



ARADEL HOLDINGS PLC
Lagos, Nigeria

**UNAUDITED CONSOLIDATED
AND SEPARATE FINANCIAL
STATEMENTS**

FOR THE HALF YEAR ENDED 30 JUNE 2025

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CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of Aradel Holdings Plc for the period ended 30 June 2025.

I, Adegbite Falade, certify that:

I have reviewed this management assessment on Internal Control over Financial Reporting of Aradel Holdings Plc.

Based on my 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;

Based on my knowledge, the financial statements, and other financial information, 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 the report;

The company's other certifying officer and I:

- a) are responsible for establishing and maintaining internal controls;
- b) 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;
- c) have designed such internal control system, or caused such internal control and procedures 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;
- d) 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 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) The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions);
 - i. All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the company's ability to record, process, summarize, and report financial information; and
 - ii. Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control system
- f) The company's other certifying officer and I 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.

A handwritten signature in black ink, appearing to read 'Adegbite Falade'.

Adegbite Falade

Chief Executive Officer

FRC/2021/003/00000025055

30 July 2025

CERTIFICATION BY THE CHIEF FINANCIAL OFFICER

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of Aradel Holdings Plc for the period ended 30 June 2025.

I, Adegbola Adesina, certify that:

I have reviewed this management assessment on Internal Control over Financial Reporting of Aradel Holdings Plc; Based on my 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;

Based on my knowledge, the financial statements, and other financial information, 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 the report;

The company's other certifying officer and I:

- a) are responsible for establishing and maintaining internal controls;
- b) 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;
- c) 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,
- d) 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 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) The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions);
 - i. All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the company's ability to record, process, summarize, and report financial information, and
 - ii. Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control system.
- f) The company's other certifying officer and I 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.



Adegbola Adesina
Chief Financial Officer
FRC/2021/001/00000024579
30 July 2025

CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2025

N '000	Notes	THE GROUP				THE COMPANY			
		3 months ended 30-Jun-25	3 months ended 30-Jun-24	30-Jun-25	30-Jun-24	3 months ended 30-Jun-25	3 months ended 30-Jun-24	30-Jun-25	30-Jun-24
Revenue	4	168,209,527	167,149,578	368,076,934	268,314,455	-	-	-	-
Cost of sales	5	(90,397,523)	(68,364,252)	(204,918,751)	(106,860,608)	-	-	-	-
Gross profit		77,812,004	98,785,326	163,158,183	161,453,847	-	-	-	-
Other income/ (loss)	6	7,994,055	28,317,104	8,608,125	7,525,645	(253,129)	3,088,410	386,297	569,223
General and administrative expenses	7	(30,749,064)	(12,312,235)	(53,150,549)	(18,710,208)	(1,362,055)	(1,079,919)	(1,549,342)	(1,360,990)
Operating profit		55,056,995	114,790,195	118,615,759	150,269,284	(1,615,184)	2,008,491	(1,163,045)	(791,767)
Finance income	8	8,313,665	2,710,224	12,499,193	5,981,114	505,786	221,348	1,288,570	540,332
Finance costs	8	(5,650,979)	(4,087,680)	(11,082,448)	(7,426,549)	(499,620)	(351,333)	(876,830)	(867,720)
Net Finance cost		2,662,686	(1,377,456)	1,416,745	(1,445,435)	6,166	(129,985)	411,740	(327,388)
Share of profit of an associate	15	66,418,441	9,373,668	71,279,781	13,455,090	-	-	-	-
Profit before taxation		124,138,122	122,786,407	191,312,285	162,278,939	(1,609,018)	1,878,506	(751,305)	(1,119,155)
Tax expense	26	(11,940,869)	(40,375,218)	(44,918,447)	(57,852,645)	-	-	-	-
Profit after taxation		112,197,253	82,411,189	146,393,838	104,426,294	(1,609,018)	1,878,506	(751,305)	(1,119,155)
Profit attributable to:									
Equity holders of the parent		110,764,103	81,974,168	144,529,507	104,130,462	(1,609,018)	1,878,506	(751,305)	(1,119,155)
Non-controlling interest		1,433,150	437,021	1,864,331	295,832	-	-	-	-
		112,197,253	82,411,189	146,393,838	104,426,294	(1,609,018)	1,878,506	(751,305)	(1,119,155)
Other comprehensive income:									
<i>Other comprehensive income item that may be reclassified to profit or loss in subsequent years (net of tax):</i>									
Foreign currency translation difference		1,267,221	53,034,367	1,006,738	259,976,983	3,810,090	11,294,572	3,573,764	18,824,287
Share of other comprehensive income of associate accounted for using the equity method	15	(4,996,118)	43,221,888	(3,901,946)	172,754,152	-	-	-	-
<i>Other comprehensive income item that will not be reclassified to profit or loss in subsequent years (net of tax):</i>									
Net gain/(loss) on equity instruments at fair value through other comprehensive income		(619,165)	393,370	1,303,321	495,800	(619,165)	393,370	1,303,321	495,800
Other comprehensive income for the year, net of tax		(4,348,062)	96,649,625	(1,591,887)	433,226,935	3,190,925	11,687,942	4,877,085	19,320,087
Total comprehensive income for the year		107,849,191	179,060,814	144,801,951	537,653,229	1,581,907	13,566,448	4,125,780	18,200,932
Total comprehensive income attributable to:									
Equity holders of the parent		106,484,297	178,177,362	142,047,237	535,234,705	1,581,907	13,566,448	4,125,780	18,200,932
Non-controlling interest		1,364,894	883,452	2,754,714	2,418,524	-	-	-	-
Basic earnings per share	11	N25.49	N18.87	N33.26	N23.97	(N0.37)	N0.43	(N0.17)	(N0.26)

CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

		THE GROUP			THE COMPANY	
	₦ '000	Notes	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Assets						
Non-current assets						
Property, plant and equipment	12		664,868,121	676,637,344	-	-
Intangible assets	13		1,104,496	1,251,000	-	-
Financial assets	14		56,653,704	43,288,424	21,073,575	18,152,335
Investment in associate	15		649,815,616	489,968,207	7,810,062	7,810,062
Investment in subsidiaries	27		-	-	15,734,227	15,734,227
Total non-current assets			1,372,441,937	1,211,144,975	44,617,864	41,696,624
Current assets						
Inventories	17		41,609,739	46,902,252	-	-
Trade and other receivables	18		41,638,381	68,753,253	158,608,890	190,490,377
Prepayments	19		327,733	332,982	3,066	8,470
Financial assets	14		2,314,184	496,045	-	-
Cash and Bank	20		352,404,533	422,206,116	24,473,227	74,355,599
Total current assets			438,294,570	538,690,648	183,085,183	264,854,446
Total assets			1,810,736,507	1,749,835,623	227,703,047	306,551,070
Equity and liabilities						
Shareholders' equity						
Share capital			2,172,422	2,172,422	2,172,422	2,172,422
Share premium			22,819,670	22,819,670	22,819,670	22,819,670
Translation reserve			963,689,281	967,474,872	124,201,038	120,627,274
Fair value reserve of financial assets at FVOCI			9,076,746	7,773,425	9,076,746	7,773,425
Retained earnings			444,153,283	395,210,352	43,458,779	139,796,660
Non-controlling interests			11,300,862	8,659,222	-	-
Total shareholders' equity			1,453,212,264	1,404,109,963	201,728,655	293,189,451
Non-current liabilities						
Borrowings	22		40,069,962	40,945,047	7,304,336	11,138,777
Deferred tax liabilities	16		58,252,086	53,351,684	-	-
Decommissioning liabilities	23		24,462,890	36,940,108	-	-
Total non-current liabilities			122,784,938	131,236,839	7,304,336	11,138,777
Current liabilities						
Trade, share based payment and other payables	25		98,423,045	120,852,179	15,230,863	2,222,842
Contract liabilities	24		1,328,249	2,780,114	-	-
Taxation	26		36,113,880	35,402,305	-	-
Borrowings	22		98,874,131	55,454,223	3,439,193	-
Total current liabilities			234,739,305	214,488,821	18,670,056	2,222,842
Total liabilities			357,524,243	345,725,660	25,974,392	13,361,619
Total equity & liabilities			1,810,736,507	1,749,835,623	227,703,047	306,551,070

The financial statements were approved and authorised for issue by the Board of Directors on 30 July 2025 and signed on its behalf by:



Adegbola Adesina
Chief Financial Officer
FRC/2021/001/00000024579



Adegbite Falade
Chief Executive Officer
FRC/2021/003/00000025055



Osten Olorunsola
Chairman
FRC/2025/PRO/DIR/003/043567

CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2025

THE GROUP								
₦ '000	Issued capital	Share premium	Translation reserve	Fair value reserve of financial assets at FVOCI	Retained earnings	attributable to equity holders of	Non-controlling interests	Total equity
Balance at 1 January 2024	2,172,422	22,819,670	462,349,023	2,528,787	209,029,238	698,899,140	5,745,441	704,644,581
Profit for the year					104,130,462	104,130,462	295,832	104,426,294
Foreign currency translation difference			257,854,291	-		257,854,291	2,122,692	259,976,983
Net gain on equity instruments at fair value through other comprehensive income				495,800		495,800	-	495,800
Share of other comprehensive income of associate accounted for using the equity method	-	-	172,754,152	-	-	172,754,152	-	172,754,152
Total comprehensive income for the year	-	-	430,608,443	495,800	104,130,462	535,234,705	2,418,524	537,653,229
Dividends to equity holders of the company	-	-	-	-	(36,931,177)	(36,931,177)	-	(36,931,177)
Total contributions by and distributions to owners of the company, recognised directly in equity	-	-	-	-	(36,931,177)	(36,931,177)	-	(36,931,177)
Balance at 30 June 2024	2,172,422	22,819,670	892,957,466	3,024,587	276,228,523	1,197,202,668	8,163,965	1,205,366,633
Balance at 1 January 2025	2,172,422	22,819,670	967,474,872	7,773,425	395,210,352	1,395,450,741	8,659,222	1,404,109,963
Profit / (loss) for the year	-	-	-	-	144,529,507	144,529,507	1,864,331	146,393,838
Foreign currency translation difference	-	-	116,356	-	-	116,356	890,383	1,006,739
Net gain/(loss) on equity instruments at fair value through other comprehensive income	-	-	-	1,303,321	-	1,303,321	-	1,303,321
Share of other comprehensive income of associate accounted for using the equity method	-	-	(3,901,946)	-	-	(3,901,946)	-	(3,901,946)
Total comprehensive income for the year	-	-	(3,785,591)	1,303,321	144,529,507	142,047,237	2,754,714	144,801,951
Dividends to equity holders of the company	-	-	-	-	(95,586,576)	(95,586,576)	-	(95,586,576)
Dividends to NCI holders	-	-	-	-	-	-	(113,074)	(113,074)
Total contributions by and distributions to owners of the company recognised directly in equity	-	-	-	-	(95,586,576)	(95,586,576)	(113,074)	(95,699,650)
Balance at 30 June 2025	2,172,422	22,819,670	963,689,281	9,076,746	444,153,283	1,441,911,402	11,300,862	1,453,212,264

THE COMPANY						
₦ '000	Issued capital	Share premium	Translation reserve	Fair value reserve of financial assets at FVOCI	Retained earnings	Total equity
Balance at 1 January 2024	2,172,422	22,819,670	17,266,187	2,528,787	44,521,158	89,308,224
Loss for the year	-	-	-	-	(1,119,155)	(1,119,155)
Foreign currency translation difference	-	-	18,824,287	-	-	18,824,287
Net gain on equity instruments at fair value through other comprehensive income	-	-	-	495,800	-	495,800
Total comprehensive income for the year	-	-	18,824,287	495,800	(1,119,155)	18,200,932
Dividends to equity holders of the company	-	-	-	-	(36,931,177)	(36,931,177)
Total contributions by and distributions to owners of the company, recognised directly in equity	-	-	-	-	(36,931,177)	(36,931,177)
Balance at 30 June 2024	2,172,422	22,819,670	36,090,474	3,024,587	6,470,826	70,577,979
Balance at 1 January 2025	2,172,422	22,819,670	120,627,274	7,773,425	139,796,660	293,189,451
Loss for the year	-	-	-	-	(751,305)	(751,305)
Foreign currency translation difference	-	-	3,573,764	-	-	3,573,764
Net gain on equity instruments at fair value through other comprehensive income	-	-	-	1,303,321	-	1,303,321
Total comprehensive income for the year	-	-	3,573,764	1,303,321	(751,305)	4,125,780
Issue of shares	-	-	-	-	-	-
Dividends to equity holders of the company	-	-	-	-	(95,586,576)	(95,586,576)
Total contributions by and distributions to owners of the company recognised directly in equity	-	-	-	-	(95,586,576)	(95,586,576)
Balance at 30 June 2025	2,172,422	22,819,670	124,201,038	9,076,746	43,458,779	201,728,655

**CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2025**

		THE GROUP		THE COMPANY		
	₹ '000	Notes	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Profit before taxation			191,312,285	162,278,939	(751,305)	(1,119,155)
Adjustments:						
Interest expense		8	11,082,448	7,426,549	876,830	867,720
Interest income		8	(12,499,193)	(5,981,114)	(1,288,570)	(540,332)
Dividend received		6	(32,046)	(137,110)	(32,046)	(137,110)
Exchange (gain)/loss		6	255,062	(6,863,230)	587,463	93,192
Share of profit from associate		15	(71,279,781)	(13,455,090)	-	-
Hedge cost in PorL		14.1	2,565,177	2,033,446	-	-
Depreciation and amortisation		10	57,739,374	39,458,735	-	-
Provision no longer required		6	(13,290,014)	-	-	-
Gain on disposal of property, plant and equipment		6	(46,161)	-	(5,968)	-
Stock adjustment		5	14,557,907	(6,893,915)	-	-
Operating cash flows before movement in working capital			180,365,058	177,867,210	(613,596)	(835,685)
Movement in working capital:						
(Increase)/Decrease in trade and other receivables			30,294,785	2,039,301	31,881,487	76,226,411
Decrease/(Increase) in prepayments			5,249	(386,572)	5,404	(43,761)
(Increase)/Decrease in inventory			(9,265,394)	472,541	-	-
Increase in restricted cash			38,349	(8,059,446)	-	-
Decrease in trade, share-based payments and other payables			(20,332,408)	(1,368,392)	15,861,540	(28,992,194)
Decrease in contract liabilities			(1,451,865)	(1,053,117)	-	-
Cash generated by operating activities			179,653,774	169,511,525	47,134,835	46,354,771
Tax paid		26	(38,874,386)	(4,085,494)	-	(844,811)
Net cash flows from operating activities			140,779,388	165,426,031	47,134,835	45,509,960
Investing activities						
Interest received		8	9,015,175	5,981,114	1,318,017	566,346
Dividend received		6&15	4,197,214	137,110	32,046	137,110
Purchase of property, plant and equipment		12&13	(48,145,747)	(49,211,670)	-	-
Proceeds from disposal of assets		6	46,161	-	5,968	-
Purchase of financial assets		14	(45,470,462)	(2,618,408)	(1,597,875)	-
Proceeds from liquidation of financial asset		14	4,592,146	-	-	-
Investment in Associate		15.1	(21,310,163)	-	-	-
Net cash flows used in investing activities			(97,075,676)	(45,711,854)	(241,844)	703,456
Financing activities						
Dividend paid to parent			(95,586,576)	(36,931,177)	(95,586,576)	(36,931,177)
Dividend paid to NCI holders			(113,074)	-	-	-
Interest paid		22	(4,527,053)	(4,680,090)	(793,513)	(815,215)
Repayment of borrowing		22	(11,932,141)	(14,570,294)	-	-
Net cash flows used in financing activities			(112,158,844)	(56,181,561)	(96,380,089)	(37,746,392)
(Decrease)/Increase in cash and cash equivalents			(68,455,132)	63,532,616	(49,487,098)	8,467,024
Cash and cash equivalents - Beginning of year		20	411,801,252	183,008,535	74,355,599	17,679,835
Exchange rate effects on cash and cash equivalents			(1,308,102)	154,222,169	(395,274)	13,970,901
Cash and cash equivalents - End of period		20	342,038,018	400,763,320	24,473,227	40,117,760

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

1 REPORTING ENTITY

Aradel Holdings Pic ("the Company") was incorporated on 25 March 1992. The condensed consolidated financial statements of the Company as at and for the period ended 30 June 2025 comprise the Group and the Group's interest in associates.

The Group is engaged in the exploration for, and development and production of oil and natural gas.

The Head Office of the Company is located at:
15 Babatunde Jose Road,
Victoria Island,
Lagos,
Nigeria.

1.2 Composition of Financial Statements

The consolidated financial statements are drawn up in United States Dollar and Nigerian Naira in accordance with International Financial Reporting Standards (IFRS) Accounting presentation.

The financial statements comprise:

Condensed Consolidated statement of profit and loss and other comprehensive income
Condensed Consolidated statement of financial position
Condensed Consolidated statement of changes in equity
Condensed Consolidated statement of cash flows
Notes to the Condensed consolidated financial statements

A summary of the financial statements have been presented in United States Dollars as supplementary information

1.3 Financial Period

These consolidated financial statements cover the period from 1 January 2025 to 30 June 2025 with comparative figures for the financial year from 1 January 2024 to 30 June 2024 except for the statement of financial position which has comparative figures as at 31 December 2024.

1.4 Basis of preparation

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and Financial Reporting Council of Nigeria (Amendment) Act, 2023.

Statement of compliance

The consolidated and separate financial statements of Aradel Holdings Pic, and all of its subsidiaries (The Group") have been prepared in compliance with the IFRS Accounting Standards as issued by the International Accounting Standards Board and IFRS Interpretations Committee (IFRIC) interpretations applicable to companies reporting under IFRS.

Basis of measurement

The consolidated and separate financial statements are prepared under the historical cost convention, except for certain financial instruments which are measured at amortised cost. The functional currency is United States Dollar and presentation currency is Nigerian Naira.

The preparation of the consolidated and separate financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the Directors' best knowledge of current events and actions, actual results ultimately may differ from those estimates.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

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 (1,549.83) at the reporting date;

income and expenses for each profit or loss statement are translated at average exchange rate (1,529.21) unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case, income and expenses are translated at the dates of the transactions); all resulting exchange differences are recognised in other comprehensive income.

2 MATERIAL ACCOUNTING POLICY INFORMATION

(a) New standards, interpretations and amendments to existing standards that are effective for the current year

The Group has considered the following standards and amendments for the first time in its reporting period commencing 1 January 2025. Their adoption has not had any material impact on the disclosures or amounts reported in these financial statements.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates titled Lack of Exchangeability. The Group has adopted the amendments to IAS 21 for the first time in the current year. The amendments did not have a material impact on the Group's financial statements.

(b) New standards, interpretations and amendments to existing standards issued but not yet effective.

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt this standard, if applicable, when it becomes effective.

Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standard-Hedge Accounting by a First-time

Adopter effective date is 1 January 2026

Amendments to IFRS 7 Financial Instruments: Disclosures Gain or Loss on Derecognition effective date is 1 January 2026

Amendments to IFRS 9 Financial Instruments Transaction Price effective date is 1 January 2026

Amendments to IFRS 10 Consolidated Financial Statements Determination of a 'De Facto Agent effective date is 1 January 2026

Amendments to IAS 7 Statement of Cash Flows Cost Method effective date is 1 January 2026

Amendments to IFRS 18 Presentation and Disclosures in Financial Statements effective date is 1 January 2027

Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures effective date is 1 January 2027

Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures-Sale or Contribution of Assets between an Investor and its Associate or Joint Venture effective date yet to be set by the Board

All other accounting policies are consistent with what was reported in the latest Audited Financial Statements

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued

3. Segment Reporting

Business segments are based on the Group's internal organisation and management reporting structure. The Group's operations cover 4 segments-Crude Oil, Gas, Refinery & Investment Properties. Some intersegment transactions were prevalent amongst the reporting segments during the reporting period under consideration, hence the eliminations necessary to achieve proper consolidation. Management remains committed to continuous value creation and accretion of the reserves. The reporting segments of the Group derive their revenues within and outside Nigeria & goods are transferred at a point in time. The segment reports are also in line with the Group's accounting policies. The reportable segments include the post acquisition carrying amount of the investment in associate.

3.1 Segment profit/(loss) disclosure

	₦ '000	CRUDE OIL	GAS	REFINED PRODUCTS	INVESTMENT PROPETRIES	TOTAL REPORTABLE SEGMENT	ELIMINATIONS	CONSOLIDATION
30 June 2025								
Revenue		317,370,130	40,840,709	120,220,936	53,971	478,485,746	(110,408,812)	368,076,934
Operating costs (excluding depreciation and amortisation)		(209,916,295)	(26,375,613)	(88,803,954)	(42,097)	(325,137,959)	124,808,033	(200,329,926)
Depreciation and amortisation		(52,880,784)	(2,042,560)	(2,759,263)	(56,767)	(57,739,374)	-	(57,739,374)
Other income/(loss)		11,480,613	(134,450)	11,661,183	-	23,007,346	(14,399,221)	8,608,125
Operating profit		66,053,664	12,288,086	40,318,902	(44,893)	118,615,759	-	118,615,759
Finance income		8,963,840	12,599	3,522,754	-	12,499,193	-	12,499,193
Finance costs		(11,033,802)	(20,836)	(27,810)	-	(11,082,448)	-	(11,082,448)
Share of profit from associate		52,777,957	18,501,824	-	-	71,279,781	-	71,279,781
Profit before taxation		116,761,659	30,781,673	43,813,846	(44,893)	191,312,285	-	191,312,285
Tax expense		(30,970,581)	(7,551,757)	(6,242,429)	(153,680)	(44,918,447)	-	(44,918,447)
Profit after taxation		85,791,078	23,229,916	37,571,417	(198,573)	146,393,838	-	146,393,838
30 June 2024								
Revenue		221,263,556	50,515,028	85,369,835	50,380	357,198,799	(88,884,344)	268,314,455
Operating costs (excluding depreciation and amortisation)		(81,719,647)	(21,165,082)	(73,860,538)	(3,084)	(176,748,351)	90,636,270	(86,112,081)
Depreciation and amortisation		(34,757,589)	(1,963,921)	(2,687,952)	(49,273)	(39,458,735)	-	(39,458,735)
Other income/(loss)		7,341,999	2,254,189	(318,617)	-	9,277,571	(1,751,926)	7,525,645
Operating profit		112,128,319	29,640,214	8,502,728	(1,977)	150,269,284	-	150,269,284
Finance income		4,344,215	175	1,636,724	-	5,981,114	-	5,981,114
Finance costs		(6,391,482)	(263,016)	(772,051)	-	(7,426,549)	-	(7,426,549)
Share of profit from associate		10,494,970	2,960,120	-	-	13,455,090	-	13,455,090
Profit before taxation		120,576,022	29,377,373	9,367,401	(1,977)	162,278,939	-	162,278,939
Tax expense		(45,237,551)	(8,803,184)	(3,405,573)	(406,337)	(57,852,645)	-	(57,852,645)
Profit after taxation		75,338,471	23,534,309	5,961,828	(408,314)	104,426,294	-	104,426,294

3.2 Segment Assets and Liabilities

The assets and Liabilities are disclosed based on the operations of the reporting segments

	₦ '000	CRUDE OIL	GAS	REFINED PRODUCTS	INVESTMENT PROPETRIES	TOTAL REPORTABLE SEGMENT	ELIMINATIONS	CONSOLIDATION
30 June 2025								
TOTAL ASSET		921,879,248	243,795,204	385,894,823	10,964,851	1,562,534,126	248,202,381	1,810,736,507
TOTAL LIABILITIES		428,675,794	40,671,238	147,441,757	1,227,094	618,015,883	(260,491,640)	357,524,223
31 December 2024								
TOTAL ASSET		992,466,709	237,486,654	348,857,560	13,429,110	1,592,240,033	157,595,590	1,749,835,623
TOTAL LIABILITIES		466,000,812	38,234,486	146,561,820	2,227,642	653,024,760	(307,299,100)	345,725,660

FINANCIAL STATEMENT

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

4. Revenue

Disaggregated revenue information

	N '000	THE GROUP				THE COMPANY			
		3 months ended June 2025	3 months ended June 2024	30-Jun-25	30-Jun-24	3 months ended 30 June 2025	3 months ended 30 June 2024	30-Jun-25	30-Jun-24
Crude Oil		90,636,520	127,045,798	232,754,957	171,138,750	-	-	-	-
Refined Products		63,144,522	31,464,513	116,481,388	81,699,207	-	-	-	-
Gas		14,428,485	8,639,267	18,840,589	15,476,498	-	-	-	-
Total revenue		168,209,527	167,149,578	368,076,934	268,314,455	-	-	-	-

Refined products include Diesel, Dual Purpose Kerosene, Marine Diesel, Naphtha & Heavy Fuel Oil

Geographical markets									
Within Nigeria		77,573,007	40,103,780	135,321,977	97,175,705	-	-	-	-
Outside Nigeria		90,636,520	127,045,798	232,754,957	171,138,750	-	-	-	-
Total revenue from contracts with customers		168,209,527	167,149,578	368,076,934	268,314,455	-	-	-	-
Timing of revenue recognition									
Goods transferred at a point in time		168,209,527	167,149,578	368,076,934	268,314,455	-	-	-	-
Goods transferred over time		-	-	-	-	-	-	-	-
Total revenue from contracts with customers		168,209,527	167,149,578	368,076,934	268,314,455	-	-	-	-

Performance obligations

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

Sale of Crude Oil

The performance obligation is satisfied at a point in time when the product is physically transferred into a vessel, pipe or other delivery mechanism and is generally due within 30 to 45 days from the date of issue of the Bill of Lading.

Sale of Natural Gas

The performance obligation is satisfied at a point in time when the gas have been delivered at the buyer's delivery point for gas and is generally due within 30 to 90 days from the date of issue of invoice.

Sale of Refined Products

The performance obligation is satisfied at a point in time, when the product is lifted by the customer/distributor and payment is made in advance

	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
Contract balances	N'000	N'000	N'000	N'000
Trade receivables	38,170,735	49,269,686	-	-
Contract Liabilities	1,328,249	718,805	-	-

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Contract liabilities are considerations received from customers by the Group for which the related goods or services to the customers have not transferred.

Performance obligation for crude oil, refined products and gas are fulfilled once delivery of the products occurs and payments are generally due on crude oil and gas between 30 to 90 days. Payments on refined products are made in advance.

5. Cost of sales

	THE GROUP				THE COMPANY			
	3 months ended June 2025	3 months ended June 2024	30-Jun-25	30-Jun-24	3 months ended 30 June 2025	3 months ended 30 June 2024	30-Jun-25	30-Jun-24
Crude oil handling charges	20,141,866	19,807,797	48,860,477	36,328,273	-	-	-	-
Depreciation and amortisation (Note 10)	33,598,535	21,898,014	56,588,381	38,200,170	-	-	-	-
Operational and maintenance expenses	15,546,376	4,255,313	25,804,151	6,522,188	-	-	-	-
Provision no longer required			(13,290,014)	-	-	-	-	-
Royalties and other Statutory expenses	24,154,227	11,535,426	58,279,505	23,143,031	-	-	-	-
Staff costs (Note 9)	9,704,520	7,524,072	14,118,344	9,560,861	-	-	-	-
Stock adjustment	542,013	3,343,630	14,557,907	(6,893,915)	-	-	-	-
Total	103,687,537	68,364,252	204,918,751	106,860,608	-	-	-	-

Provision no longer required relates to write back of ARO provision following the revision of oil & gas assets estimates.

Operational and maintenance expenses include field expenses, community development expenses, insurance expense, repairs and maintenance, and materials and supplies.

Royalties and other statutory expenses includes Royalties due to FGN, NNDC Levy and other statutory expense.

Stock adjustment relates to the net movement in the value of inventory in the tank in the quarter.

6 Other (loss)/income

	THE GROUP				THE COMPANY			
	3 months ended June 2025	3 months ended June 2024	30-Jun-25	30-Jun-24	3 months ended 30 June 2025	3 months ended 30 June 2024	30-Jun-25	30-Jun-24
Crude handling	7,849,232	-	7,849,232	-	-	-	-	-
Dividend received from Financial Assets	32,046	137,110	32,046	137,110	32,046	137,110	32,046	137,110
Fee income	541,411	84,742	935,748	525,305	541,409	84,742	935,746	525,305
Exchange (loss) / gain	(474,795)	28,095,252	(255,062)	6,863,230	(832,552)	2,866,558	(587,463)	(93,192)
Gain on disposal of property, plant and equipment	46,161	-	46,161	-	5,968	-	5,968	-
Total	7,994,055	28,317,104	8,608,125	7,525,645	(253,129)	3,088,410	386,297	569,223

Crude handling income relates to income earned from the transportation of 3rd party crude to Bonny terminal

Fee income relates to income from non trading activities

7 General and administrative expenses

	THE GROUP				THE COMPANY			
	3 months ended June 2025	3 months ended June 2024	30-Jun-25	30-Jun-24	3 months ended 30 June 2025	3 months ended 30 June 2024	30-Jun-25	30-Jun-24
Depreciation and amortisation	640,067	667,661	1,150,993	1,258,565	-	-	-	-
Directors' fees	380,388	276,734	458,940	368,246	380,382	276,584	458,630	368,096
Fuel, utilities and travel expenses	1,033,243	804,599	1,354,044	1,237,318	22,956	19,105	22,956	20,412
Hedging expense	1,551,273	690,839	2,565,177	2,033,446	-	-	-	-
Permits, licenses and subscriptions	1,983,373	1,369,068	5,424,091	1,825,319	489,248	2,619	491,443	11,770
Professional fees	2,103,582	1,187,946	3,060,947	2,003,707	341,530	9,904	368,427	98,801
Repairs and maintenance	484,597	795,202	986,279	1,187,395	179	-	9,649	-
Staff costs (Note 9)	20,505,040	5,015,612	34,209,509	6,373,907	58,548	98,364	58,548	98,364
Other expenses	2,067,501	1,504,574	3,940,569	2,422,305	69,212	673,343	139,689	763,547
Total	30,749,064	12,312,235	53,150,549	18,710,208	1,362,055	1,079,919	1,549,342	1,360,990

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

Hedging consist of hedge cost written off and FV Loss through profit or loss

Other expenses consist of training fees, donation, bank charges, printing and stationery, catering and other related administrative costs incurred during the year.

Professional fees consist of cleaning service, advisory services, security service, legal fees and registrar management fee.

8. Finance cost and income		THE GROUP				THE COMPANY			
	₦ '000	3 months ended June 2025	3 months ended June 2024	30-Jun-25	30-Jun-24	3 months ended 30 June 2025	3 months ended 30 June 2024	30-Jun-25	30-Jun-24
Interest expense:									
Bank borrowings		4,379,986	2,891,154	8,389,517	4,798,519	-	-	-	-
IPIN Interest		640,876	-	1,258,402	-	-	-	-	-
Coupon on Bond		499,620	351,333	876,830	867,720	499,620	351,333	876,830	867,720
Provisions: unwinding of discount (Note 23)		130,497	845,193	557,699	1,760,310	-	-	-	-
Finance costs		5,650,979	4,087,680	11,082,448	7,426,549	499,620	351,333	876,830	867,720
Total finance cost		5,650,979	4,087,680	11,082,448	7,426,549	499,620	351,333	876,830	867,720
Finance income									
Interest income		8,313,665	2,710,224	12,499,193	5,981,114	505,786	221,348	1,288,570	540,332
Total finance income		8,313,665	2,710,224	12,499,193	5,981,114	505,786	221,348	1,288,570	540,332
Net finance costs		2,662,686	(1,377,456)	1,416,745	(1,445,435)	6,166	(129,985)	411,740	(327,388)

9. Staff costs		THE GROUP				THE COMPANY			
	₦ '000	3 months ended June 2025	3 months ended June 2024	30-Jun-25	30-Jun-24	3 months ended 30 June 2025	3 months ended 30 June 2024	30-Jun-25	30-Jun-24
Included in cost of sales:									
Salaries and other staff costs		9,704,520	7,524,072	14,118,344	9,560,861	-	-	-	-
Included in general admin expenses:									
Salaries and other staff costs		20,505,040	5,015,612	34,209,509	6,373,907	58,548	98,364	58,548	98,364
Total		30,209,560	12,539,684	48,327,853	15,934,768	58,548	98,364	58,548	98,364
Salaries and other staff costs include the following:									
Salaries		4,245,363	2,615,397	8,699,830	5,545,079	-	-	-	-
Defined Contribution expenses		277,785	423,591	1,080,727	835,394	-	-	-	-
Share based payment (Note 9.2)		12,628,720	-	24,797,280	-	-	-	-	-
Other allowances (Note 9.1)		13,057,692	9,500,696	13,750,016	9,554,295	58,548	98,364	58,548	98,364
Total		30,209,560	12,539,684	48,327,853	15,934,768	58,548	98,364	58,548	98,364

9.1 Other allowances include staff bonus, medical allowances, outstation allowances, casual wages, ITF & NSITF charges

9.2 Share based payment

Aradel Plc issued a cash-settled share-based incentive scheme that requires the Group to pay a cash value that is dependent on the excess value on the company's baseline enterprise value (share value) to its Senior/Executive management employees. In accordance with the terms of the plan, as approved by shareholders at the 2024 Annual General Meeting (AGM), Senior/Executive Management employees, subject to at least 3 months of service, excluding those in notice period have been granted a cash-settled shared based payment plan and the value of the potential payment is determined using a performance-based formula. The vesting period is 3 years, from 2024 – 2026, with employees earning full value if they remain with the organisation during the scheme.

Each eligible employee is entitled to an immediate cash payment equivalent to 40% of their compensation, and the balance is held in trust by a 3rd party trustee and will be released upon fulfilment of vesting conditions.

As at the reporting date, the Group recognised total expenses of ₦24.8 billion related to the cash-settled share-based payment transactions in H1 2025 (H1 2024 - Nil).

10 Depreciation and amortisation		THE GROUP				THE COMPANY			
	₦ '000	3 months ended June 2025	3 months ended June 2024	30-Jun-25	30-Jun-24	3 months ended 30 June 2025	3 months ended 30 June 2024	30-Jun-25	30-Jun-24
Included in cost of sales:									
Depreciation of oil and gas properties		33,598,535	21,898,014	56,588,381	38,200,170	-	-	-	-
Included in general admin expenses:									
Depreciation of other property, plant and equipment		495,281	324,455	866,701	593,761	-	-	-	-
Amortisation of intangible assets		144,786	343,206	284,292	664,804	-	-	-	-
Total in general admin expenses		640,067	667,661	1,150,993	1,258,565	-	-	-	-
Total		34,238,602	22,565,675	57,739,374	39,458,735	-	-	-	-

11 Earnings per share

Basic - GROUP

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares issued and fully paid as at the end of the quarter

		THE GROUP				THE COMPANY			
	₦ '000	3 months ended June 2025	3 months ended June 2024	30-Jun-25	30-Jun-24	3 months ended 30 June 2025	3 months ended 30 June 2024	30-Jun-25	30-Jun-24
Profit attributable to equity holders of the Group		110,764,103	81,974,168	144,529,507	104,130,462	(1,609,018)	1,878,506	(751,305)	(1,119,155)
Total		110,764,103	81,974,168	144,529,507	104,130,462	(1,609,018)	1,878,506	(751,305)	(1,119,155)
Weighted average number of ordinary shares in issue		4,344,844,360	4,344,844,360	4,344,844,360	4,344,844,360	4,344,844,360	4,344,844,360	4,344,844,360	4,344,844,360
Basic earnings per share (₦)		25.49	18.87	33.26	23.97	(0.37)	0.43	(0.17)	(0.26)

There are no potential diluted shares in the current and prior year, hence, the basic & diluted EPS are same.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued
12 Property, plant and equipment

₦ '000	THE GROUP		THE COMPANY	
	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Oil and gas properties	589,225,606	600,494,812	-	-
Other property, plant and equipment	13,764,589	13,662,347	-	-
Asset under development	61,877,926	62,480,185	-	-
Total	664,868,121	676,637,344	-	-

12a THE GROUP

	OIL AND GAS PROPERTIES	OTHER PROPERTY, PLANT AND EQUIPMENT	ASSETS UNDER DEVELOPMENT	Total
Cost:				
Balance at 1 January 2024	640,404,187	18,882,067	37,645,403	696,931,657
Translation difference	452,809,953	10,927,420	26,618,824	490,356,197
Reclassifications	97,336,217	-	(97,336,218)	(1)
Additions	36,167,535	4,828,164	95,552,176	136,547,875
Changes in decommissioning assets	(29,396,772)	-	-	(29,396,772)
Balance at 31 December 2024	1,197,321,120	34,637,651	62,480,185	1,294,438,956
Balance at 1 January 2025	1,197,321,120	34,637,651	62,480,185	1,294,438,956
Translation difference	(5,396,374)	(138,538)	(242,698)	(5,777,610)
Reclassifications	21,136,582	-	(21,136,582)	-
Additions	26,213,825	1,013,866	20,777,021	48,004,712
Disposal	-	(324,193)	-	(324,193)
Changes in decommissioning assets	237,124	-	-	237,124
Balance at 30 June 2025	1,239,512,277	35,188,786	61,877,926	1,336,578,989
Depreciation:				
Balance at 1 January 2024	302,081,893	11,422,143	-	313,504,036
Translation difference	216,533,422	8,129,755	-	224,663,177
Depreciation for the year	78,210,993	1,423,406	-	79,634,399
Balance at 31 December 2024	596,826,308	20,975,304	-	617,801,612
Balance at 1 January 2025	596,826,308	20,975,304	-	617,801,612
Translation difference	(3,128,018)	(93,615)	-	(3,221,633)
Depreciation for the year	56,588,381	866,701	-	57,455,082
Disposal	-	(324,193)	-	(324,193)
Balance at 30 June 2025	650,286,671	21,424,197	-	671,710,868
Net book value:				
At 30 June 2025	589,225,606	13,764,589	61,877,926	664,868,121
At 31 December 2024	600,494,812	13,662,347	62,480,185	676,637,344
At 1 January 2024	338,322,294	7,459,924	37,645,403	383,427,621

There were no impairments of Property, Plant, and Equipment during the year. The capital commitments in respect of PPE expenditures amounts to ₦27.8 billion (2024: ₦45.3 billion).

The current year reclassification relates to settlement of completed drilling projects from asset under development to project equipment while the prior year reclassification relates to settlement of completed drilling projects from asset under development to project equipment and civil works.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

12b THE COMPANY

	N'000	OTHER PROPERTY, PLANT AND EQUIPMENT	ASSETS UNDER DEVELOPMENT	Total
Cost:				
Balance at 1 January 2024		455,052	-	455,052
Translation difference		321,753	-	321,753
Balance at 31 December 2024		776,805	-	776,805
Balance at 1 January 2025		776,805	-	776,805
Translation difference		(2,210)	-	(2,210)
Disposal		(97,870)	-	(97,870)
Balance at 30 June 2025		676,725	-	676,725
Depreciation:				
Balance at 1 January 2024		455,052	-	455,052
Translation difference		321,753	-	321,753
Balance at 31 December 2024		776,805	-	776,805
Balance at 1 January 2025		776,805	-	776,805
Translation difference		(2,210)	-	(2,210)
Disposal		(97,870)	-	(97,870)
Balance at 30 June 2025		676,725	-	676,725
Net book value:				
At 30 June 2025		-	-	-
At 31 December 2024		-	-	-
At 1 January 2024		-	-	-

13 Intangible assets

	N'000	THE GROUP	THE COMPANY
Cost:			
Balance at 1 January 2024		4,309,302	630,624
Translation difference		3,047,312	445,895
Reclassification		-	-
Additions		222,621	-
Balance at 31 December 2024		7,579,235	1,076,519
Balance at 1 January 2025		7,579,235	1,076,519
Translation difference		(32,214)	(4,284)
Additions		141,035	-
Balance at 30 June 2025		7,688,056	1,072,235
Amortisation:			
Balance at 1 January 2024		3,097,530	630,624
Translation difference		2,227,876	445,895
Amortisation charge for the year		1,002,829	-
Balance at 31 December 2024		6,328,235	1,076,519
Balance at 1 January 2025		6,328,235	1,076,519
Translation difference		(28,967)	(4,284)
Amortisation charge for the year		284,292	-
Balance at 30 June 2025		6,583,560	1,072,235
Net book value:			
At 30 June 2025		1,104,496	-
At 31 December 2024		1,251,000	-
At 1 January 2024		1,211,772	-

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

Intangible assets consists of computer software and licenses used by the entity for recording transactions and reporting purposes. The Group's software has a finite life and is amortised on a straight line basis over the life of the software licenses.

14 Financial assets

Financial assets include the following:

	N '000	THE GROUP		THE COMPANY	
		30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Fair value through OCI					
<i>Listed securities:</i>					
Consolidated Hallmark Insurance Plc		8,208,240	9,502,827	8,208,240	9,502,827
Guaranty Trust Holding Company Plc		5,281,250	-	5,281,250	-
<i>Unlisted securities:</i>					
PetroData Management Services Ltd		9,175	57,295	9,175	57,295
Dharmattan Gas and Power Ltd		1,529	562	1,529	562
Ever Oil & Gas Depot (Harbourview)		2,973,517	1,050,159	2,973,517	1,050,159
Deposit for shares - Chappal Energies		35,580,129	-	-	-
Fair value through Profit or Loss					
Hedge		2,314,184	496,045	-	-
At Amortised Cost					
Debt Instrument		4,599,864	4,648,949	4,599,864	4,648,949
Deposit for shares - Guaranty Trust Holding Company Plc		-	2,892,543	-	2,892,543
Deposit for shares - Renaissance		-	25,136,089	-	-
Total		58,967,888	43,784,469	21,073,575	18,152,335
Current		2,314,184	496,045	-	-
Non-current		56,653,704	43,288,424	21,073,575	18,152,335
Total		58,967,888	43,784,469	21,073,575	18,152,335

14.1 Changes in Financial assets

	N '000	THE GROUP		THE COMPANY	
		30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Balance at 1 January		43,784,469	4,364,184	18,152,335	4,051,382
Crude Oil Hedge		4,409,266	2,735,940	-	-
FV Loss through PorL		(4,825,062)	(5,053,017)	-	-
Hedge Cost Written off		2,259,885	2,379,673	-	-
Debt Instrument		4,592,146	4,605,960	-	4,605,960
Bond Liquidation		(4,592,146)	-	-	-
Deposit for shares - Guaranty Trust Bank Plc		-	2,783,535	-	2,783,535
Chappal Energies		34,871,175	-	-	-
Interest Capitalized		1,188,720	-	-	-
Ever Oil & Gas Depot (Harbourview)		1,597,875	1,050,159	1,597,875	1,050,159
Deposit for shares - Renaissance		-	25,136,089	-	-
Transfer to investment in associate		(24,280,928)	-	-	-
Transfer to receivables		(855,168)	-	-	-
Foreign Exchange		(456,218)	489,713	49,491	369,066
Net gain on equity instruments at fair value through other comprehensive income		1,303,321	5,244,638	1,303,321	5,244,638
Bond Amortization		(29,447)	47,595	(29,447)	47,595
Current Value		58,967,888	43,784,469	21,073,575	18,152,335

The Group's equity investments are not held for trading instead, they are held for medium to long term strategic purposes. In 2025, The Group received ₦0.03 billion from Consolidated Hallmark Insurance Plc (2024: ₦ 0.14 billion)

A fair value reserve gain of financial assets at FVOCI of ₦1.3 billion (2023: ₦5.2 billion) was recorded in the Group

Transfer to investment in associate relates to Renaissance (see note 15)

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

New Investments

Crude oil hedge: In Q1 2025, the Group entered an economic crude oil hedge contract with an average strike price of \$55/bbl for 505,000 barrels at an average premium price of \$1.50. The tenor of the hedge is from April 2025 to December 2025. In Q2 2025, the Group entered an economic crude oil hedge contract with an average strike price of \$55/bbl for 588,000 barrels at an average premium price of \$3.55. The tenor of the hedge is from October 2025 to March 2026.

Debt Instrument : Aradel invested in a Federal Government Naira Bond in Q1 2025. The bond tenor is 90days and the target yield is 22% per annum payable upon maturity The bond was liquidated in Q2 2025

Chappal Energies: In Q2 2025 Aradel completed the payment of the purchase consideration of ₦34.8 billion for the acquisition of a 6.01% equity stake in Chappal Energies Mauritius Limited. Chappal is an energy company focusing on investments in deep value and brownfield upstream opportunities within Africa.

Ever Oil & Gas Depot (Harbourview) : Aradel made an additional equity investment of ₦0.1billion in Ever Oil & Gas Depot, a tankfarm located in Port Harcourt, Rivers State, Nigeria. Aradel Group holds a total equity stake of 50%.

The total value for new investments acquired during the year amounted to ₦45.5 billion

15 Investment in associate

	THE GROUP		THE COMPANY	
₦ '000	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
At 1 January	489,968,207	270,233,296	7,810,062	7,810,062
Share of profit	71,279,781	31,617,315	-	-
Transfer from financial assets - Renaissance	24,280,928	-	-	-
Additional investment in Renaissance	72,353,814	-	-	-
Share of other comprehensive income (net of tax), may not be reclassified to profit or loss in subsequent periods	(3,901,946)	192,112,764	-	-
Distribution	(4,165,168)	(3,995,168)	-	-
Carrying amount	649,815,616	489,968,207	7,810,062	7,810,062

15.1 Investment in associate - Renaissance Africa Energy Company Limited

	THE GROUP		THE COMPANY	
₦ '000	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Transfer from financial assets	24,280,928	-	-	-
Additional investment in Renaissance	72,353,814	-	-	-
Share of profit	26,153,381	-	-	-
Distribution	(4,165,168)	-	-	-
Share of other comprehensive income (net of tax), may not be reclassified to profit or loss in subsequent periods	(1,351,663)	-	-	-
Carrying amount	117,271,292	-	-	-

Aradel Group holds a total equity stake of 33.3% in Renaissance Africa Energy Company Limited (12.5% direct stake and 20.8% through ND Western). Aradel's indirect share of profit from Renaissance is reflected under investment in ND Western Limited.

The total value for new investments acquired during the year amounted to ₦72.4 billion (Cash Settlement of ₦21.3 billion and investments financed via borrowings of ₦51.1 billion - see note 22)

15.2 Investment in associate - ND Western Limited

	THE GROUP		THE COMPANY	
₦ '000	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
At 1 January	489,968,207	270,233,296	7,810,062	7,810,062
Share of profit	45,126,400	31,617,315	-	-
Share of other comprehensive income (net of tax), may not be reclassified to profit or loss in subsequent periods	(2,550,283)	192,112,764	-	-
Distribution	-	(3,995,168)	-	-
Carrying amount	532,554,324	489,968,207	7,810,062	7,810,062

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

16 Deferred taxation

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	N '000	THE GROUP		THE COMPANY	
		30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Deferred tax liabilities					
Accelerated depreciation and amortisation		58,001,121	52,467,066	-	-
Decommissioning liabilities		250,965	884,618	-	-
Total		58,252,086	53,351,684	-	-
Deferred taxation					
At start of year		53,351,684	18,386,481	-	-
Income statement credit		5,181,658	21,168,302	-	-
Translation difference		(281,256)	13,796,901	-	-
Net deferred tax liabilities at end of year		58,252,086	53,351,684	-	-
Reflected in the statement of financial position as:					
Deferred tax liabilities		58,252,086	53,351,684	-	-
Net deferred tax liabilities		58,252,086	53,351,684	-	-

Deferred taxes are payable in more than one year.

17 Inventories

	N '000	THE GROUP		THE COMPANY	
		30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Crude Oil		8,335,927	22,024,124	-	-
Refined Products		5,209,216	5,815,021	-	-
Materials		28,269,203	19,063,107	-	-
Total		41,609,739	46,902,252	-	-

There were no write-downs of inventory during the year and all inventory balances are current in nature. Inventory balances will be turned over within 12 months after the financial year. The inventory charged to Cost of sales during the year amounted to N2.5 billion (2024: N5.4 billion)

The net movement in the value of inventory in the tank throughout year is reflective in stock adjustments (note 5).

18 Trade and other receivables

	N '000	THE GROUP		THE COMPANY	
		30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Trade receivables		38,170,735	67,100,029	-	-
Other receivables		3,548,362	1,733,940	873,937	953,799
Related party receivables		-	-	157,734,953	189,536,578
Total		41,719,097	68,833,969	158,608,890	190,490,377
Allowance for expected credit losses		(80,716)	(80,716)	-	-
Net Total		41,638,381	68,753,253	158,608,890	190,490,377

Trade receivables are non-interest bearing and are generally on 30-90 day terms. Other receivables relate principally to outstanding receivable balance from Nile Delta Company Limited.

19 Prepayments

	N '000	THE GROUP		THE COMPANY	
		30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Prepaid rent		2	958	3,058	-
Prepaid expenses		-	3,496	-	-
Prepaid insurance		327,731	328,528	8	8,470
Total		327,733	332,982	3,066	8,470

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

20 Cash and Bank

	N '000	THE GROUP		THE COMPANY	
		30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Cash and bank balances		189,054,060	213,295,416	8,525,212	58,685,446
Short term deposits		152,983,958	198,505,836	15,948,015	15,670,153
Cash and cash equivalents for statement of cashflow purposes		342,038,018	411,801,252	24,473,227	74,355,599
Restricted cash		10,366,515	10,404,864	-	-
Total Cash and Bank		352,404,533	422,206,116	24,473,227	74,355,599

Cash and cash equivalents comprise balances with less than three months to maturity, including cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities less than three months.

Restricted cash relates to cash used as collateral for the BOI & GT Bank loan. The Group cannot withdraw or physically access the cash due to restrictions placed on the accounts by the banks.

21 Share capital and premium

Share capital and premium – THE GROUP

N '000	Number of shares	Ordinary shares	Share premium	Total
Balance at 31 December 2024	4,344,844,360	2,172,422	22,819,670	24,992,092
Balance at 1 January 2025	4,344,844,360	2,172,422	22,819,670	24,992,092
- Issue of shares	-	-	-	-
Balance at 30 June 2025	4,344,844,360	2,172,422	22,819,670	24,992,092
Share capital and premium – THE COMPANY				
Balance at 31 December 2024	217,242,218	2,172,422	22,819,670	24,992,092
Balance at 1 January 2025	217,242,218	2,172,422	22,819,670	24,992,092
-Issue of shares	-	-	-	-
Balance at 30 June 2025	217,242,218	2,172,422	22,819,670	24,992,092

22 Borrowings

	N '000	THE GROUP		THE COMPANY	
		30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
GTB		39,970,182	49,120,544	-	-
BOI loan		2,557,544	4,706,593	-	-
N10B Series I Bond		10,743,529	11,138,777	10,743,529	11,138,777
Loan from related party		85,566,091	31,326,609	-	-
Petre IPINs		106,747	106,747	-	-
Total		138,944,093	96,399,270	10,743,529	11,138,777
Current		98,874,131	55,454,223	3,439,193	-
Non-current		40,069,962	40,945,047	7,304,336	11,138,777
Total		138,944,093	96,399,270	10,743,529	11,138,777

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued
Changes in liabilities arising from financing activities

	THE GROUP		THE COMPANY	
N '000	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
At 1 January	96,399,270	61,971,902	11,138,777	11,131,874
Loans from related party	51,043,651	24,281,086	-	-
Repayments of principal	(11,932,141)	(32,439,025)	-	-
Repayment of interest	(4,527,053)	(9,444,797)	(793,513)	(1,734,185)
Foreign exchange movement	(2,564,383)	31,789,127	(478,565)	(137,789)
Accrued interest	10,303,123	20,742,589	821,036	1,862,601
Remeasurements	221,626	(501,612)	55,794	16,276
As at	138,944,093	96,399,270	10,743,529	11,138,777

The loans from related party represents additional advances from ND Western Limited, an Associate. The loans partly funded the investment in respect of the Shell Petroleum Development Company acquisition through the Renaissance SPV.

The funding was directly provided to the Renaissance SPV in a carry arrangement, hence, no cash was received by Aradel.

This is a short term facility, payable at an interest rate of 13%.

Remeasurements are non-cashflow and relate to the effects of carrying borrowings at amortised cost using the effective interest rate method.

23 Decommissioning liabilities

N '000	THE GROUP	THE COMPANY
Balance at 1 January 2024	65,161,229	-
Charged/(credited) to profit or loss:		
Provision no longer required	(45,238,257)	-
Changes in estimated flows	(29,396,772)	-
Translation difference	44,448,090	-
Unwinding of discount due to passage of time	1,965,818	-
Balance at 31 December 2024	36,940,108	-
Balance at 1 January 2025	36,940,108	-
Charged/(credited) to profit or loss:		
Changes in estimated flows	237,124	-
Provision no longer required (Note 5)	(13,290,014)	-
Translation difference	17,973	-
Unwinding of discount due to passage of time	557,699	-
Balance at 30 June 2025	24,462,890	-

24 Contract Liabilities

	THE GROUP		THE COMPANY	
N '000	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Down payments received	1,328,249	2,780,114	-	-
	1,328,249	2,780,114	-	-

A contract liability is an entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer. This will exist when an entity has received consideration but has not transferred the related goods or services to the customer. The Group has recognised a liability in relation to contracts with refined products customers for the delivery of refined products which these customers are yet to receive but which cash consideration have been received by the Group as at the end of the reporting period.

For the purchase of refined products, the terms of payments relating to the contract with customers is advance payments. The refinery operates a 7-day sales cycle which includes product evacuation.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

25 Trade, share based payment and other payables

	N '000	THE GROUP		THE COMPANY	
		30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Amounts due to related parties		-	-	12,019,262	588,028
Royalty payable		33,098,005	38,852,103	(42,361)	-
Sundry creditors		23,904,394	22,032,869	1,896,130	-
Staff payable		27,210,020	22,378,697	374,044	1,086,986
Trade payables		13,576,510	37,040,682	349,672	-
Unclaimed dividend		634,116	547,828	634,116	547,828
		98,423,045	120,852,179	15,230,863	2,222,842

¹- Trade payables are non-interest bearing and are normally settled on 30-day terms .

- Sundry creditors include host community payable, accruals, VAT and WHT payable.

- Staff payable represents the balance for a cash-settled share based incentive scheme that requires the Group to pay a cash value that is dependent on the excess value on the entity's baseline enterprise value (share value) to its Senior/Executive management employees. See note 9.2 for more details.

¹- The Directors consider that the carrying amount of trade payables approximates to their fair value.

26 Taxation

	N '000	THE GROUP		THE COMPANY	
		30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Hydrocarbon tax		5,081,893	6,253,967	-	-
Income tax expense		30,358,070	22,797,937	-	-
Minimum tax		-	-	-	-
Education tax		3,741,290	4,199,256	-	-
Under/(over) provision of prior year taxes		555,536	-	-	-
Amount of previously unused tax losses		-	-	-	-
Total current tax		39,736,789	33,251,160	-	-
Deferred taxation					
Origination of temporary differences		5,181,658	24,601,485	-	-
Total deferred tax		5,181,658	24,601,485	-	-
Income tax expense		44,918,447	57,852,645	-	-

The movement in the current income and Hydrocarbon tax liability is as follows:

	N '000	THE GROUP		THE COMPANY	
		30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
At 1 January		35,402,305	14,421,838	-	578,195
Tax paid		(38,874,386)	(27,176,699)	-	(964,181)
Prior period under/(over) provision		555,536	(9,086,792)	-	-
Income tax charge for the year		39,181,253	45,618,535	-	-
Foreign exchange difference		(150,828)	11,625,423	-	385,986
As at		36,113,880	35,402,305	-	-

27 Commitments

As at 30 June 2025, the capital commitments in respect of PPE expenditures amounts to ₦27.8 billion (2024: ₦45.4 billion).

28 Contingencies

The Group has contingent liabilities in respect of legal suits against Aradel Energy Limited as the operator of the Ogbale oil field. The possible liabilities from these cases amount to ₦1.2 trillion (2024: ₦1.2 trillion). These have not been incorporated in these financial statements. The directors on the advise of the Group's solicitors are of the opinion that the Group will not suffer any loss from these claims.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued
29 Related party disclosures

	N '000	THE COMPANY
Receivables		
Aradel Energy Limited	137,425,515	154,818,387
Aradel Gas Limited	20,309,438	20,293,860
Aradel Refineries Limited	-	14,424,331
Total	157,734,953	189,536,578
Payables		
Aradel Investments Limited	(585,359)	(588,028)
Aradel Refineries Limited	(11,433,903)	-
Total	(12,019,262)	(588,028)

30 Subsidiaries

	N '000	Effective Ownership interest	THE COMPANY
Aradel Energy Limited	100%	50,000	50,000
Aradel Investments Limited	100%	1,243,205	1,243,205
Aradel Refineries Limited	95.04%	14,431,022	14,431,022
Aradel Gas Limited	100%	10,000	10,000
		15,734,227	15,734,227



ARADEL HOLDINGS PLC
Lagos, Nigeria

UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 30 JUNE 2025
(IN US DOLLARS)

FINANCIAL STATEMENT

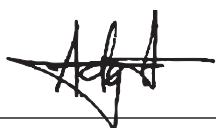
CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2025

		THE GROUP				THE COMPANY			
		\$'000	Notes	3 months ended 30-Jun-25	3 months ended 30-Jun-24	30-Jun-25	30-Jun-24	3 months ended 30-Jun-25	3 months ended 30-Jun-24
Revenue	2			106,098	128,828	237,497	206,212	-	-
Cost of sales	3			(57,487)	(51,617)	(132,222)	(81,064)	-	-
Gross profit				48,611	77,211	105,275	125,148	-	-
Other income/ (loss)	4			5,154	1,689	5,557	(14,215)	(169)	(1,411)
General and administrative expenses	5			(19,007)	(9,441)	(34,291)	(14,335)	(878)	(822)
Operating profit				34,758	69,459	76,541	96,598	(1,047)	(2,233)
Finance income	6			5,312	2,336	8,064	4,838	316	209
Finance costs	6			(3,579)	(3,254)	(7,150)	(5,808)	(318)	(320)
Net Finance cost				1,733	(918)	914	(970)	(2)	(111)
Share of profit of an associate	13			42,796	6,880	45,992	10,002	-	-
Profit before taxation				79,287	75,421	123,447	105,630	(1,049)	(2,344)
Tax expense	24			(7,303)	(29,637)	(28,983)	(43,006)	-	-
Profit after taxation				71,984	45,784	94,464	62,624	(1,049)	(2,344)
Profit attributable to:									
Equity holders of the parent				71,064	45,704	93,261	62,652	(1,049)	(2,344)
Non-controlling interest				920	80	1,203	(28)	-	-
				71,984	45,784	94,464	62,624	(1,049)	(2,344)
Other comprehensive income:									
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent years (net of tax):</i>									
Net gain(loss) on equity instruments at fair value through other comprehensive income				(419)	154	635	231	(419)	154
Other comprehensive income for the year, net of tax				(419)	154	635	231	(419)	154
Total comprehensive income for the year				71,565	45,938	95,099	62,855	(1,468)	(2,190)
Total comprehensive income attributable to:									
Equity holders of the parent				70,645	45,858	93,896	62,883	(1,468)	(2,190)
Non-controlling interest				920	80	1,203	(28)	-	-
Basic earnings per share	9			\$0.016	\$0.011	\$0.021	\$0.014	(\$0.0002)	(\$0.0005)

CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

		THE GROUP			THE COMPANY	
	\$'000	Notes	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Non-current assets						
Property, plant and equipment	10	434,777	440,715	-	-	
Intangible assets	11	723	815	-	-	
Financial assets	12	36,556	28,196	13,289	11,824	
Investment in associate	13	424,936	319,131	50,000	50,000	
Investment in subsidiaries	25	-	-	51,355	51,355	
Total non-current assets			896,992	788,857	114,644	113,179
Current assets						
Inventories	15	27,210	30,547	-	-	
Trade and other receivables	16	27,227	44,780	103,719	124,071	
Prepayments	17	214	218	2	6	
Financial assets	12	1,513	323	-	-	
Cash and Bank	18	230,450	274,994	16,005	48,429	
Total current assets			286,614	350,862	119,726	172,506
Total assets			1,183,606	1,139,719	234,370	285,685
Equity and liabilities						
Shareholders' equity						
Share capital		19,316	19,316	19,316	19,316	
Share premium		78,955	78,955	78,955	78,955	
Translation reserve		-	-	-	-	
Fair value reserve of financial assets at FVOCI		6,641	6,006	6,641	6,006	
Retained earnings		836,962	803,446	112,474	172,703	
Non-controlling interest		7,390	6,258	-	-	
Total shareholders' equity			949,264	913,981	217,386	276,980
Non-current liabilities						
Borrowings	20	26,770	27,237	4,777	7,255	
Deferred tax liabilities	14	38,093	34,749	-	-	
Decommissioning liabilities	21	15,997	24,060	-	-	
Total non-current liabilities			80,860	86,046	4,777	7,255
Current liabilities						
Trade, share based payment and other payables	23	64,340	78,703	9,958	1,450	
Contract Liabilities	22	869	1,811	-	-	
Taxation	24	23,616	23,059	-	-	
Borrowings	20	64,657	36,119	2,249	-	
Total current liabilities			153,482	139,692	12,207	1,450
Total liabilities			234,342	225,738	16,984	8,705
Total equity & liabilities			1,183,606	1,139,719	234,370	285,685

The financial statements were approved and authorised for issue by the Board of Directors on 30 July 2025 and signed on its behalf by:



Adegbola Adesina
Chief Finance Officer
FRC/2021/001/00000024579



Adegbite Falade
Chief Executive Officer
FRC/2021/003/00000025055



Osten Olorunsola
Chairman
FRC/2025/PRO/DIR/003/043567

FINANCIAL STATEMENT

CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2025

						THE GROUP
\$ '000	Issued capital	Fair value reserve of financial assets at FVOCI	Retained earnings	Total equity attributable to equity holders of the	Non-controlling interests	Total equity
Balance at 1 January 2024	19,316	2,541	676,571	777,383	5,581	782,964
Profit / (Loss) for the year	-	-	62,652	62,652	(28)	62,624
Net gain on equity instruments at fair value through other comprehensive income	-	231	-	231	-	231
Total comprehensive income for the year	-	231	62,652	62,883	(28)	62,855
Dividends to equity holders of the company	-	-	(26,357)	(26,357)	-	(26,357)
Total contributions by and distributions to owners of the company, recognised directly in equity	-	-	(26,357)	(26,357)	-	(26,357)
Balance at 30 June 2024	19,316	2,772	712,866	813,909	5,553	819,462

Balance at January 2025	19,316	6,006	803,446	907,723	6,258	913,981
Profit for the year	-	-	93,261	93,261	1,203	94,464
Net gain on equity instruments at fair value through other comprehensive income	-	635	-	635	-	635
Total comprehensive income for the year	-	635	93,261	93,896	1,203	95,099
Dividends to equity holders of the company	-	-	(59,745)	(59,745)	-	(59,745)
Dividends to Non Controlling Interest holders	-	-	-	-	(71)	(71)
Total contributions by and distributions to owners of the company recognised directly in equity	-	-	(59,745)	(59,745)	(71)	(59,816)
Balance at 30 June 2025	19,316	6,641	836,962	941,874	7,390	949,264

THE COMPANY					
\$ '000	Issued capital	Share premium	Fair value reserve of financial assets at FVOCI	Retained earnings	Total equity
Balance at 1 January 2024	19,316	78,955	2,541	107,272	208,084
Loss for the year	-	-	-	(484)	(484)
Net gain on equityinstrumentat fair value through other comprehensive income	-	-	231	-	231
Total comprehensive income for the year	-	-	231	(484)	(253)
Dividends to equity holders of the company	-	-	-	(26,357)	(26,357)
Total contributions by and distributions to owners of the company, recognised directly in equity	-	-	-	(26,357)	(26,357)
Balance at 30 June 2024	19,316	78,955	2,772	80,431	181,474
Balance at 1 January 2025	19,316	78,955	6,006	172,703	276,980
Loss for the year	-	-	-	(484)	(484)
Net gain on equityinstrumentat fair value through other comprehensive income	-	-	635	-	635
Total comprehensive income for the year	-	-	635	(484)	151
Dividends to equity holders of the company	-	-	-	(59,745)	(59,745)
Total contributions by and distributions to owners of the company recognised directly in equity	-	-	-	(59,745)	(59,745)
Balance at 30 June 2025	19,316	78,955	6,641	112,474	217,386

CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2025

		THE GROUP		THE COMPANY	
		\$ '000	Notes	30-Jun-25	30-Jun-24
Profit before taxation				123,447	105,630
Adjustments:					
Interest expense	6		7,150	5,808	566
Interest income	6		(8,064)	(4,838)	(831)
Dividend received	4		(21)	(98)	(21)
Exchange loss/(gain)	4		162	14,651	378
Share of profit from associate	13		(45,992)	(10,002)	-
Hedge cost in PorL	5		1,655	1,429	-
Depreciation and amortisation	8		37,256	29,333	-
Provision no longer required	4		(8,575)	-	-
Gain on disposal of equipment	4		(30)	-	(4)
Stock adjustment	3		9,394	(5,175)	-
Operating cash flows before movement in working capital			116,382	136,738	(396)
Movement in working capital:					
Decrease in trade and other receivables			19,610	24,492	20,352
Decrease/(Increase) in prepayments			4	(187)	4
(Decrease)/Increase in inventory			(6,057)	7,702	-
Increase in restricted cash			(2)	(470)	-
(Decrease) / Increase in trade, share-based payment and other payables			(15,376)	(23,667)	8,029
Decrease in contract liabilities			(942)	(1,481)	-
Cash generated by operating activities			113,619	143,127	27,989
Tax paid	24		(25,083)	(3,037)	-
Net cash flows from operating activities			88,536	140,090	27,989
Investing activities					
Interest received	6		5,816	4,838	850
Dividend received	4&13		2,708	98	21
Purchase of property, plant and equipment	10&11		(31,074)	(33,477)	-
Proceeds from disposal of equipment	4		30	-	4
Purchase of financial assets	12.1		(29,339)	(1,781)	(1,031)
Proceeds from liquidation of financial asset	12.1		2,963	-	-
Investment in associate	13.1		(13,750)	-	-
Net cash used in by investing activities			(62,646)	(30,322)	(156)
Financing activities					
Dividend paid to parent			(59,745)	(26,357)	(59,745)
Dividend paid to NCI holders			(71)	-	-
Interest paid	6		(2,921)	(3,479)	(512)
Repayment of borrowing	20		(7,699)	(10,831)	-
Net cash flows used in from financing activities			(70,436)	(40,667)	(60,257)
(Decrease)/Increase in cash and cash equivalents			(44,546)	69,101	(32,424)
Cash and cash equivalents - Beginning of year	18		268,217	203,493	48,429
Cash and cash equivalents - End of period	18		223,671	272,594	16,005

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

1 Segment Reporting

Business segments are based on the Group's internal organisation and management reporting structure. The Group's operations cover 4 segments-Crude Oil, Gas, Refinery & Investment Properties. Some intersegment transactions were prevalent amongst the reporting segments during the reporting period under consideration, hence the eliminations necessary to achieve proper consolidation. Management remains committed to continuous value creation and accretion of the reserves. The reporting segments of the Group derive their revenues within and outside Nigeria & goods are transferred at a point in time. The segment reports are also in line with the Group's accounting policies. The reportable segments include the post acquisition carrying amount of the investment in associate.

1.1 Segment profit/(loss) disclosure

	\$'000	CRUDE OIL	GAS	REFINED PRODUCTS	INVESTMENT PROPERTIES	TOTAL REPORTABLE SEGMENT ELIMINATIONS	CONSOLIDATION	
30 June 2025								
Revenue		204,777	26,352	77,572	35	308,736	(71,239)	237,497
Operating costs (excluding depreciation and amortisation)		(135,443)	(17,019)	(57,298)	(27)	(209,787)	80,530	(129,257)
Depreciation and amortisation		(34,120)	(1,318)	(1,781)	(37)	(37,256)	-	(37,256)
Other Loss		7,410	(86)	7,524	-	14,848	(9,291)	5,557
Operating profit		42,624	7,929	26,017	(29)	76,541	-	76,541
Finance income		5,783	8	2,273	-	8,064	-	8,064
Finance costs		(7,119)	(13)	(18)	-	(7,150)	-	(7,150)
Share of profit from associate		34,054	11,938	-	-	45,992	-	45,992
Profit before taxation		75,342	19,862	28,272	(29)	123,447	-	123,447
Tax expense		(19,983)	(4,873)	(4,028)	(99)	(28,983)	-	(28,983)
Profit after taxation		55,359	14,989	24,244	(128)	94,464	-	94,464
30 June 2024								
Revenue		168,225	38,946	70,613	42	277,826	(71,614)	206,212
Operating costs (excluding depreciation and amortisation)		(62,391)	(16,979)	(59,706)	(2)	(139,078)	73,012	(66,066)
Depreciation and amortisation		(25,838)	(1,461)	(1,998)	(36)	(29,333)	-	(29,333)
Other Loss		(4,643)	(507)	(7,667)	-	(12,817)	(1,398)	(14,215)
Operating profit		75,353	19,999	1,242	4	96,598	-	96,598
Finance income		3,507	-	1,331	-	4,838	-	4,838
Finance costs		(4,984)	(209)	(615)	-	(5,808)	-	(5,808)
Share of profit from associate		7,802	2,200	-	-	10,002	-	10,002
Profit before taxation		81,678	21,990	1,958	4	105,630	-	105,630
Tax expense		(33,628)	(6,544)	(2,532)	(302)	(43,006)	-	(43,006)
Profit after taxation		48,050	15,446	(574)	(298)	62,624	-	62,624

1.2 Segment Assets and Liabilities

The assets and Liabilities are disclosed based on the operations of the reporting segments

Total Segment Assets	\$'000	CRUDE OIL	GAS	REFINED PRODUCTS	INVESTMENT PROPERTIES	TOTAL REPORTABLE SEGMENT ELIMINATIONS	CONSOLIDATION	
30 June 2025								
TOTAL ASSET		692,622	159,136	252,347	7,170	1,111,275	72,331	1,183,606
TOTAL LIABILITIES		280,893	26,596	96,414	3,982	407,885	(173,543)	234,342
31 December 2024								
TOTAL ASSET		451,063	154,669	227,224	8,747	841,703	298,016	1,139,719
TOTAL LIABILITIES		295,376	25,179	95,457	1,451	417,463	(191,725)	225,738

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Revenue

Disaggregated revenue information

\$ '000	THE GROUP				THE COMPANY			
	3 months ended 30-Jun-25	3 months ended 30-Jun-24	30-Jun-25	30-Jun-24	3 months ended 30-Jun-25	3 months ended 30-Jun-24	30-Jun-25	30-Jun-24
Crude Oil	56,748	93,577	150,181	127,305	-	-	-	-
Refined Products	40,094	29,536	75,159	67,962	-	-	-	-
Gas	9,256	5,715	12,157	10,945	-	-	-	-
Total revenue	106,098	128,828	237,497	206,212	-	-	-	-
Refined products include Diesel, Dual Purpose Kerosene, Marine Diesel, Naphtha & Heavy Fuel Oil								
Geographical markets								
Within Nigeria	49,350	35,251	87,316	78,907	-	-	-	-
Outside Nigeria	56,748	93,577	150,181	127,305	-	-	-	-
Total revenue from contracts with customers	106,098	128,828	237,497	206,212	-	-	-	-
Timing of revenue recognition								
Goods transferred at a point in time	106,098	128,828	237,497	206,212	-	-	-	-
Goods transferred over time	-	-	-	-	-	-	-	-
Total revenue from contracts with customers	106,098	128,828	237,497	206,212	-	-	-	-

Performance obligations

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

Sale of Crude Oil

The performance obligation is satisfied at a point in time when the product is physically transferred into a vessel, pipe or other delivery mechanism and is generally due within 30 to 45 days from the date of issue of the Bill of Lading.

Sale of Natural Gas

The performance obligation is satisfied at a point in time when the gas have been delivered at the buyer's delivery point for gas and is generally due within 30 to 90 days from the date of issue of invoice.

Sale of Refined Products

The performance obligation is satisfied at a point in time, when the product is lifted by the customer/distributor and payment is made in advance

\$'000	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
Contract balances				
Trade receivables	24,960	33,530	-	-
Contract Liabilities	869	489	-	-

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Performance obligation for crude oil, refined products and gas are fulfilled once delivery of the products occurs and payments are generally due on crude oil and gas between 30 to 90 days. Payments on refined products are made in advance

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

3 Cost of sales

\$ '000	THE GROUP				THE COMPANY			
	3 months ended 30-Jun-25	3 months ended 30-Jun-24	30-Jun-25	30-Jun-24	3 months ended 30-Jun-25	3 months ended 30-Jun-24	30-Jun-25	30-Jun-24
Crude oil handling charges	12,646	14,236	31,527	26,873	-	-	-	-
Depreciation and amortisation	21,399	15,926	36,514	28,396	-	-	-	-
Exploration costs	-	-	-	-	-	-	-	-
Gas flaring	-	-	-	-	-	-	-	-
Operational and Maintenance expenses	9,908	3,378	16,650	5,112	-	-	-	-
Provision no longer required	(8,575)	-	(8,575)	-	-	-	-	-
Royalties & other statutory expenses	15,168	9,603	37,603	18,482	-	-	-	-
Staff costs (Note 8)	6,761	5,818	9,109	7,376	-	-	-	-
Stock Adjustments	180	2,656	9,394	(5,175)	-	-	-	-
Total	57,487	51,617	132,222	81,064	-	-	-	-

Provision no longer required relates to write back of ARO provision following the revision of oil & gas assets estimates.

Operational and maintenance expenses include field expenses, insurance expense, consultancy fees, field community costs, repairs and maintenance, and materials & supplies.

Royalties and other statutory expenses includes Royalties due to FGN, NDDC Levy and other statutory expense.

Stock adjustment relates to the net movement in the value of inventory in the tank in the year.

4 Other (loss)/income

\$ '000	THE GROUP				THE COMPANY			
	3 months ended 30-Jun-25	3 months ended 30-Jun-24	30-Jun-25	30-Jun-24	3 months ended 30-Jun-25	3 months ended 30-Jun-24	30-Jun-25	30-Jun-24
Crude handling	5,064	-	5,064	-	-	-	-	-
Dividend received from Financial assets	21	98	21	98	21	98	21	98
Fee income	345	1	604	338	345	1	604	338
Gain on disposal of property, plant and equipment	30	-	30	-	4	-	4	-
Exchange (loss) / gain	(306)	1,590	(162)	(14,651)	(539)	(1,510)	(378)	(3,774)
Total	5,154	1,689	5,557	(14,215)	(169)	(1,411)	251	(3,338)

Crude handling income relates to income earned from the transportation of 3rd party crude to Bonny terminal

Fee income relates to income from non trading activities

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

5 General and administrative expenses

\$ '000	THE GROUP				THE COMPANY			
	3 months ended 30-Jun-25	3 months ended 30-Jun-24	30-Jun-25	30-Jun-24	3 months ended 30-Jun-25	3 months ended 30-Jun-24	30-Jun-25	30-Jun-24
Depreciation and amortisation	406	485	742	937	-	-	-	-
Directors' fees	245	228	296	298	245	227	296	297
Fuel, utilities and travel expenses	663	608	874	939	15	12	15	13
Hedging	988	402	1,655	1,429	-	-	-	-
Permits, licenses and subscription	1,237	1,030	3,500	1,379	316	1	317	8
Professional fees	1,344	933	1,973	1,557	220	10	237	78
Repairs and maintenance	306	656	636	956	-	-	6	-
Staff costs (Note 7)	12,506	3,879	22,072	4,918	38	70	38	70
Other expenses	1,312	1,220	2,543	1,922	44	502	91	571
Total	19,007	9,441	34,291	14,335	878	822	1,000	1,037

Hedging consist of hedge cost written off and FV Loss through profit or loss

Professional fees consist of cleaning service, advisory services, security service, legal fees and registrar management fee.

Other expenses consist of training fees, donation, bank charges, printing and stationery, catering and other related administrative costs incurred during the year.

6 Finance cost and income

\$ '000	THE GROUP				THE COMPANY			
	3 months ended 30-Jun-25	3 months ended 30-Jun-24	30-Jun-25	30-Jun-24	3 months ended 30-Jun-25	3 months ended 30-Jun-24	30-Jun-25	30-Jun-24
Finance costs:								
Bank borrowings	2,777	2,236	5,413	3,695	-	-	-	-
IPIN Interest	406	-	812	-	-	-	-	-
Coupon on Bond	318	320	566	715	318	320	566	715
Provisions: unwinding of discount	78	698	359	1,398	-	-	-	-
Total Finance costs	3,579	3,254	7,150	5,808	318	320	566	715
Finance income								
Interest income	5,312	2,336	8,064	4,838	316	209	831	453
Total finance income	5,312	2,336	8,064	4,838	316	209	831	453
Net finance (costs)/income	1,733	(918)	914	(970)	(2)	(111)	265	(262)

7 Staff costs

\$ '000	THE GROUP				THE COMPANY			
	3 months ended 30-Jun-25	3 months ended 30-Jun-24	30-Jun-25	30-Jun-24	3 months ended 30-Jun-25	3 months ended 30-Jun-24	30-Jun-25	30-Jun-24
Included in cost of sales:								
Salaries and other staff costs	6,761	5,818	9,109	7,376	-	-	-	-
Included in general admin expenses:								
Salaries and other staff costs	12,506	3,879	22,072	4,918	38	70	38	70
Total	19,267	9,697	31,181	12,294	38	70	38	70
Salaries and other staff costs include the following:								
Salaries	2,685	1,881	5,613	4,122	-	-	-	-
Defined Contribution expenses	167	306	697	621	-	-	-	-
Share based payment (Note 7.2)	8,000	-	16,000	-	-	-	-	-
Other allowances (Note 7.1)	8,415	7,510	8,871	7,551	38	70	38	70
Total	19,267	9,697	31,181	12,294	38	70	38	70

7.1 Other allowances include staff bonus, medical allowances, outstation allowances, casual wages, ITF & NSITF charges

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

7.2 Share based payment

Aradel Plc issued a cash-settled share-based incentive scheme that requires the Group to pay a cash value that is dependent on the excess value on the company's baseline enterprise value (share value) to its Senior/Executive management employees. In accordance with the terms of the plan, as approved by shareholders at the 2024 Annual General Meeting (AGM), Senior/Executive Management employees, subject to at least 3 months of service, excluding those in notice period have been granted a cash-settled share based payment plan and the value of the potential payment is determined using a performance-based formula. The vesting period is 3 years, from 2024 – 2026, with employees earning full value if they remain with the organisation during the scheme.

Each eligible employee is entitled to an immediate cash payment equivalent to 40% of their compensation, and the balance is held in trust by a 3rd party trustee and will be released upon fulfilment of vesting conditions.

As at the reporting date, the Group recognised total expenses of \$16 million related to the cash-settled share-based payment transactions in H1 2025 (H1 2024 - Nil).

8 Depreciation and amortisation

\$ '000	THE GROUP				THE COMPANY			
	3 months ended 30-Jun-25	3 months ended 30-Jun-24	30-Jun-25	30-Jun-24	3 months ended 30-Jun-25	3 months ended 30-Jun-24	30-Jun-25	30-Jun-24
Included in cost of sales:								
Depreciation of oil and gas properties	21,399	15,926	36,514	28,396	-	-	-	-
Included in general admin expenses:								
Depreciation of other property, plant and equipment	315	237	559	443	-	-	-	-
Amortisation of intangible assets	91	248	183	494	-	-	-	-
Total in general admin expenses	406	485	742	937	-	-	-	-
Total	21,805	16,411	37,256	29,333	-	-	-	-

9 Earnings per share

Basic - The GROUP

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares issued and fully paid as at the end of the year

\$ '000	THE GROUP				THE COMPANY			
	3 months ended 30-Jun-25	3 months ended 30-Jun-24	30-Jun-25	30-Jun-24	3 months ended 30-Jun-25	3 months ended 30-Jun-24	30-Jun-25	30-Jun-24
Profit attributable to equity holders of the Group	71,064	45,704	93,261	62,652	(1,049)	(2,344)	(484)	(4,637)
Total	71,064	45,704	93,261	62,652	(1,049)	(2,344)	(484)	(4,637)
Weighted average number of ordinary shares in issue	4,344,844,360	4,344,844,360	4,344,844,360	4,344,844,360	4,344,844,360	4,344,844,360	4,344,844,360	4,344,844,360
Basic and diluted earnings per share (\$)	\$0.016	\$0.011	\$0.021	\$0.014	(\$0.00024)	\$-0.00054	(\$0.00011)	\$-0.00107

There are no potential diluted shares in the current and prior year, hence, the basic & diluted EPS are same.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

10 Property, plant and equipment

	THE GROUP		THE COMPANY	
\$ '000	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Oil and gas properties	385,311	391,120	-	-
Other property, plant and equipment	9,004	8,900	-	-
Asset under development	40,463	40,695	-	-
Total	434,778	440,715	-	-

10a THE GROUP

\$ '000	OIL AND GAS PROPERTIES	OTHER PROPERTY, PLANT AND EQUIPMENT	ASSETS UNDER DEVELOPMENT	Total
Cost:				
Balance at 1 January 2024	712,043	20,994	41,857	774,894
Translation difference	-	1	-	1
Reclassifications	63,398	-	(63,398)	-
Additions	23,557	1,567	62,236	87,360
Changes in decommissioning assets	(19,147)	-	-	(19,147)
Balance at 31 December 2024	779,851	22,562	40,695	843,108

Balance at 1 January 2025	779,851	22,562	40,695	843,108
Reclassifications	13,638	-	(13,638)	-
Additions	16,914	663	13,406	30,983
Changes in decommissioning assets	153	-	-	153
Disposal	-	(212)	-	(212)
Balance at 30 June 2025	810,556	23,013	40,463	874,032

Depreciation:

Balance at 1 January 2024	335,875	12,701	-	348,576
Translation difference	-	(1)	-	(1)
Depreciation for the year	52,856	962	-	53,818
Balance at 31 December 2024	388,731	13,662	-	402,393

Balance at 1 January 2025	388,731	13,662	-	402,393
Depreciation for the year	36,514	559	-	37,073
Disposal	-	(212)	-	(212)
Balance at 30 June 2025	425,245	14,009	-	439,254

Net book value:

At 30 June 2025	385,311	9,004	40,463	434,778
At 31 December 2024	391,120	8,900	40,695	440,715
At 1 January 2024	376,168	8,293	41,857	426,318

There are no impairments in Property, Plant, and Equipment during the year. The capital commitments in respect of PPE expenditures amounts to \$18.2 million (2024: \$29.5 million).

The current year reclassification relates to settlement of completed drilling projects from asset under development to project equipment while the prior year reclassification relates to settlement of completed drilling projects from asset under development to project equipment and civil works.

FINANCIAL STATEMENT

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

10b THE COMPANY

\$ '000	OTHER PROPERTY, PLANT AND EQUIPMENT	ASSETS UNDER DEVELOPMENT	Total
Cost:			
Balance at 1 January 2024	506	-	506
Balance at 31 December 2024	506	-	506
Balance at 1 January 2025	506	-	506
Disposal	(64)	-	(64)
Balance at 30 June 2025	442	-	442
Depreciation:			
Balance at 1 January 2024	506	-	506
Depreciation for the year	-	-	-
Balance at 31 December 2024	506	-	506
Balance at 1 January 2025	506	-	506
Disposal	(64)	-	(64)
Balance at 30 June 2025	442	-	442
Net book value:			
At 30 June 2025	-	-	-
At 31 December 2024	-	-	-
At 1 January 2024	-	-	-

11 Intangible assets

	THE GROUP	THE COMPANY
\$ '000	Intangible Asset	Intangible Asset
Cost:		
Balance at 1 January 2024	4,792	701
Additions	145	-
Balance at 31 December 2024	4,937	701
Balance at 1 January 2025	4,937	701
Additions	91	-
Balance at 30 June 2025	5,028	701
Amortisation:		
Balance at 1 January 2024	3,444	701
Amortisation charge for the year	678	-
Balance at 31 December 2024	4,122	701
Balance at 1 January 2025	4,122	701
Amortisation charge for the year	183	-
Balance at 30 June 2025	4,305	701
Net book value:		
At 30 June 2025	723	-
At 31 December 2024	815	-
At 1 January 2024	1,348	-

Intangible assets consists of computer software and licenses used by the Group for recording transactions and reporting purposes. The Group's software has a finite life and is amortised on a straight line basis over the life of the software licenses.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

12 Financial assets

Financial assets include the following:

	\$ '000	THE GROUP		THE COMPANY	
		30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Fair value through OCI					
<i>Listed securities:</i>					
Consolidated Hallmark Insurance Plc		5,183	6,189	5,183	6,189
Guaranty Trust Bank Plc		3,376		3,376	
<i>Unlisted securities:</i>					
PetroData Management Services Ltd		6	38	6	38
Dharmattan Gas and Power Ltd		1	1	1	1
Ever Oil & Gas Depot (Harbourview)		1,715	684	1,715	684
Chappal Energies		23,267	-	-	-
Fair value through Profit or Loss					
Hedge		1,513	323	-	-
Amortized Cost					
Debt Instrument		3,008	3,028	3,008	3,028
Deposit for shares - Guaranty Trust Bank Plc		-	1,884	-	1,884
Deposit for shares - Renaissance		-	16,372	-	-
Total		38,069	28,519	13,289	11,824
Current		1,513	323	-	-
Non Current		36,556	28,196	13,289	11,824
Total		38,069	28,519	13,289	11,824

12.1 Changes in Financial assets

	\$ '000	THE GROUP		THE COMPANY	
		30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
At 1 January		28,519	4,853	11,824	4,505
Crude Oil Hedge		2,845	1,782	-	-
FV Loss through PorL		(3,113)	(3,415)	-	-
Hedge Cost Written off		1,458	1,608	-	-
Debt Instrument		2,963	3,000	-	3,000
Bond Liquidation		(2,963)	-	-	-
Deposit for shares - Guaranty Trust Holding Company Plc		-	1,813	-	1,813
Chappal Energies		22,500		-	-
Interest Capitalized		767		-	-
Ever Oil & Gas Depot (Harbourview)		1,031	684	1,031	684
Deposit for shares - Renaissance		-	16,372	-	-
FX Loss on Financial Assets		(182)	(1,675)	(182)	(1,675)
Net gain on equity instruments at fair value through other comprehensive income		635	3,465	635	3,465
Transfer to Investment in Associate		(15,815)	-	-	-
Transfer to receivables		(557)	-	-	-
Bond Amortization		(19)	32	(19)	32
Current Value		38,069	28,519	13,289	11,824

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

The Groups equity investments are not held for trading instead, they are held for medium to long term strategic purposes. In 2025, The Group received \$0.02m from Consolidated Hallmark Insurance Plc (2024: \$0.1 million)

A fair value reserve gain of financial assets at FVOCI of \$0.6 million (2024: \$3.4 million) was recorded in the Group

Transfer to investment in associate relates to Renaissance (see note 13)

New Investments

Crude oil hedge: In Q1 2025, the Group entered an economic crude oil hedge contract with an average strike price of \$55/bbl for 505,000 barrels at an average premium price of \$1.50. The tenor of the hedge is from April 2025 to December 2025. In Q2 2025, the Group entered an economic crude oil hedge contract with an average strike price of \$55/bbl for 588,000 barrels at an average premium price of \$3.55. The tenor of the hedge is from October 2025 to March 2026

Debt Instrument : Aradel invested in a Federal Government Naira Bond in Q1 2025. The bond tenor is 90days and the target yield is 22% per annum payable upon maturity. The bond was liquidated in Q2 2025

Chappal Energies: In Q2 2025 Aradel completed the payment of the purchase consideration of \$22.5m for the acquisition of a 6.01% equity stake in Chappal Energies Mauritius Limited. Chappal is an energy company focusing on investments in deep value and brownfield upstream opportunities within Africa.

Ever Oil & Gas Depot (Harbourview) : Aradel made an additional equity investment of \$1.0 million in Ever Oil & Gas Depot, a tankfarm located in Port Harcourt, Rivers State, Nigeria. Aradel Group holds a total equity stake of 50%.

The total value for new investments acquired during the year amounted to \$17.6 million

13 Investment in associate

	\$ '000	THE GROUP		THE COMPANY	
		30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
At 1 January		319,131	300,463	50,000	50,000
Share of profit		45,992	21,368	-	-
Transfer from Financial assets - Renaissance		15,815	-	-	-
Additional investment in Renaissance		46,685	-	-	-
Distribution		(2,687)	(2,700)	-	-
Carrying amount		424,936	319,131	50,000	50,000

13.1 Investment in associate - Renaissance Africa Energy Company Limited

	\$ '000	THE GROUP		THE COMPANY	
		30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Transfer from Financial assets		15,815	-	-	-
Additional investment in Renaissance		46,685	-	-	-
Share of profit		16,875	-	-	-
Distribution		(2,687)	-	-	-
Carrying amount		76,688	-	-	-

Aradel Group holds a total equity stake of 33.3% in Renaissance Africa Energy Company Limited (12.5% direct stake and 20.8% through ND Western). Aradel's indirect share of profit is reflected under investment in ND Western Limited.

The total value for new investments acquired during the year amounted to \$46.7 million (Cash Settlement of \$13.8 million and other investments financed via borrowings of \$32.9 million - see note 20)

13.2 Investment in associate - ND Western Ltd

	\$ '000	THE GROUP		THE COMPANY	
		30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
At 1 January		319,131	300,463	50,000	50,000
Share of profit		29,117	21,368	-	-
Distribution		-	(2,700)	-	-
Carrying amount		348,248	319,131	50,000	50,000

Aradel Group holds a total equity stake of 41.67% in ND Western Limited

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

14 Deferred taxation

The analysis of deferred tax assets and deferred tax liabilities is as follows:

		THE GROUP		THE COMPANY	
	\$ '000	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Deferred tax liabilities					
Accelerated depreciation and amortisation		37,931	34,151	-	-
Decommissioning liabilities		162	598	-	-
Total		38,093	34,749	-	-
Deferred taxation					
At start of year		34,749	20,442	-	-
Income statement charge		3,343	14,306	-	-
Translation difference		1	1	-	-
Net deferred tax liabilities at end of year		38,093	34,749	-	-
Reflected in the statement of financial position as:					
Deferred tax liabilities		38,093	34,749	-	-
Net deferred tax liabilities		38,093	34,749	-	-

Deferred taxes are payable in more than one year.

15 Inventories

		THE GROUP		THE COMPANY	
	\$ '000	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Crude Oil		5,318	14,345	-	-
Refined Products		3,406	3,786	-	-
Materials		18,486	12,416	-	-
Total		27,210	30,547	-	-

There were no write-downs of inventory during the year and all inventory balances are current in nature. Inventory balances will be turned over within 12 months after the financial year. The inventory charged to Cost of sales during the year amounted to N1.6 million (2024: N2.5 million)

The net movement in the value of inventory in the tank throughout year is reflected in stock adjustments (note 5)

16 Trade and other receivables

		THE GROUP		THE COMPANY	
	\$ '000	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Trade receivables		24,960	43,704	-	-
Other receivables		2,320	1,129	571	620
Related party receivables		-	-	103,148	123,451
Total		27,280	44,833	103,719	124,071
Allowance for expected credit losses		(53)	(53)	-	-
Net Total		27,227	44,780	103,719	124,071

Trade receivables are non-interest bearing and are generally on 30-90 day terms. Other receivables relate principally to outstanding receivable balance from Nile Delta Company Limited and Chappal Energies Mauritius Limited

FINANCIAL STATEMENT

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

17 Prepayments

		THE GROUP		THE COMPANY	
	\$ '000	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Prepaid rent		-	1	2	-
Prepaid expenses		-	2	-	-
Prepaid insurance		214	215	-	6
Total		214	218	2	6

18 Cash and Bank

		THE GROUP		THE COMPANY	
	\$ '000	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Cash and bank balances		123,629	138,924	5,576	38,223
Short term deposits		100,042	129,293	10,429	10,206
Cash and cash equivalents for statement of cashflow purposes		223,671	268,217	16,005	48,429
Restricted cash		6,779	6,777	-	-
Total Cash and Bank		230,450	274,994	16,005	48,429

Cash and cash equivalents comprise balances with less than three months to maturity, including cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities less than three months.

Restricted cash relates to cash used as collateral for the BOI & GT Bank loan.

The Group cannot withdraw or physically access the cash due to restrictions placed on the accounts by the banks.

19 Share capital and premium - THE GROUP

	\$ '000	Number of shares	Ordinary shares	Share premium	Total
Balance at 31 December 2024		4,344,844,360	19,316	78,955	98,271
Balance at 1 January 2025		4,344,844,360	19,316	78,955	98,271
- Issue of shares		-	-	-	-
Balance at 30 June 2025		4,344,844,360	19,316	78,955	98,271

Share capital and premium – THE COMPANY

Balance at 31 December 2024	4,344,844,360	19,316	78,955	98,271
Balance at 1 January 2025	4,344,844,360	19,316	78,955	98,271
- Issue of shares	-	-	-	-
Balance at 30 June 2025	4,344,844,360	19,316	78,955	98,271

Share premium arose as a result of the issue of shares above par value.

	\$ '000	Number of shares	Amount
Authorised Share capital		4,344,844,360	19,316
Issued and fully paid-up		4,344,844,360	19,316

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

20 Borrowings

\$ '000	THE GROUP		THE COMPANY	
	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
GTB	26,138	31,994	-	-
BOI loan	1,672	3,066	-	-
N10B Series I Bond	7,026	7,255	7,026	7,255
Loans from related party	55,954	20,404	-	-
Petre IPINs	637	637	-	-
Total	91,427	63,356	7,026	7,255
Current	64,657	36,119	2,249	-
Non-current	26,770	27,237	4,777	7,255
Total	91,427	63,356	7,026	7,255

Changes in liabilities arising from financing activities

\$ '000	THE GROUP		THE COMPANY	
	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
At 1 January	63,356	69,423	7,255	12,377
Loans from related party	32,935	15,815	-	-
Repayment of principal	(7,699)	(21,923)	-	-
Repayment of interest	(2,921)	(6,383)	(512)	(1,172)
Foreign exchange movement	(1,035)	(7,256)	(283)	(5,219)
Accrued interest	6,648	14,019	530	1,258
Remeasurements	143	(339)	36	11
As at	91,427	63,356	7,026	7,255

The loans from related party represents additional advances from ND Western Limited, an Associate. The loans partly funded the investment in respect of the Shell Petroleum Development Company acquisition through the Renaissance SPV. The funding was directly provided to the Renaissance SPV in a carry arrangement, hence, no cash was received by Aradel. This is a short term facility, payable at an interest rate of 13%.

Remeasurements are non-cashflow and relate to the effects of carrying borrowings at amortised cost using the effective interest rate method.

21 Decommissioning liabilities

\$ '000	THE GROUP	THE COMPANY
Balance at 1 January 2024	72,451	-
Charged/(credited) to profit or loss:		
Provision no longer required	(30,573)	-
Changes in estimated flows	(19,147)	-
Unwinding of discount due to passage of time	1,329	-
Balance at 31 December 2024	24,060	-

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

\$ '000	THE GROUP	THE COMPANY
Balance at 1 January 2025	24,060	-
Charged/(credited) to profit or loss:		
Provision no longer required (Note 3)	(8,575)	-
Changes in estimated flows	153	-
Unwinding of discount due to passage of time	359	-
Balance at 30 June 2025	15,997	-

22 Contract Liabilities

	THE GROUP		THE COMPANY	
\$ '000	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Down payments received	869	1,811	-	-
	869	1,811	-	-

A contract liability is an entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer. This will exist when an entity has received consideration but has not transferred the related goods or services to the customer. The Group has recognised a liability in relation to contracts with refined products' customers for the delivery of refined products which these customers are yet to receive but which cash consideration have been received by the Group as at the end of the reporting period.

For the purchase of refined products, the terms of payments relating to the contract with customers is advance payments. The refinery operates a 7-days sales cycle which includes product evacuation.

23 Trade, share based payment and other payables

	THE GROUP		THE COMPANY	
\$ '000	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Amounts due to related parties	-	-	7,860	383
Statutory payables	21,643	25,306	-	-
Sundry creditors	15,610	14,338	1,683	710
Staff Payable	17,793	14,576	-	-
Trade payables	8,879	24,126	-	-
Unclaimed dividend	415	357	415	357
	64,340	78,703	9,958	1,450

- Trade payables are non-interest bearing and are normally settled on 30-day terms .
- Sundry creditors include host community payable, accruals, VAT and WHT payable.
- Staff payable represents the balance for a cash-settled share based incentive scheme that requires the Group to pay a cash value that is dependent on the excess value on the entity's baseline enterprise value (share value) to its Senior/Executive management employees. See note 7.2 for more details

- The Directors consider that the carrying amount of trade payables approximates to their fair value.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

24 Taxation

	\$ '000	THE GROUP		THE COMPANY	
		30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
Hydrocarbon tax		3,279	4,649	-	-
Income tax expense		19,588	16,947	-	-
Education tax		2,414	3,122	-	-
Under provision of prior year taxes		359	-	-	-
Amount of previously unused tax losses		-	-	-	-
Total current tax		25,640	24,718	-	-
Deferred taxation					
Origination of temporary differences		3,343	18,288	-	-
Total deferred tax		3,343	18,288	-	-
Income tax expense		28,983	43,006	-	-

The movement in the current income and Hydrocarbon tax liability is as follows:

	\$ '000	THE GROUP		THE COMPANY	
		30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
At 1 Jan		23,059	16,035	-	643
Tax paid		(25,083)	(17,701)	-	(628)
Prior period under/(over) provision		359	(6,142)	-	-
Income tax charge for the year		25,281	30,830	-	-
Foreign Exchange		-	37	-	(15)
As at		23,616	23,059	-	-

25 Related party disclosures

THE COMPANY	\$ '000	30-Jun-25	31-Dec-24
Receivables			
Aradel Energy Limited		89,867	100,838
Aradel Gas Limited		13,281	13,218
Aradel Refineries Limited		-	9,395
Total		103,148	123,451
Payables			
Aradel Investments Limited		(383)	(383)
Aradel Refineries Limited		(7,477)	-
Total		(7,860)	(383)

26 Subsidiaries

Aradel Holdings Plc ('the parent') controls the following subsidiaries:

THE COMPANY	\$ '000	Effective Ownership interest	30-Jun-25	31-Dec-24
Aradel Energy Limited		100%	300	300
Aradel Investments Limited		100%	4,097	4,097
Aradel Refineries Limited		95.04%	46,894	46,894
Aradel Gas Limited		100%	64	64
			51,355	51,355

ARADEL HOLDINGS PLC FREE FLOAT COMPUTATION

Shareholding Structure/ Free Float Status	30-Jun-25		30-Jun-24	
	Unit	Percentage	Unit	Percentage
Issued Share Capital	4,344,844,360	100%	N/A	N/A
Substantial Shareholdings (5% and above)				
Cardinalstone/CAPE IV Limited	691,958,007	15.93%	N/A	N/A
Petrolin Ocean Limited	360,899,945	8.31%	N/A	N/A
Adeola Fola	240,002,980	5.52%	N/A	N/A
Badagry Creek Free Zone Enterprise	230,034,760	5.29%	N/A	N/A
Total Substantial Shareholdings	1,522,895,692	35.05%	0	0.00%
Directors' Shareholdings (direct and indirect), excluding directors with substantial interests				
Mr. Augustine Olorunsola	0	0.00%	N/A	N/A
Mr. Adegbite Falade (Direct)	11,271,560	0.26%	N/A	N/A
Mr. Adegbola Adesina (Direct)	4,495,050	0.10%	N/A	N/A
Mr. Afolabi Oladele (Direct)	803,175	0.02%	N/A	N/A
Mr. Gbenga Adetoro		0.00%	N/A	N/A
Ms. Patricia Simon-Hart		0.00%	N/A	N/A
Ms. Kerin Gunter	--	--	N/A	N/A
Total Directors' Shareholdings	16,569,785	0.38%	0	0.00%
Free Float in Units and Percentage	2,805,378,883	64.57%	N/A	N/A
Free Float in Value	₦ 1,443,367,435,303.50		N/A	N/A

Declaration:

(A) Aradel Holdings Plc with a free float percentage of 64.57% as at 30 June 2025, is compliant with The Exchange's free float requirements for companies listed on the Main Board.

(B) Aradel Holdings Plc with a free float value of N1,443,367,435,303.50 as at 30 June 2025, is compliant with The Exchange's free float requirements for companies listed on the Main Board.

