elimination of physical dividend warrants & bonus certificates and attendant costs of printing and posting same
- Avoid loss of dividend warrants or non receipt of bonus certificates due to change of address
- Elimination of unclaimed dividends

3 Steps to receiving your e-Dividend and/or e-Bonus:

- Fill out e-Dividend payment Mandate & e-Bonus form (Forms have been posted to all shareholders and can also be downloaded from out website www.oandoplc.com). Ensure that all required information is supplied, particularly your:
 - a. CSCS account number
 - b. Clearing house number
 - c. Stockbrokers name
 - d. Bank account number and
 - e. Bank sort code number.
- Verify your account details by having your banker sign and stamp in the space marked "Authorised signature & stamp of Bankers"

- 3. Returned completed Mandate forms to:
 - a. Oando PLC Head Office: The Wings Office Complex, 17a Ozumba Mbadiwe, Victoria Island, Lagos, Nigeria
 - b. First Registrar & Investor Services Limited
 Plot 2, Abebe Village Road, Iganmu, Lagos, Nigeria
 - All First Registrar & Investor Services Limited, Liaison Offices Nationwide: Abuja, Kano, Kaduna, Ibadan, Port Harcourt and Enugu

Unclaimed Dividends

Shareholders with outstanding dividend payments can also have their bank accounts credited immediately by following below instructions:

- Complete your e-Dividend form as outlined in the step 1-3 above
- Attach a letter of authorisation addressed to the Registrar mandating payment of outstanding dividends to the bank account stated on your completed e-dividend form
- Attach stale dividend warrants (where available)
- Submit your e-dividend form along with the authorisation letter at any of the location stated above.

Signed
Ayotola Jagun (Ms.)

Company secretary



e-Dividend Payment Mandate, e-Bonus, e-Report Information & Change of Address Form



1.PERSONAL DETAILS, 2.	e-BONUS & 3. e	REPOR	RT INI	FORM	ATIO	NC													
Shareholder's name(s)																			
	(Surname	/Company	/ name	:)			(Otl	ner n	ames)									
Full name(s) of any other holder*	(*Includin	a Docoas	ad if ar	anlicah	0)														
	(Includin	y Deceasi	eu II al	эрпсав	=)	_	_												
Shareholders Certificate No (Where	e available):								CSC	CS A	/C 1	Vo (Whe	ere a	availa	able	e):		
Stockbroker's Name					Clea	aring	Hou	se N	lo (CH	IN)									
No of units held:					Date	e of E	3irth/	Inco	rporat	ion o	of C	omp	oany	y:					
Address (As It appears in the Regi	ster of Shareholders):																		
Mobile (GSM) Number(s):						0	ther	Nos:											
Email Address:					Fa	ax:													
Oando PLC and an authorization II. I/we hereby agree that Oando I revocation or modification of th III. I/we hereby authorize Oando P detailed below, with effect from Bank	PLC may act and rely ese instructions. LC to credit or cause	on these	instruc	tions ur															е
Shareholder's Bank Account No:																			
Dated this	day of								20										
Shareholders Signature	Sha	reholders	Signat	ure**					Autho	orise	ed S	ign	atu	re &	Sta	mp	of E	Ban	kers
** In case of corporate shareholder	r, please use compan	y seal/star	mp																
5. CHANGE OF ADDRESS I/We hereby request that all correspond	pondences relating to	my/our ho	oldings	s be ser	t to th	ne ad	ddre	ss be	elow:										
New Address:																			
Date:	DD			MN	1						YY	ΥY							
Completed forms should be returned	ad to:																		

Completed forms should be returned to

First Registrars 7 Investor Services Limited: Plot 2, Abebe Village Road, Iganmu, Lagos, Nigeria

All First Registrar & Investor Services Limited, Liason Offices: Nationwide: Abuja, Kano, Kaduna, Ibadan, Port Harcourt, Enugu

Oando PLC Head Office: The Wings Office Complex: 17a Ozumba Mbadiwe, Victoria Island, Lagos, Nigeria

Electric Delivery Mandate Form



I / We, Chief, Dr, Mr, Mrs:	
of:	
by this form agree to the delivery of annual r Oando PLC to me/us via electronic mode:	eports and other statutory documents of
The company should forward the materials to	o the e-mail address stated below:
Email:	Signature & Date:
Please fill and return the completed form to	either:
The Registrar First Registrars & Investor Services Limited Plot 2, Abebe Village Road Iganmu, Lagos, Nigeria	
OR	
The Chief Compliance Officer & Company S Oando PLC The Wings Complex 17a Ozumba Mbadiwe Victoria Island, Lagos, Nigeria	ecretary

Forward Looking Statements

This results release contains forward-looking statements regarding the operations, financial condition, strategy, and prospects of Oando PLC ("the Company"). These statements are based on current expectations and assumptions and are subject to risks and uncertainties that could cause actual results to differ materially. Such risks include, but are not limited to, market conditions, regulatory developments, geopolitical events, operational challenges, and the Company's ability to implement key initiatives, including its capital re-structuring, energy transition and diversification strategy.

Readers are cautioned to carefully consider the foregoing factors and other uncertainties, and not to place undue reliance on forward-looking statements. Forward-looking statements apply only as of the date on which they are made, and the Company undertakes no obligation to update or revise any forward-looking statements, except as required by applicable laws and regulations.

Notes	

GOVERNANCE REPORT

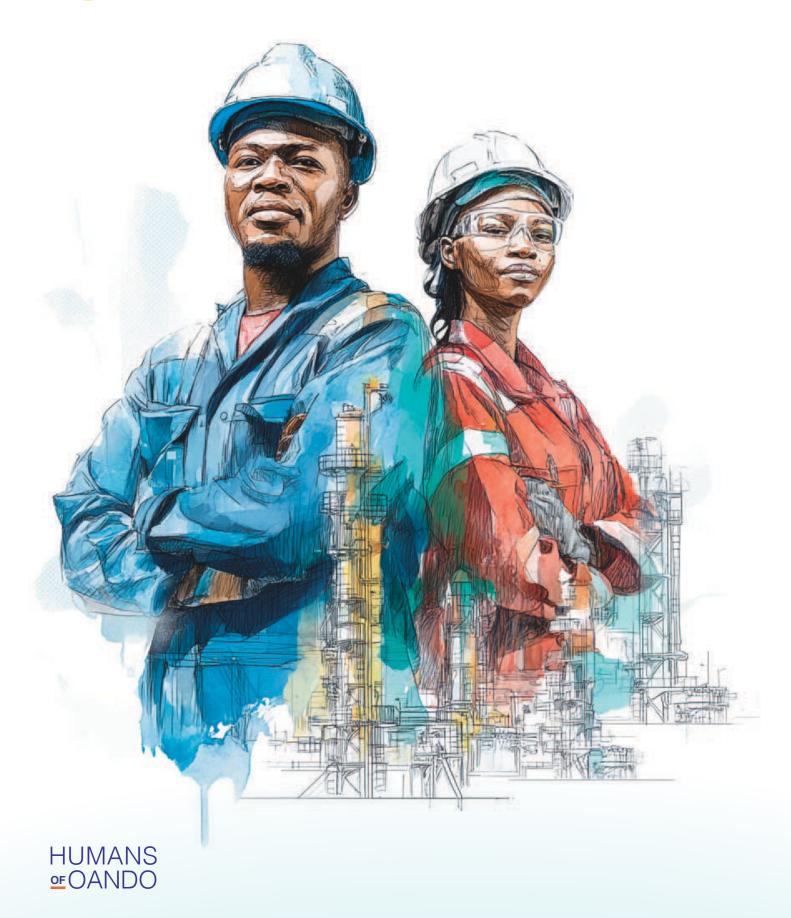
FINANCIAL STATEMENTS

ADDITIONAL INFORMATION

OVERVIEW

STRATEGIC REPORT





NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting (the "Meeting") of Oando PLC (the "Company") will be held virtually via https://www.oandoplc.com/meetings on Monday, August 11, 2025, by 2:00pm for the purposes of:

SPECIAL BUSINESS

- 1. Transacting the following ordinary business:
- 1.1. To consider and discuss measures for addressing the diminution in capital of the Company for the year ended 31st December 2024.

NOTES

A. Virtual Meeting Link and Live Streaming of the Extraordinary General Meeting (EGM)

Further to the signing into Law of the Business Facilitation (Miscellaneous Provisions) Act 2023, which allows companies to hold meetings electronically, this Extraordinary General Meeting will be held virtually via https://www.oandoplc.com/meetings and streamed live. Accreditation of shareholders for the EGM shall begin from August 08, 2025, till the commencement of the meeting.

Voting and Proxies

A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend, speak and vote in their stead. A proxy need not be a member of the Company.

Registered holders of certificated shares and holders of dematerialised shares in their own name who are unable to attend the Meeting and who wish to be represented at the Meeting, must complete and return the attached form of proxy in accordance with the instructions contained in the form of proxy so as to be received by the share registrars, First Registrars Nigeria Limited at Plot 2, Abebe Village Road, Iganmu, Lagos, Nigeria or Computershare Investor Services (Pty) Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold,

2132; or email to proxy@computershare.co.za), not less than 48 hours before the time of the Meeting.

Holders of the Company's shares in South Africa (whether certificated or dematerialised) through a nominee should timeously make the necessary arrangements with that nominee or, if applicable, Central Securities Depository Participant ("CSDP") or broker to enable them attend and vote at the Meeting or to enable their votes in respect of their shares to be cast at the Meeting by that nominee or a proxy.

B. Closure of Register of Members

The Register of Members and Transfer Books of the Company (Nigerian and South African) will be closed between July 28, 2025 and July 30, 2025 (both days inclusive) in accordance with the provisions of Section 114 of CAMA.

C. Right of Shareholders to Ask Questions

Shareholders have a right to ask questions not only at the meeting, but also in writing prior to the meeting. For the good and orderly conduct of the meeting, shareholders are encouraged to submit their questions in writing ahead of the EGM and those questions will be acknowledged and answered in full at the EGM. Such questions should be addressed to the Company Secretary and submitted to the Registered Office or by electronic mail at info@oandoplc.com not later than 7 days before the Meeting.

July 21, 2025 By the Order of the Board

Ayotola Jagun

Chief Compliance Officer and Company Secretary FRC/2013/NBA/00000003578

Registered Office 9th -12th Floor 17a Ozumba Mbadiwe Avenue

Proxy Form



The Extraordinary General Meeting (the "Meeting") of Oando PLC (the "Company") to be held virtually and streamed live via https://shorturl.at/hS0yO and https://www.oandoplc.com/meetings on Monday, August 11, 2025, at 2:00pm.

I / We*	
of	
being a member/members of Oando PLC	
and holders of	shares
hereby appoint**	

or failing him/her, the Chairman of the Meeting as my/our proxy to act and vote for me/us on my/our behalf at the Meeting of the Company to be held on Monday, August 11, 2025, at 2:00pm and at any adjournment thereof, which will be held for the purposes of considering and, if deemed fit, passing with or without modification, the resolutions to be proposed at the Meeting and to vote for or against the resolutions in accordance with the following instructions.

INSTRUCTIONS TO NOTE

- (i) THIS PROXY FORM SHOULD NOT BE COMPLETED/RETURNED IF THE MEMBER IS ATTENDING THE MEETING.
- (ii) A member entitled to attend and vote at the Meeting is entitled to and may, if he/she wishes, appoint a proxy to act for him/her. All proxy forms must be deposited at the registered office of the Company not less than 48 hours before the time for holding the Meeting. A proxy need not be a member of the Company.
- (iii) The Chairman of the meeting has been printed on the form to ensure that someone will be at the Meeting to act as your proxy but if you wish you may appoint anyone else from the provided list instead, by entering the person's name in CAPITAL LETTERS in the blank space (marked*) above.
- (iv) In the case of joint shareholders anyone of such may complete the form but the names of all joint shareholders must be stated.
- (v) It is a requirement of the Law under the Stamp Duties Act, Cap. 411 Laws of the Federation of Nigeria, 1990 that any instrument of proxy to be used for the purpose of voting by any person entitled to vote at any meeting of shareholder must be duly stamped by the Commissioner for Stamp Duties.
- (vi) If the shareholder is a corporation this form must be under its common seal or under the hand of some officer or attorney duly authorised in that behalf.

Kindly complete the form as follows:

- Write your name in BLOCK CAPITALS on the proxy form where marked * above
- b. Write the name of your proxy where marked ** above
- Ensure that the proxy form is signed and dated by you where marked *** below.
- d. If the shareholder is a corporation, this form must be under its common seal or under the hand of some officer or attorney duly authorised in that behalf.

S/N	PROPOSED RESOLUTION	FOR	AGAINST
	ORDINARY BUSINESS		
1.	To consider and discuss measures for addressing the diminution of capital by the Company for the year ended 31st December 2024.		

Registered holders of certificated shares and holders of dematerialized shares in their own name who are unable to attend the Meeting and who wish to be represented at the Meeting, must complete and return the attached form of proxy in accordance with the instructions contained in the form of proxy so as to be received by the share registrars, First Registrars Nigeria Limited at Plot 2, Abebe Village Road, Iganmu, Lagos, Nigeria or Computershare Investor Services (Pty) Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold, 2132; or email to proxy@computershare.co.za), not less than 48 hours before the time of the Meeting.

Holders of the Company's shares in South Africa (whether certificated or dematerialized) through a nominee should timeously make the necessary arrangements with that nominee or, if applicable, Central Securities Depository Participant ("CSDP") or broker to enable them attend and vote at the Meeting or to enable their votes in respect of their shares to be cast at the Meeting by that nominee or a proxy.

Signed*** Dated***

First Registrars & Investors Services Limited Plot 2, Abebe Village Road, Iganmu, Lagos, Nigeria or Computershare Investor Services (Proprietary) Limited Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold,	Please affix postage stamp



ADMISSION CARD

THE EXTRAORDINARY GENERAL MEETING (THE "MEETING") OF OANDO PLC (THE "COMPANY") TO BE HELD VIRTUALLY AND STREAMED LIVE VIA https://shorturl.at/hS0yO and https://www.oandoplc.com/meetings

On Monday, August 11, 2025, at 2:00pm

NAME OF SHAREHOLDER

SIGNATURE OF PERSON ATTENDING

NOTE: The Shareholder or his/her proxy must produce this admission card in order to be admitted at the meeting.



Oando PLC

HEAD OFFICE

The Wings Office Complex 17a Ozumba Mbadiwe Victoria Island Lagos, Nigeria

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- w www.oandoplc.com













