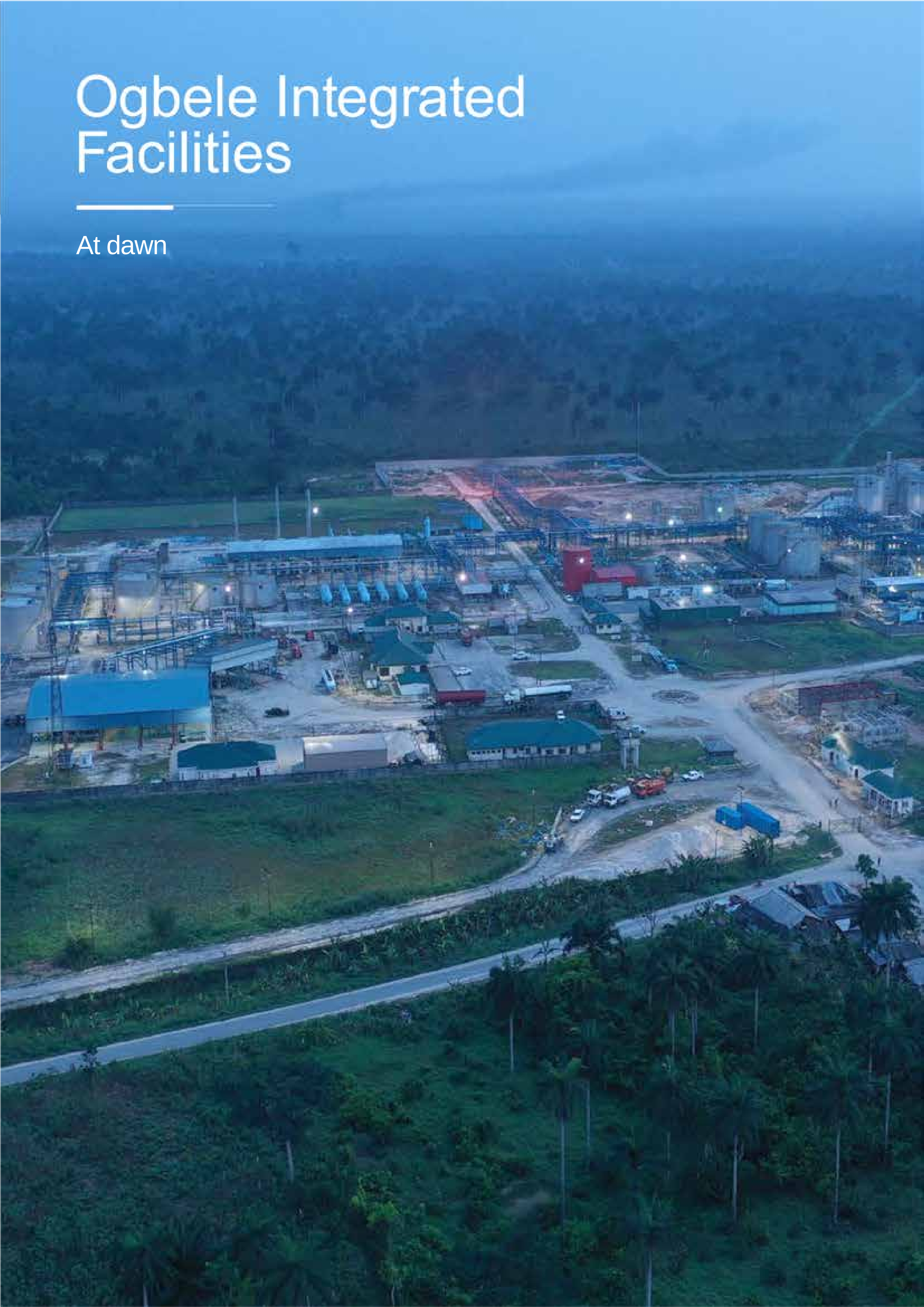
# 2019
# Annual Report & Accounts

NIGER DELTA
Exploration & Production Plc

# Ogbele Integrated Facilities

At dawn



# Contents

# Corporate Information

AS AT 31 DECEMBER 2019

**Directors**

| | |
|---|---|
| Mr. Ladi Jadesimi | *Chairman* |
| Dr. Layi Fatona | *Chief Executive Officer* |
| Mr. Afolabi Oladele | *Non-Executive Director* |
| Mr. Thierry Georger | *Non-Executive Director* |
| Mr. Osten Olorunsola | *Non-Executive Director* |
| Mr. Ede Osayande | *Non-Executive Director* |
| Mr. Gbenga Adetoro | *Non-Executive Director* |

**Company Secretary**

Ms. Titilola Omisore

**Registration Number:** 191616

**Registered Office:**
15 Babatunde Jose Road,
Victoria Island,
Lagos, Nigeria.

**Auditor:**
**Deloitte & Touche**
Civic Tower,
Plot GA 1, Ozumba Mbadiwe Avenue
Victoria Island, Lagos.

**Bankers:**
**Access Bank Plc**
No 14/15, Prince Alaba Oniru Road,
Victoria Island, Lagos.

**Bank of Industry Limited**
23, Marina Street,
Lagos Island, Lagos.

**First City Monument Bank Limited**
11B Adeola Odeku Street,
Victoria Island, Lagos.

**Guaranty Trust Bank Plc**
Plot 635 Akin Adesola Street,
Victoria Island, Lagos.

**Polaris Bank Limited**
3 Akin Adesola Street,
Victoria Island, Lagos.

**Solicitors:**
**Aluko & Oyebode**
No 1 Muritala Mohammed Drive,
(Formerly Bank Road),
Ikoyi, Lagos.

**Akindelano Legal Practitioners**
21 Military Road,
Onikan, Lagos.

NIGER DELTA
Exploration & Production Plc

# Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twenty-Fifth (25th) Annual General Meeting of the members of NIGER DELTA EXPLORATION & PRODUCTION PLC will hold on Wednesday, the 17th day of June 2020, at the Board Room of the Company situated at No. 15 Babatunde Jose Road, Victoria Island, Lagos at 11:00a.m. to transact the following ORDINARY business:

1. To lay before the members the Audited Financial Statements for the year ended 31st December 2019 and the Report of the Directors, Auditors and Audit Committee thereon.
2. To declare a dividend.
3. To re-elect Directors retiring by rotation.
4. To re-appoint Auditors.
5. To authorize the Directors to determine the remuneration of the Auditors.
6. To re-elect/elect members of the Company Audit Committee.

Dated this 26th May 2020

BY ORDER OF THE BOARD

T. Omisore .

**Titilola O. Omisore**

COMPANY SECRETARY
FRC/2013/NBA/00000003574

**NOTES:**

i. PROXY

In accordance with the Guidelines provided by the Corporate Affairs Commission (CAC) on the holding of Annual General Meetings in the era of the COVID-19 pandemic, all members of the Company shall attend and vote at the meeting only by proxies. Accordingly, Proxy Forms shall be sent to the addresses of members whose names appear on the Register of Members as at Friday 29th May, 2020.

The following is a list of proposed proxies, out of which each member should select a person to attend the meeting in his/her behalf. The preferred choice should be indicated in the Proxy Form provided accordingly:

| S/N | NAME | PARTICULARS |
|---|---|---|
| 1. | Mr. Oladipupo Jadesimi | Chairman of the Board of Directors |
| 2. | Dr. Olayiwola Fatona | Chief Executive Office |
| 3. | Ms. Titilola Omisore | Company Secretary |

To be valid, each Proxy Form should be properly filled and signed. The Proxy forms should be returned to the registered address of the Company being 15, Babatunde Jose Road, Victoria Island, Lagos, or send by e-mail to *25thagmproxy@ngdelta.com* not less than 48 hours before the fixed time for the meeting.

Alternatively, executed proxy forms may be deposited with the Registrars, United Securities Limited, 9 Amodu Ojikutu Street, Victoria Island, Lagos or send via email to *Customercare@unitedsecuritieslimited.com* not less than 48 hours before the fixed time for the meeting.

The stamp duties for all Proxy Forms shall be prepaid by the Company in accordance with the guidelines of the CAC.

ii. DIVIDEND

If dividend of ₦17.00 (Seventeen Naira Only) per every ordinary share recommended by the Board of Directors is approved and declared, shareholders whose names appear in the Register of Members as at the close of business on Friday the 29th day of May 2020 and have executed their e-mandate forms will receive a direct credit of their dividend into their respective bank accounts on the date of the Annual General Meeting.

Shareholders who are yet to execute their e-mandate forms should complete the detachable application form for e-dividend attached to the Annual Report and deliver same to the Registrars either at their registered address at 9 Amodu Ojikutu Street, Victoria Island, Lagos or send via email to *Customercare@unitedsecuritieslimited.com* to facilitate payment.

iii. AUDIT COMMITTEE

In accordance with Section 359(5) of the Companies and Allied Matters Act Cap C20 Laws of the Federation of Nigeria 2004, any member may nominate a shareholder as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 (Twenty-One) days before the Annual General Meeting.

iv. UNCLAIMED DIVIDENDS

All shareholders are hereby informed that the Registrars of the Company have details of shareholders with “unclaimed” dividends. All shareholders are encouraged to complete e-dividend Mandate Forms to ensure that all outstanding dividends are paid electronically.

v. DIRECTORS RETIRING BY ROTATION

In accordance with the provisions of the Company’s Articles of Association, Mr. Ladi Jadesimi, Mr. Thierry Georger and Mr. Osten Olorunsola retire by rotation and being eligible, offer themselves for re-election.

vi. AGE DECLARATION

In accordance with Section 252 (1) of the Companies and Allied Matters Act Cap C20 Laws of the Federation of Nigeria 2004, Mr. ‘Ladi Jadesimi and Dr. ‘Layi Fatona intend to disclose at the Meeting that they are over 70 years of age.

vii. RIGHT TO ASK QUESTIONS

It is the right of shareholders to ask questions not only at the Annual General Meeting but also in writing prior to the meeting. Such questions should be addressed to the Company Secretary and submitted at the office of the Company, No. 15 Babatunde Jose Road, Victoria Island, Lagos, or by email to *25thagmquestions@ngdelta.com*
not later than one week before the Annual General Meeting.

# The Board Of Directors

**Mr. Ladi Jadesimi**
*Chairman*

Mr. Jadesimi has a background in Law and Accountancy. He graduated with an Honours Degree in Jurisprudence from the University of Oxford, in England and later switched to Accountancy. He is a Fellow of the Institute of Chartered Accountants in England and Wales. He is also a member of the Institute of Chartered Accountants, now renamed Certified Professional Accountants, of Ontario, Canada.

He was a founding Partner of Arthur Andersen Nigeria. He took early retirement from professional practice to engage in private business, primarily in Financial Services, Oil and Gas and Real Estate.

He serves on the Boards of several companies and is currently Chairman of The Board - First City Monument Group Holding Company. He is the Founder and Executive Chairman of the Ladol Group of Companies who established and run the largest Industrial Free Zone in the country.

**Dr. 'Layi Fatona** DSc., Ph.D., M.Sc., DIC, FNAPE
*Chief Executive Officer*

Dr. 'Layi Fatona is a Petroleum Geologist with over forty-six years of practice, commencing with a seven-year stint in the Petroleum Engineering and Exploration & Production Departments at the Shell Petroleum Development Company of Nigeria Ltd (SPDC).

He obtained both the Master of Science and Doctorate degrees from the Royal School of Mines at the Imperial College of Science Technology and Medicine, University of London, in 1976 and 1980 respectively.

He is the Chairman of Geotrex Systems Limited, Nigeria's foremost independent Exploration & Production Consultants, which has offered expertise to all the major oil operators in the country.

He is a past President and Fellow of Nigerian Association of Petroleum Explorationists (NAPE) and a Certified Petroleum Geologist of the American Association of Petroleum Geologists (AAPG).

A 2010 recipient of the prestigious Aret Adams Award, bestowed by NAPE, Dr. Fatona is also a leading authority on the geology of the Niger Delta Oil and Gas Province. In 2011, Dr. Fatona was a Finalist for the Ernst & Young Entrepreneur of the Year Awards, West Africa 2011, Master Category.

**Mr. Thierry Georger (French)**
*Non-Executive Director*

Mr. Georger joined the Petrolin Group (Switzerland) in 1995 and is responsible for all crude oil trading activities, including the sale of crude oil cargoes (approx. 60,000 barrels per day) from West Africa and the Far East.

He is also responsible for operations on spot and short term contracts, in varied regions, including West Africa, Russia, the Middle East, Asia, South America and Egypt. Reporting directly to the Chief Executive Officer, he is responsible for all aspects of contracts including negotiation, credit exposure, legal requirements, logistics and freight, sale and pricing mechanics.

Mr Georger has a Masters Degree in Commercial and Industrial Sciences from the University of Geneva, Switzerland.

**Mr. Afolabi Oladele**
*Non-Executive Director*

Mr. Oladele has more than 45 years' experience in the oil and gas industry and private equity practice. He was mostly with the Nigerian National Petroleum Corporation, serving in various capacities culminating as Group Executive Director in 1995.

He was seconded from NNPC at different times to OPEC, Mobil USA and Total in France.

He is a Fellow of the Nigerian Academy of Engineering with a BSc degree in Chemical Engineering and Post-graduate Certificates in Petroleum Economics and Management. He recently retired as Partner/Senior Advisor Energy/ Petroleum at African Capital Alliance, a $1.2 billion Nigerian-based private equity fund manager. He served on the Board of Addax Petroleum and other leading Nigerian Independent E& P, Petroleum and Financial services companies in Nigeria.

**Mr. Gbenga Adetoro**

*Non-Executive Director*

Mr. Gbenga Adetoro is an investment executive with 20 years of experience evaluating businesses, structuring investments and raising capital with a focus on West Africa. He is currently a Partner at African Capital Alliance (ACA), where he leads the firm's Energy sector.

Prior to joining Capital Alliance in 2008, Mr. Adetoro was a manager in the Global Energy & Natural Resources practice at Accenture, where he assisted international oil companies and power utilities to improve operational performance and realize shareholder value. He started his career in the Audit & Business Advisory unit at Arthur Andersen (now KPMG Professional Services).

He serves as a Director on the Board of Capital Alliance portfolio companies. He possesses comprehensive knowledge of the Energy industry, financial structures, sound investment judgement and has strong interpersonal skills with a history of building relationships in different cultural environments.

He joined the Board of NDEP in 2019.

**Mr. Osten Olorunsola**

*Non-Executive Director*

A 1979 Geology Graduate from the University of Ilorin, Nigeria, with 4 decades of experience-based knowledge, skills, and expertise in petroleum resource management notably in policy formulation, implementation, crafting legislation, regulation of opportunity realization, field development and commercial operations. He served various companies and agencies of government in Nigeria, Italy, the Netherlands, and the United States of America.

After 10 years petroleum geoscience roles in Agip-ENI, he spent 22 years with Shell International in leading positions in corporate planning and economics, petroleum engineering manager for the first major deep offshore development in Nigeria, technology deployment in Russia, hydrocarbon resources management for Sub-Sahara Africa.

He retired from Shell International as Vice President Commercial Gas Business for SSA thereafter serving as Advisers to two Ministers of Petroleum Resources, later as Director of Petroleum Resources, subsequently as the technical lead for drafting the Petroleum Industry Bill from 2010 till 2019.

Osten is Fellow and Country Chairman of the Energy Institute, Chairman/CEO of Energetikos Limited and several non-executive board positions.

**Mr. Ede Osayande**

*Non-Executive Director*

Mr. Osayande is a Capital Market Specialist with over 30 years of experience in Banking and Finance. He has served in key areas of finance, including governance, financial analysis, risk management, banking operations and regulatory Compliance.

He also served as the former Bank Treasurer and Chief Accountant at PricewaterhouseCoopers Nigeria. He is an Economics graduate of the University of Benin and obtained an MBA from the University of Lagos.

He is currently a Director of LAPO Microfinance Bank Limited and GSCL Consulting, formerly known as Global Strategic Research Outcome Limited.

**Ms. Titi Omisore**

*(Company Secretary/Legal Adviser)*

Ms. Titi Omisore graduated with a BA (Political Science), and an LLB from the University of Illinois, Champaign Urbana, and the University of Buckingham respectively. Thereafter, she obtained her BL from the Nigerian Law School.

She started her working career with Strachan Partners in 1993. In 1999, she attended the Kings College, University of London where she obtained a Masters degree in Tax Law.

Ms. Omisore returned to Strachan Partners where she was made a Partner, before joining NDEP as the Company Secretary and Legal Adviser, in 2001.

# NDEP PLC Founding Fathers


## 1 Late Chief Aret Adams

**Multinational Expertise Ltd**

Chief Aret Adams joined Shell-BP Petroleum Development Company of Nigeria Limited as a trainee Petroleum Engineer and rose to the position of Senior Petroleum Engineer. He then joined the Nigerian National Oil Corporation (NNOC) in 1974, and in 1977, when the NNOC and the Ministry of Petroleum Resources were merged to create the Nigerian National Petroleum Corporation (NNPC), Chief Adams was appointed Manager in the E & P Division. In 1988, he was named the first Group Managing Director of NNPC. He retired from NNPC in 1990. He served as the Special Adviser on Petroleum Resources, with General Abdulsalami Abubakar in 1998. Chief Adams returned to private business and served as Chairman of Multinational Expertise Limited. He was also the Pioneer Chairman of NDEP Plc.

## 2 Late Edward Iyamu

**Geotrex Systems Ltd**

Mr. Edward 'Eddie' Iyamu started his professional career as a Trainee Seismologist with the Shell BP Petroleum Limited in 1962, and in 1966, he became Party Chief for Shell's Swamp Crew. In 1968, Eddie became Assistant Seismic Supervisor, SPDC Western Division, Warri and thereafter, he moved on to Data Interpretation in Lagos. Between 1972 - 1974, Eddie was posted to Shell Brunei as a Seismic Interpreter and returned to Nigeria in 1975 as Senior Geophysicist.

In 1977, he became a Chief Geophysicist and three years later, he was appointed to the position of Exploration Manager. He voluntarily retired in 1983 after 21 years of meritorious service. In 1984, together with the late Alex Okoli, he established the pioneer oil and gas consulting company, Geotrex Systems Limited. Geotrex became the crucible that led to the formation of NDEP PLC. Eddie remained a shareholder in Geotrex and he was also a Director in Petrodata Management Services Company Ltd.

## 3 Late Alex Okoli

**Geotrex Systems Ltd**

Chief Okoli worked with Shell in Owerri in 1958 - 60. In 1964, he graduated from the University of Ghana Legon where he studied Geology. He joined Shell B.P in PortHarcourt. In 1966, he attended Imperial College London for his Post Graduate Degree in Geophysics. During the Civil war, he was with R.A.P, responsible for the production of armament and petroleum products in the enclave. He was recalled by Shell and relocated to Lagos in 1970. In 1976, he was posted to Sarawak, Malaysia. He came back to Nigeria in 1979 and retired in 1983 after a meritorious service and set up with some of his Shell colleagues a Consultancy, Geotrex Systems Ltd.

## 8 Dr 'Layi Fatona

**Geotrex Systems Ltd**

Dr. 'Layi Fatona is a Petroleum Geologist with over forty six years of practice, commencing with a seven year stint in the Petroleum Engineering and Exploration & Production Departments at The Shell Petroleum Development Company of Nigeria Ltd (SPDC). He obtained both the Master of Science and Doctorate degrees from the Royal School of Mines at the Imperial College of Science Technology and Medicine, University of London, in 1976 and 1980 respectively. He is the Chairman of Geotrex Systems Limited, Nigeria's foremost independent Exploration & Production Consultants, which has offered expertise to all the major oil operators in the country. He is a past President and Fellow of NAPE and a Certified Petroleum Geologist of the American Association of Petroleum Geologists (AAPG). A 2010 recipient of the prestigious Aret Adams Award, bestowed by NAPE, Dr. Fatona is also a leading authority on the geology of the Niger Delta Oil and Gas Province.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### Chief David Richards
**Haven Services Ltd**

Chief David Richards is a professional banker with over thirty years' experience with Standard Chartered Bank in and around Africa, specializing in industrial development and Investment Banking. In 1989, he co-founded Midas Merchant Bank as its first Managing Director. Since 1984, he has specialized in raising venture capital for Manufacturing, Mining and Oil & Gas Sectors. He was Finance Director of NDEP Plc for many years until he retired from the Company's Board in 2011.

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### Late Sammy Olagbaju
**Marius Ltd**

Mr. Sammy Olagbaju held a Masters Degree in Economics and Political Science (1964) from Trinity College, University of Dublin, Republic of Ireland. He was a Corporate Consultant, a trained Banker and Stockbroker of over thirty five years standing, a Fellow of the Chartered Institute of Stockbrokers and a Honorary Senior Member of the Chartered Institute of Bankers. He served on boards of various companies and charities. He was the Chairman of the former Midas Merchant Bank, which he co-founded. He was also co-founder and Director of NDEP Plc, and Chairman of SPROXIL Nigeria Ltd.

**6**

### Dr. Uduimo Itsueli
**The DIL Company Ltd**

Dr. Uduimo Itsueli is a geophysicist with many years' experience starting with Phillips Petroleum, where he rose to become Managing Director in Nigeria. In 1987, he founded Dubri Oil Limited, the country's first indigenous oil producer. Dubril Oil has been involved in a broad spectrum of activities in the Oil and Gas industry and Dr. Itsueli chairs its board. He served on the NDEP PLC Board and retired in 2008. He was a former Group Chairman of NNPC, Midas Bank Plc and Cadbury Nigeria Plc. He is an Officer of the Order of the Niger (OON).

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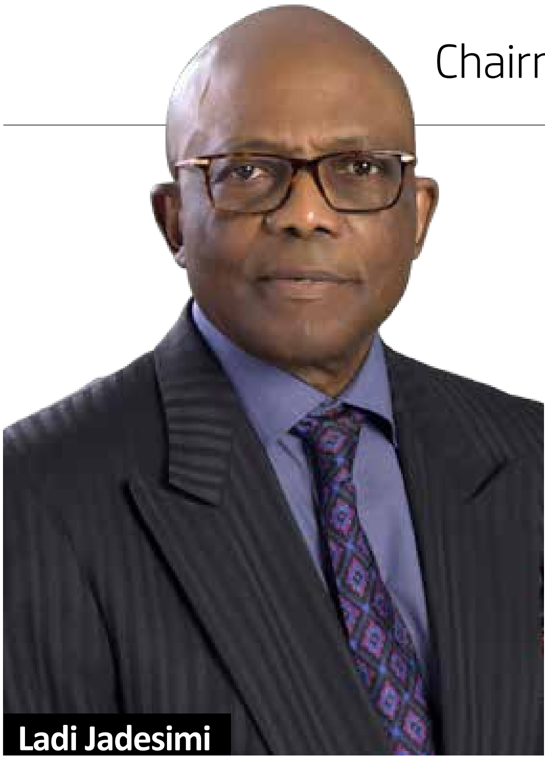
### Late John Albert Jones
**Uwaifo Jones & Associates Ltd**

Mr. John Albert Jones attended Brown University USA and had a successful career on Wall Street. He was an innovator, and ambitious for the betterment of Nigeria. He was involved in many groundbreaking developments that have positively impacted the Nigerian Economy, from marginal oil field development to the privatization of the power sector. He was a Director on the Abuja Electricity Distribution Company (AEDC or Abuja Disco).

# Chairman's Statement




*Chairman*

Distinguished fellow shareholders,

As always, it gives me the greatest possible pleasure to once again warmly welcome you all to the 2020 Annual General Meeting (AGM) of our Company.

Our Management has, as usual, delivered a sterling performance for the period under review, namely, the 2019 fiscal year, notwithstanding various vicissitudes and challenges encountered during the year.

It is clearly the case that we owe the founders of our business a huge debt of fortitude for having laid the solid foundations of prudence, integrity, a hardworking and dedicated Management and staff and a culture of innovative out of the box thinking all of which have stood us in good stead and will undoubtedly continue to do so. Your Company has also been blessed over the years with a high quality Non-Executive Board that have been entirely complimentary to both the Management and Executive Board.

It bears repeating that NDEP experienced its fair share of the vagaries of the industry. We overcame the many problems to emerge even stronger.

Looking back over the past ten years, we have consistently increased shareholder value and maintained a steady stream of dividend payout year on year. We indeed have a lot to cheer about and be grateful for. Perhaps, the most spectacular inspired piece of forward thinking delivered by your Management some 10 years ago, was the foray into refining with NDEP successfully investing in a mini refinery.

We can take immense pride in the fact that this was the very first of its kind in Sub-Saharan Africa. This remains true up till today. We thereafter received, again another first, in the long history of oil and gas exploration and production in Nigeria, an Operating License (LTO) from the Department of Petroleum Resources (DPR). This permitted us to produce and supply diesel into the domestic market and of course, for our own energy and other requirements.

By 2012, we had commissioned our 100 MM Scf/d Ogbele Gas Processing Plant, after much consideration, planning and commitment of your Company's capital as well as other resources and in furtherance of the zero gas flaring aspirations of the Federal Government of Nigeria.

The critical importance of these infrastructural developments cannot be over-emphasized. It is now clearly the received wisdom that the most important lesson of the collapse of oil prices is that the facility and the ability to add value to one's crude oil is sine qua non to survival in the emerging new universe in the oil and gas business. The inspired decision by your Management to act on this a full ten years ago is something for us to celebrate.

As we all are aware, the refining capacity is being ramped up to a total of 11,000 bbl/d by the end of 2020 fiscal year. We are of course not resting on our oars and have every intention of capitalizing on our unassailable lead in this regard.

NDPR was the first and thus far, the only Nigerian independent

Oil and Gas Company to deliver non-JV gas to the Bonny NLNG plant via a Gas Sale and Purchase Agreement (GSPA) with NNPC/SPDC/TOTAL/ENI Joint Venture. It is interesting and noteworthy to reiterate that we remain the only customer in a class of our own. No other corporate entity has been able to equal or match this achievement.

It is equally noteworthy to report another significant feat of your Company, namely, that in 2012, NDEP led a consortium of companies via a special purpose vehicle (SPV) ND Western Ltd, to acquire the 45% equity interest divested by SPDC, TOTAL and NAOC in OML 34. This our associate remains the leading JV partner to NPDC.

In 2013, NDEP investigated other opportunities outside its traditional Niger Delta comfort zone into the Sub-Saharan Africa region, with its launch into South Sudan, by executing a Memorandum of Understanding (MOU) with the State National Oil Company (Nile Petroleum Corporation - NilePet). This resulted in the establishment of Nile Delta Petroleum (SS) Ltd as a JV Company between a Nigerian Independent entity, with competency in operations. The New JV Company went on to receive an approval to support the Government of South Sudan in Brown Field developments and production enhancement initiatives as well as the authorization to drive the commercialization, and monetization of gas resources in South Sudan.

Since then, our Company (NDEP) has grown in strength, embarking on an ambitious Refinery Expansion Project and as part of an aggressive drilling campaign, it tested the 1st ever Shallow water offshore well. In addition, it commenced field development drilling in its 2nd assigned Marginal Field – The Omerelu Field Development with first production billed for 2021. In 2019, production increased to a record average of 7,500 bbl/d.

These appear to be a long list of achievements, but for the sake of brevity, I can even only say, that these are just the highlights from the last 10 years. There have been many notable attainments along the way, especially concerning the successes of the Host Community Development Trust, resulting in nearly 15 years of cordial community relations and an impressive safe operations and production record.

Considering our scorecard, a trend emerges. NDEP had not arrived at its current position by accident. Instead, it was a measured combination of grit, determination and vision, propelled by a desire to do things differently, to the benefit of ordinary Nigerians. NDEP, through its subsidiaries and affiliate, played on its strength of technical capabilities, with the advantages of economies of scale, deploying its nimble team and willing always, to take judicious leaps where others see only risk. These attributes, inherent in your Company, have allowed us to grow and prosper, not only for the last 10 years, but since the Company's inception in 1992.

Today, NDEP has become a success and has transitioned from its nimble start into a full-fledged Integrated Energy Company, with Nigerian and Pan-African investments, trending approximately towards the entire value chain of the industry.

We have learnt the importance of taking a long-term approach and our values have kept us steady, even in testing times. I am happy to note that even in this challenging operating environment, and the uncertainties of the year under review, that our performance and projections for the next 10 years are extremely promising. Perhaps, and notwithstanding the leadership change in the immediate past period towards the end of 2019, the year still was one of our best yet. We are set to do even more, in 2020 and beyond.

**Global Outlook**

Based on the IMF's World Economic Outlook (WEO) for the year under review, we saw a slowing down in global growth. With the forecast at 3.0% for 2019, it was at the lowest level since 2008–09 and a 0.3% point downgrade was made, subsequent to the earlier projections (Oct 2019 WEO). Advanced economies continue to slow down, while growth forecasts in low-income developing countries remain solid, though with more heterogenous performances.

For the United States, trade related uncertainties brought negative effects on investment. Although employment and consumption continue to be robust, trade tensions, with escalating punitive tariffs, rose sharply, with cost increases of materials and transactions between the United States and China. In the later part of the year, the world also witnessed a slowing domestic demand, following measures to rein in debt. In the Euro-zone area, growth was downgraded due to weak exports, and in the UK, Brexit-related uncertainties weakened growth.

Robust growth was expected for non-commodity exporters, such as Vietnam and Bangladesh, while the performance of commodity exporters, such as Nigeria, was projected to remain lackluster. When considering geo-political tensions, the precarious nature of the current environment was heightened by the recent US and Iran tensions, leading many to speculate on the likelihood of an escalation of the conflict.

**Energy**

In 2019, the global crude oil price displayed reduced signs of volatility compared to recent years. Starting the year at $58.74/bbl, the OPEC Basket rose to $70.78/bbl before ending the year at $67.93/bbl. The oversupply of oil, with record production levels from the US has limited the impact of the OPEC production cuts and the US sanctions on Iran. Oil prices reacted promptly, becoming stable even after an attack on Saudi Arabian crude oil processing facilities. The Global gas market was also affected by ample supply of LNG bolstered by the US shale gas producers and relatively weak demand from Asian markets.

This year also saw increasing media reportage regarding climate change and the introduction of new emission standards in vehicles. In the African context especially, oil and gas still will remain essential and will continue as the heart of the energy mix for years to come. NDEP will ensure it remains an environmentally compliant and friendly energy company, focusing on efficiencies and its zero-flare approach, thus reducing the Company's carbon footprint.

**Nigeria**

Nigeria thankfully, remained out of recession in 2019. This notwithstanding, macro and micro financials are far from encouraging. The World Bank's 2019 Global Economic Prospects Report forecast that Nigeria's GDP growth rates for 2019 and 2020 stood at 2.1% and 2.2% respectively. Representing a small improvement compared to 2018, it is a measure of growth that does little, to ease poverty, unemployment and reduce Nigeria's high level of public debt.

Due to continued interventions from the CBN, the US dollar ($) to Naira (₦) exchange rate was stable throughout the year under review. With multiple exchange rate windows and forex restrictions, transparency remained limited. Inflation rose to 11.85% (year on year) in November 2019. Largely due to challenges in the food supply chain, attributable to the partial closure of Nigeria's land borders to trade. It was our hope that the import restrictions would stimulate the local economy through increased consumption and local manufacturing. Indeed however, such was not the case and Nigeria is still heavily reliant on crude oil exports.

The equity market experienced two consecutive declines of 17.81% and 14.60% in 2018 and 2019, respectively. Investors preferred the safety of the fixed income market and other more friendly locations, indicating decreased investor confidence.

In December 2019, the Global rating agency, Fitch revised its outlook for the Nigerian economy to negative, from stable and affirmed the rating at B+. It based the decision on Nigeria's increasing vulnerability from the current macro policy setting, raising risks of disruptive macroeconomic adjustments in the medium term amid continued real appreciation of the naira. It further highlighted the artificial appreciation of the naira in 2019, which was uncorrelated with macroeconomic fundamentals.

Following on from his re-election, President Muhammadu Buhari formally inaugurated his new cabinet and appointed Timpreye Sylva, as the country's new Minister of State for Petroleum Resources. Until the end of 2019, the Petroleum Industry Governance Bill (PIGB) remained outstanding as an unpassed bill, till the expiry of the term of the last legislative term, a situation blamed on lack of clarity of certain key clauses and the consequences continue to be negative on the industry. Reduced investment in the industry has become pervasive. However, at a January 2020 press conference, the Honorable Minister of State – Timpreye Sylva was hopeful that both the Petroleum Industry Bill and other related Bills will be passed within the first anniversary of the current Buhari administration. We remain optimistic and will monitor any developments as and when they occur.

**NDEP PLC**

NDEP entered the New Year and will continue so into the new decade, stronger than ever before. As we sustain our growth phase, I am pleased to report as follows:

A. At the time of writing, we have commenced the Commissioning of the Ogbele Refinery Capacity Expansion Project. This is in realization of our desire for a ten-fold expansion of the Ogbele Mini Refinery. By the addition of 10,000 bbl/d processing capacity and increased diversity of refined products, we have elevated the status of the plant into a full-fledged Refinery. As at 2019 year end, both of Trains 1 and 2 were on stream, bringing the effective initial refining capacity to 6,000 bbl/d. The additional 5,000 bbl/d processing capacity is on course to come on stream in the 1st half of 2020.

   In addition to diesel, four (4) other products include (i) Marine Diesel – MDO (ii) Dual purpose Kerosene – DPK with the plan being the ultimate production of Jet Fuel (iii) Heavy Fuel Oil – HFO and (iv) Naphtha-which ultimately will be further processed into Premium Motor Spirit - PMS upon the coming on stream of Train 3 before the end of 2020.

Indeed, I am pleased to say that your Company has presented itself and Nigeria, a worthwhile New Year present, as the first stream of products were directed to storage tanks in the early hours of 1st January 2020.

Allow me therefore, to pay tribute to the zeal and hard work demonstrated by our youthful and dedicated workforce, and to you, our Shareholders for your enduring belief in our capabilities to deliver on investment promises, such as presented in your new and young fully owned Subsidiary – ND Refineries Ltd.

Our commitments to this new capital investment demonstrate our belief that Nigeria should produce its own energy requirements, without recourse to imports. Indeed our commitment to propelling the country towards attaining 'Energy Independence' is beginning to manifest. It is our desire, that the matter of Nigeria's Energy Independence assume some centre stage of National discussion. With the establishment of a wholly owned new Subsidiary, ND Refineries Ltd, as an independent operating midstream entity, this is our commitment to demonstrating our growth and confidence reflecting in our operating footprint.

B. We celebrated an improvement on our impressive safety record in 2019. Collectively, NDEP as a group, attained over 10 million man-hours without Lost Time Injury (LTI). With significant increases in our activity levels including, an intense drilling program across three assets (both onshore and for the first time in the shallow water off-shore), with the Refinery Expansion Project, in addition to routine daily oil and gas production operations at the Ogbele integrated facility. Our records reflect a strong culture of safety and an evolving robust systems & processes.

C. Ensuring the goodwill and co-operation of our host communities, all together providing the foundation on which we operate peacefully and without interruption, I am pleased to report that in 2019, NDPR renegotiated and executed an MOU with each of our Host Communities. By this attainment, we have re-established and recalibrated the values behind the good relations with our host communities. Realigning our aspirations with those of each of the diverse entities within our operating areas. I thank the efforts of relevant staff and the stellar work of the Board of Trustees (BoT) of the Host Community Development and Environment Trust for making this possible.

The Staff of NDEP and its subsidiaries remain valued assets. Often immediately irreplaceable and without them, the Company's progress would uncontrollably, be slow. Following on from the Change Management initiative introduced in 2018 and after a review of internal processes, we felt a renewed sense of appreciation of the Company's existing human capital capacity. It is the plan to replenish this through selective addition of requisite gaps. The Company will maintain its nimbleness, using the best of staff through periodic redeployment. After careful consideration, the Board and Management of the Company have recommended a new remuneration structure for all staff. This is expected to come into implementation in the New Year.

**Production**

Despite challenges in the industry, particularly concerning security, production performance has vastly exceeded what was attained in 2018. With continuous improvements in our HSE performance and records. Increased oil and gas production is itself a measure of success and good health. Our ongoing drilling campaign though achieved over much longer periods, with more than ordinary and substantially above budgeted costs, the pains of such time and cost overruns have been turned around. The experiences of the long delays in drilling will become part of our learning process. If anything, we now know how to do some things better, safer and more cost effectively.

For the reporting year, we attained sustainable crude oil and gas production levels, with an average rate of 7,500 bbl/d and over 30 MM Scf/d at year end. Altogether, comfortably meeting our supply obligations to customers and enabling us to achieve a healthy end of year performance.

**NDEP Plc Financial Results**

In spite of the numerous challenges in the year, your Company grew its top-line by 16%, from ₦39bn to ₦46bn. Our share of profit from ND Western, our associate company, was sustained year on year at around ₦9bn, albeit with a minimal drop.

However, PBT came in lower at ₦21bn, from ₦29bn the previous year, due to the impact of one-off appraisal costs (₦16bn) written off in the year. The financial highlights section of the MD's statement delves more into our financial results.

**Dividend**

In appreciation of the longstanding support of our shareholders and taking into consideration the successes of 2019, I am pleased, on behalf of the Board, to recommend for your consideration, your approval of a dividend of ₦17 per share. If this is approved, this will be the Company's 13th year of consistent dividend payments.

**Changes to the Company**

In 2019, I urged you as shareholders to support Mr. Oloruntoba Akinmoladun in his capacity as the new incoming Chief Executive Officer (CEO) for our Company. Mr. Akinmoladun, stepped down voluntarily from his role in October 2019 to pursue other opportunities. We thank him for his service, and we wish him every success in his future endeavors. In the interim, the Board had solicited and invited the immediate past Managing Director to step in as Interim CEO to steady the course of the Company. Allow me to welcome Dr. Layi Fatona back to NDEP Plc at the behest of the Board.

Despite the changes to the senior management team that occurred during the year, the Company remains well positioned to deliver on its strategic objectives and maximize shareholder value.

Mr. Deji West has stepped down from his role as Finance Director on the NDEP Plc Board, also to pursue other opportunities. We thank him for his service, and we wish him every success in his future endeavors.

It is with profound sadness that we report the demise of Mr. Cyril Odu, who faithfully served on the NDEP Board as a Director since 2016. Mr Odu possessed an extremely broad and vast understanding of the industry. Consistently thorough, he was always ready to draw from his multidimensional and highly disciplined industry experience to advise NDEP in ensuring the progress of the Company. May he rest in peace.

Mr Gbenga Adetoro, a Partner at African Capital Alliance (ACA), has been nominated by ACA to join the NDEP Plc Board. We warmly welcome him, and we are certain he will do great things.

**Conclusion**

We are proud of our leaps of faith and today we are happy to see industry peers incorporating elements of the Ogbele success story into their own operations. The core values of NDEP have allowed us to grow and prosper, not just for the last 10 years, but assuredly, for many more decades to come. Our strategy of maximizing the potentials of our periodic and strategic new investments is paying off.

The completion of the Mini Refinery Expansion Project will allow us further diversify the delivery of refined products into the domestic market, while offering high value yields and contributing to our expanding cash flow stream. We will continue to invest appropriately in necessary infrastructure all which will add value to the Company while also maintaining adequacy of, social and human capital to ensure we continue to position the business to withstand shocks for the foreseeable future. In doing these, we expect your continued support for our stewardship, as we seek greater excellence and accomplishment.

**Appreciation**

On behalf of my colleagues on the Board of your Company, we are grateful to all stakeholders who have helped NDEP rise to such heights over the last decade. We recognize that as shareholders, your loyalty and support have been unshakeable, over time. To my distinguished colleagues on the Board, I commend your dedication and diligence. To the Management and Staff of the Company, you are the unsung heroes of the NDEP success story and I use this medium to appreciate you all.

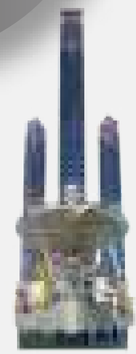
To our Host Communities, your continued support was the strong foundation upon which our cordial relations is based. It has remained so, for our mutual benefits. We will continue to grow together for many more years to come.

Finally, I would like to commend the regulators in the industry for their unrelenting efforts to improve the operating environment in Nigeria.

**'Ladi Jadesimi**
Chairman of the Board

**2019** — Drilled and Suspended Omerelu-2 (2nd Marginal Field Development)

**2019** — Attained 10,000,000 Man-hours without LTI



Drilled and Suspended OMA-3 (1st Shallow Offshore Well- OPL 227).

**2018** — Over 70B Scf Gas delivered to the Bonny NLNG

**2016** — ND Gas Ltd. Commenced delivery of DOMGAS to a 3rd Party Offtaker (PGINL)

**2015** — Ogbele Gas Develop - ment Project wins the World Bank Global Gas Flare Reduction Excellence Award.

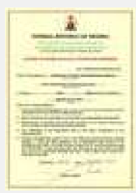
**2013** — NDPR executed an MOU to establish a strategic partnership with the State National Oil Company of South Sudan, Nile Petroleum Corporation (NILEPET).

**2012** — Acquisition of the 45% interest in (OML) 34 from Shell, Total and Agip JV.

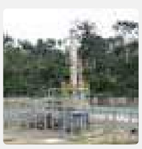
**2012** — NDPR Delivered 1st gas through NDPR -owned 12″ x 20km pipeline to Bonny NLNG Plant.

**2012** — Commissioned the 100MM Scf/d Ogbele Gas Processing Plant.

Obtained License to Operate (LTO) the Ogbele Mini Refinery.



**2011** — Commissioned the Ogbele 1000 bbl/d Mini Refinery

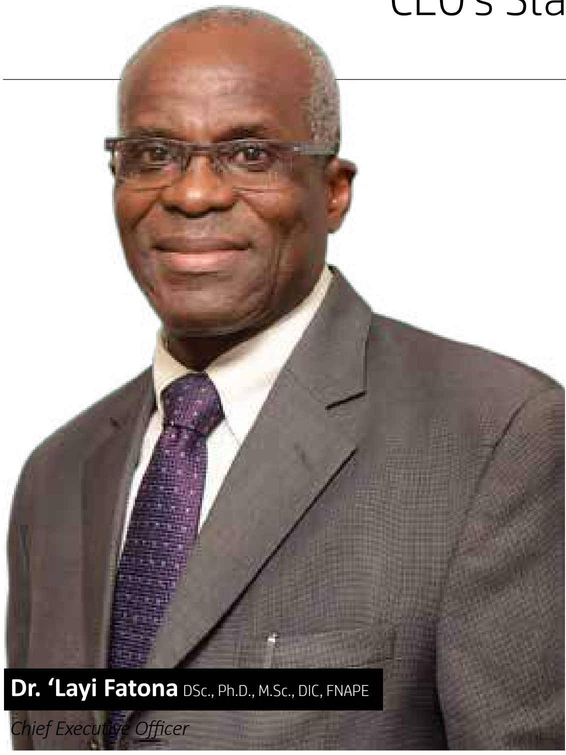


**2010** Installation of the fully managed Flow Station, with a capacity of 10,000 bbls/d.

**2015** The addition of the 1000bbls/d Mini Refinery and 100MM Scf/d capacity Gas Processing plant.

**2019** Construction increased to include the completion of the Refinery Expansion Project, the Diesel Loading Bay and also storage tanks for crude and refined products.

# CEO's Statement



**Dr. 'Layi Fatona** DSc., Ph.D., M.Sc., DIC, FNAPE
*Chief Executive Officer*

***"It is during our darkest moments that we must focus to see the light"***
**- Aristotle Onassis**

**Distinguished Shareholders,**

I welcome you all, to yet another Annual General Meeting (AGM) of your Company – Niger Delta Exploration & Production Plc. This, quite unlike those in the past, carries some trappings of uniqueness.

Please let me begin my address with an undeniable sense of humility and duty towards the unique chance (in a lifetime) that the Board has afforded me to be here today, standing before you, presenting this annual scorecard of our Company. On the one hand, I am deeply humbled by the confidence that the Board has placed in me to step in as Interim CEO following the exit of the former CEO, Mr. Akinmoladun, who stepped down from his role in October 2019 to pursue other opportunities. On behalf of all Shareholders, allow me to thank him for his time in the Company. We all wish him the best in his future endeavours. On the other hand, I am fully cognizant of the call to duty and the enormous responsibilities that I have been saddled with yet again, at the behest of the Board.

I therefore, stand here, humbled by the confidence of such an unusual consideration of the Board to call on and reengage their recently retired Managing Director. As I must emphasise again, for a short time only, I agreed to take on the task of driving the affairs of your Company. I have since, relied on and tended heavily to the ever ready and willing support of our young strong and dynamic workforce to nudge the Company back on the path of intelligent growth and success. I have full confidence that we have an outstanding workforce, and I am honored by this rare opportunity to associate once again with the remarkable staff of NDEP.

Please rest assured, that the journey towards transitioning your Company as Nigeria's number one Independent Integrated Energy company and that which takes us to the elevated pedestal, over and above our peers, into the next phase of consistent high performances and sustained growth, is forging ahead relentlessly. Consequently, the most important task ahead of me and the Management, outside strategising for continuous growth, is to purposely and uncompromisingly support the efforts of the Board of the Company in selecting a most appropriate Leader. Someone with drive, who will be armed with the right disposition and a full buy-in, of the culture and vision of the Company. The selection process is ongoing, and with the full involvement of the Board, this exercise assuredly will be successful.

Distinguished Shareholders, I am pleased to inform you, that indeed, despite the changes in our management team, we focused our efforts more and towards our strengths, driven by the guiding principles of the vision of our founders. I must at this point reiterate that events of the past year, even with the mild but speedy top-level changes recounted above, appeared in some ways to have re-shaped where we are today, as a healthy company. Permit me to shed further and specific lights on the many but most important performances of your Company during the period covered by this report.

**2019 Corporate Performance**

Having endorsed as its Corporate Long-Term Goal, the quest for your Company is towards becoming and remaining at all times going forward - as one of the Top Two Nigerian Independent Integrated Energy companies. With further focus and strategy to expand in the Sub-Saharan Africa energy space. The path to follow in actualising this Long term Goal, was now defined for Management. The Company has identified the main requirements being increased capital investments in our existing exploration, development, and producing assets, in addition to increasing its portfolio of producing assets as well as internally growing its Human Capital.

**Such investments were considered necessary for:-**

(a). Further drilling and completion of new development wells in Ogbele,

(b). Drilling of our 1st Shallow Water Offshore Exploration/ Appraisal well in OPL 227 - aimed towards enhancing value, through the renewal and conversion of the license, as well as for the determination and re-evaluation of the reserves potential of the asset. These will aid further preparations for maturation towards development of economically viable fields in the OPL (OML) in the immediate or near future.

(c). High impacting drilling of an appraisal/development well in the Omerelu Marginal field. Also, for assessment and re-evaluation of reserves of the field, all together to aid decision-making towards new field development options.

(d). In addition to drilling, your Company also considered and focused on sustaining ongoing investments in the Ogbele Refinery Expansion, Gas Plant expansion, and asset integrity-focused projects.

**Impressive Crude Oil, Gas Development and Refinery Operations**

Further development drilling which commenced in 2018, continued well into 2019 albeit at substantial costs and time overruns. With the back-to-back completions of Ogbele Wells #10 and #11 respectively, these wells marked the first-time efforts by the Company to drill and complete horizontal wells. Driving this desire, was the intent to manage fully the efficient and sustainable exploits of our crude oil and gas resources.

For the 1st time ever and after nearly 15 years into bringing our flagship asset – the Ogbele Marginal Field into production, our cumulative yearly total production scaled past the 2 Million bbls mark. Your operating Company – NDPR recorded an outstanding total production of 2,162,003 bbls (reconciled injected volume) of crude oil into the Bonny Terminal.

Set against our actual total injected volume of 2,431,702 bbls, from which some 10,348bbls and 259,351bbls respectively were classed as 'associated produced water' and 'crude oil lost to pipeline theft', our record for the year stood out for recognition.

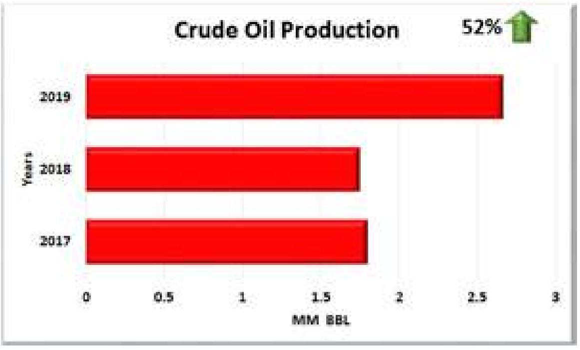
Unexpectedly, still against and defying all odds, Ogbele Field continues its increasing and ever rising higher yearly production trend rather than starting the decline production stage we presented to you (Shareholders) many years prior. Such trend (declining production) being expectations from our forecast, was to have set in some five years ago. With diligent and sustained reservoir studies, prudent production management efforts of staff, and reserves growth initiatives, more efficient and increased production continue to sustain the impressive and rising trend.

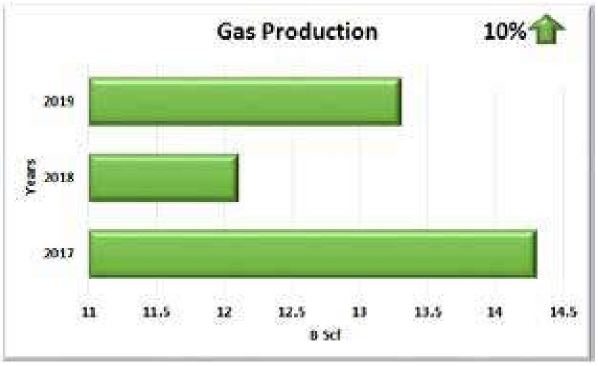
Permit me to share equally the impressive results of your other operating Company – ND Gas Ltd. Total gas production in 2019 stood at 13.330 B Scf with a paltry 193.92 MM Scf (1.45% of production) sent as Technical Flare for the year. This total yearly production compares favourably and slightly over the 2018 record of 12.136 B Scf and 189.079 MM Scf (1.533%) sent as technical flare.

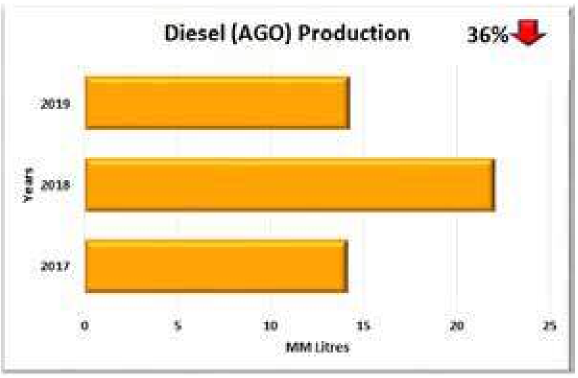
As part of our self discipline, a new Technical Flare target of <1.0% of total volume of gas production is being considered as a new gas production performance target, evidencing our commitment to remain a low carbon footprint operator. Such technical flare volume limit is what we shall going forward, adopt as a new corporate target. This will be in furtherance of our corporate endorsement of the elimination of gas flaring in our Production operations and our strengthened commitment to the adoption of the World Bank led Global Gas Flare Reduction (GGFR) 2030 Initiative, now in its 4th year of reporting (Post Endorsement).

Completion of the wells in Ogbele (although late in the year), contributed to increased oil and gas production in 2019. This grew from 1.75 MM bbls in 2018 to 2.66 MM bbls and from

12.1 B Scf to 13.3 B Scf of gas, representing 52% and 10% increases respectively in total year production of oil and gas. The contributions from the additional production allowed the attainment of an approximate average of 7,500 bbl/d for crude oil production (with a single day peak production rate of 10,600 bbl). Towards the end of the year, the decision was made however, to reduce oil and gas production in a number of wells. This was to address challenges faced from the continuous theft of crude oil and the need to cater to safety during concurrent drilling operations of a new well ready to spud.




**Ogbele Refinery Operations**

Production of Automotive Gas Oil (AGO) however, experienced a 36% volume decline from 22MM ltrs produced in 2018 to 14MM ltrs in 2019. This was because of factors primarily related to changes arising from our produced crude oil feed characteristics from existing wells into the Ogbele Refinery. This noticeable volume drop was further exacerbated by a fire incident, which put out operations of the existing Train 1 in Q3 2019.

To address this problem on a long-term basis, Management engaged the services of Chemex Inc., to modify the existing 1,000bbl/d Refinery and to allow for accommodating the changing characteristics of crude oil supply from the Ogbele Field. In addition, improvements and enhancements to fire detection and technical management systems in the Refinery and the Ogbele Production Facility have been made while tighter process safeguards have also been activated.

I am pleased to report that in 2019, the shutdowns resulting from the Trans Niger Pipeline (TNP) outages, which hitherto are common features in the years past, improved significantly. Total number of shutdowns was reduced to an impressive count of only 8.2 days compared to 49 days in 2018, i.e. an 83% reduction.

**Gas Resources Management**

To continuously operate profitably within regulatory boundaries, your Company has over the years, identified projects that enable it to harness all its available hydrocarbon resources. One of such is the Ogbele Gas Processing Plant. As a value enhancement opportunity, it was intended that this should prepare your Company to be able to increase its gas production and delivery capabilities. Same which over time, will enhance productivity and profitability, as well as support the diversification of revenue base for your Company.

The steady operations of this asset have fundamentally shaped the integrated nature of your Company. Together, this investment continued to present your Company with the elevated status of being the foremost fully Independent Integrated Nigerian Energy Company.

In 2019, your Company initiated the implementation of acquiring additional capacity build-up for the Ogbele Gas Processing Plant. The plan was to increase processing capacity, from 100 MM

Scf/d to 400 MM Scf/d. After extensive internal and external economic, financial and technical re-evaluations, the aim was to position Ogbele as an emerging gas processing hub, in the Eastern Niger Delta region. Investments in the project is well underway, with completion expected by Q4, 2021, subject of course to projected increased gas off-take demands. Upon completion, your Company will commence maximum development not only of gas resources from the Ogbele field, but as well as from other neighbouring fields, if, and when available within the area.

The prospects of formulating commercial gas processing agreements with non-related producers from fields around the Ogbele Processing Facilities, offer great potentials. These must be harvested early requiring that such opportunities be identified and matured prior to the full commissioning of the expansion project.

It is expected that one such emerging opportunity should be fully negotiated and executed as an enabling event as a trigger for the installation of the newly acquired gas plant. This will ensure that the additional processing capacity is available as and when required.

**Ogbele Refinery Capacity Expansion Project**

The Ogbele Refinery as a project, continues to be a valuable investment, sustainably and potentially remaining as a major source of increased income for the Company. Since Train 1 came on stream in 2011, it has provided the much-needed buffer for augmenting the Company's income stream, even at the small capacity of 1000 bbl/d. Further, it served as an alternative evacuation and receptacle for the processing and sale of part of our crude oil. This is specifically an add-on revenue base, necessary for the survival of a growing company such as ours. With the production and sale of crude oil traditionally as the main source of revenue, augmented further by revenue streams from the sale of gas, the Refinery then continues to strengthen the process, contributing substantially to the overall profitability of the Group.

Crude oil theft, and the reoccurring shutdowns of the TNP, has historically, significant detrimental impacts on all injectors who solely are reliant on the Pipeline network for evacuation of crude oil into the Bonny Export Terminal. Your Company has, to some extent, created a reliable and sustainable "partial" alternative means of addressing or nearly eliminating this challenge through its investment in the Ogbele Refinery.

The vision to increase this buffer, led to the decision to commence expansion of the existing 1,000 bbl/d refinery with an additional 10,000 bbl/d processing capacity (installed in two phases of 5,000 bbl/d each). I am pleased to announce that we have successfully completed the first phase (Train 2 - 5,000bbl/d) of the expansion project. The introduction of crude oil into the refinery, being the first step in the final commissioning process, was achieved at year's end. In addition to the remarkable feat, we are at the final stages of construction of the second phase (Train 3) of the Refinery expansion project, with all major equipment, purchased, shipped and currently being installed.

Distinguished Shareholders, the commissioning of both Trains 2 and 3 of the Refinery Expansion Project, though delayed, are scheduled sequentially for the 1st half of 2020. I am equally pleased to announce the commencement of refining and the transfer of the first set of refined petroleum products (beyond diesel oil) into storage tanks immediately after midnight of 31st December 2019. Surprisingly, your Company has by this modest attainment presented Nigeria and you all its Shareholders, a worthy New Year's gift, in the birth of the 1st Fully-fledged Modular Refinery in Sub-Sahara Africa. It will remain the only and first of such, built in Nigeria in nearly 40 years.

With further refined petroleum products including: Automotive Gas Oil (AGO) Diesel; Marine Diesel Oil (MDO); Dual Purpose Kerosene (DPK); Heavy Fuel Oil (HFO) and Naphtha – your Company continues to add value, as it fully launches its Subsidiary Company – ND Refineries Ltd.

With the completion of Train 3, the progression plan is the installation of the Catalytic Reforming Unit (CRU) which will allow the further processing of Naphtha into Premium Motor Spirit (PMS). This brings to full cycle, the many years of ongoing investments in refining, such that the full transformation of your Company as an Integrated Energy Company is near complete.

## Financial Highlights

### Overview of 2019 Financial Results

In 2019, we experienced a major instability in the market and industry, which impacted the realised prices of our products as well as the volumes sold. Nonetheless, we were able to enhance our top line and advance in the completion of critical assets that will bolster your Company's revenue in the future. This performance is reflected in our 2019 Financial results and highlighted below is an executive overview of these results. Further details of your Company's financial performance can be reviewed in the Financial Report section of this Annual Report and Accounts.

### Financial Overview

Your Company has proven extreme viability and strength which led to the recording of its highest revenue in the past decade. This was due to three (3) key factors:

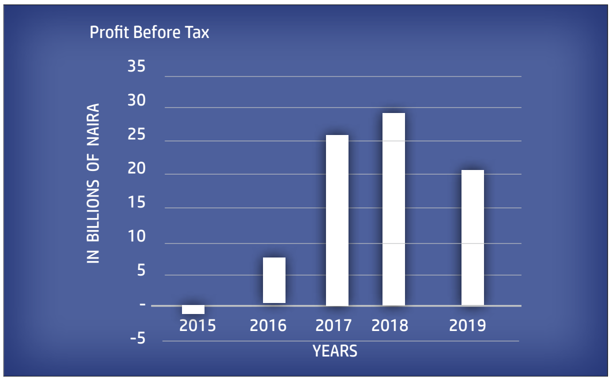
- Strong asset quality
- Operational excellence
- Sustained share of profit from our associate (ND Western Ltd).

### Consolidated Statement of Profit or Loss

Our revenue from crude oil increased to ₦38.3bn (2018: ₦29.4n) as a result of an increase in our production despite the market's volatility, which caused the average realised price to drop to $65/bbl (2018: $74/bbl). Revenue from diesel dropped in the year to ₦4.6bn (2018: ₦5.2bn) because of plant maintenance activities and outages due to integration to our Train 2 under construction. Our gas revenues dropped to ₦3.0bn (2018: ₦4.4bn) as a result of lower realised prices. Overall, total revenue grew by 16% to ₦46bn (2018: ₦39bn), a testament to the resilience of your Company.


In 2019, we deepened our cost discipline as we sought efficiency across our value chain. Recurring costs on operations decreased during the year in view of the adoption of various cost-savings strategies. However, there were one-off costs written off relating to the costs of our appraisal wells at our flagship offshore JV asset, OPL 227(₦16bn). Our profit before tax at ₦20.6bn (2018: ₦29.3bn) was negatively affected by these non-recurrent costs. Our associate, ND Western Ltd, remains a strong support for your Company by contributing a profit share of ₦9.0bn (2018: ₦9.4bn).

The profit after tax recorded at ₦19.5bn (2018: ₦37.4bn) was further impacted by the lower deferred tax credit written to Profit or Loss account in the year which was ₦0.4bn (2018: ₦9bn) as we enjoyed more capital allowances to relieve tax.

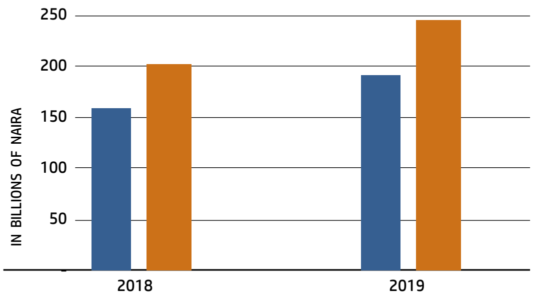



### Consolidated Statement of Financial Position

In 2019, equity position of your Company increased as a result of the successful conversion of the African Capital Alliance (ACA) convertible loan to ordinary shares at a premium. 35,833,768 units of shares were issued in the year at $2.23/share, resulting in an increase in share capital and premium.

Total assets grew in 2019 due to the completion of Wells #10 and #11, additional spend on the Refinery expansion and other assets under construction. There has been tremendous progress on the expansion project with its commissioning projected for the year 2020. This will further generate multiple revenue streams for your Company and create immense value for our country. The Refinery project will enhance your Company's resilience during times of uncertainties such as the ravaging effects of the COVID-19, which caused a major free-fall of the crude oil prices globally.

Total gearing ratio increased significantly to 13% (2018: 8%) due to the drawdown of loan facilities from the bank to finance your Company's drilling projects.



Equity/Total Asset

In summary, highlighted in the table below are key performance indices to buttress the successful performance of your Company.

| Performance Indices | 2019 ₦b | 2018 ₦b | 2017 ₦b |
|---|---|---|---|
| Revenue | 46.0 | 39.1 | 33.8 |
| Total Cost | 38.4 | 23.7 | 18.1 |
| Gross profit | 16.0 | 23.0 | 21.0 |
| Operating Profit | 14.5 | 19.6 | 21.6 |
| PBT | 20.6 | 29.3 | 25.9 |
| PAT | 19.5 | 37.4 | 24.5 |
| Earnings per share (₦) | 89.8 | 206.3 | 135.0 |
| Returns on Equity (%) | 11% | 23% | 23% |
| Returns on Asset (%) | 8% | 19% | 15% |
| Total Gearing (Debt/Equity) (%) | 13% | 8% | 30% |
| Operating Profit Margin (%) | 32% | 51% | 64% |
| Exchange rate (₦/$) | 305 | 305 | 305 |
| Crude oil production/sales (MM Bbls) | 2.7/1.9 | 1.7/1.2 | 1.8/1.4 |
| Gas production/sales (B Scf) | 13.3/13.0 | 12.1/11.8 | 14.3/14.0 |
| Diesel production/sales (MM litres) | 14.2/15.2 | 22.0/22.0 | 21.9/21.3 |

**Accounting Policies**

The Management of your Company has maintained diligence in ensuring the accounting policies as of 2019 have been fully integrated within the financial statements. Details of IFRS 16 Leases, which became effective in 2019 (following a revision in 2018) and other former standards are enclosed in the Accounting Policies section of the Accounts. However, IFRS 16 has no impact on the reported numbers.

**NDEP Funding Strategy**

Your Company's funding requirements are re-assessed at every point in time, tied to long-term growth plans and aspirations, including acquisitions and new investments, in line with an appropriate risk profile, controls, tax opportunities and costs. All together, these have impacted decisions on the size, nature and percentage of available funding mix the company utilises for driving its growth objectives. These, combined with an entrenched culture of prudent management and proportionate deployment of Company's available funds, continued to guide NDEP through its requirements for funding its work Programmes all year round. On December 20, 2019, the pending application for conversion to equity of the 2016 $80mm Convertible Loan received from African Capital Alliance (Private Equity IV Limited - CAPE IV) by your Company, was statutorily approved by the regulatory authorities. This had now allowed the conversion of the said loan into equity in your Company. This step significantly reduces your Company's debt profile and enhances its overall leverage.

*CEO's Statement - continued*

In 2018, we announced that your Company accessed additional funding from both of the Bank of Industry (BoI) and Guaranty Trust Bank (GT Bank) respectively. These funds, in 2019, have been used for the ongoing development of our assets, including the Ogbele Refinery Expansion Project and the 2019 drilling campaign. The benefits of these investments, evident from increased crude oil production are signs of enhancement of value. In other related ways, through increased refining and further gas processing capacities, all together will continue to support production, additional revenues, and increased profit in the coming years.

**Health, Safety and Environment**

Over the years, sustainably safe operations have become the watch-word for NDEP. We continue to make significant improved strides in terms of health, safety, and protection of the environment. Each year we aim to surpass our performance indices of the year prior. The objective is apparent - Operating more efficiently. We ensure that all activities linked, directly or indirectly with NDEP, must be conducted in a safe and environmentally friendly manner.

In 2019, your Company recorded its lowest ever Total Recordable Case Frequency (TRCF). This key HSE metric, measures the total number of fatalities, lost time injuries, substitute work etc. per million hours worked. It is an indication of our improved recorded safety in an organisation based on targeted efforts by the workforce, spread across such that all aim simultaneously to reduce incidents and injuries.

We can report also on two major events.

(i) The attainment of the 10 Million man-hours without Loss Time Injury (LTI) was achieved in the last week of September, surpassing the last LTI of Five (5) Million man-hours recorded as far back as October 2nd 2016. That we have sustainably worked with the utmost consciousness of safety, speaks for the diligence and devotion of staff. This must be commended not only by the Board but also the generality of Shareholders.

In addition, and as a stand-alone measured performance

(ii) The newest member of the Group (ND Refineries Ltd) logged the first HSE Milestone, with the attainment on the 25th January 2019, of 1 Million man-hours of construction time, on the Ogbele Refinery Expansion Project, with no Loss Time Injury.


Nimble but spectacular, these noteworthy HSE achievements with others are all contributing to the state of wellness for company and its entire workforce.

Details of your Company's overall HSE performances are presented in the Sustainability Report of this Annual Report and Accounts.

**Other Value Creation Opportunities**

**OML-34 Acreage Renewal**

Managing the diversity of our investments is paramount to the financial and operational success of this organisation. In 2019, your Company, through its investment in OML 34, via the vehicle of its associate company ND Western Ltd., successfully received the statutory approval for the renewal of the Oil Mining License (OML) for a further twenty (20) year period. This guarantees the additional years of exploration, appraisal and development of the many identified prospects and producing fields within the asset; all together, guaranteeing further production and sales of oil and gas from the asset.

**OPL -227**

As part of the requirements to guarantee the license renewal and further operation of the asset, your Company in 2019 drilled and suspended its first Shallow Water Offshore well. This development under a "Full Carry" arrangement for the account of NDPR was indeed the first major adventure into the shallow water offshore operating environment. The primary intent is to satisfy the last pre-condition for lease renewal and conversion of the license to an Oil Mining Lease (OML) category.

**Omerelu Marginal Oil Field (Farm Out Area) Development**

NDPR, your operating Company made substantial new strides in its efforts at enhancing the value of this asset. Late in the financial year, the first stage of a development campaign was launched with the drilling of Omerelu-2. The objective as dictated by the regulator – DPR, was to obtain sufficient new data, to enable a cost-effective field development programme. The well met all of its drilling objectives. Additionally, a post-drilling test demonstrated that the two main oil reservoirs have adequate energy to flow to surface.

As the 2nd marginal Oil Field in its inventory, and with the planned one (1) Re-entry well drilling programme now completed, some noteworthy value has been created. This has elevated the asset as a new and add-on priority candidate for advancement to further resource and reserves development.

The expectation, going forward, is the planning for an efficient, environmentally friendly field development and exploitation strategy; one which guarantees no gas flaring and in compliance with the spirit of the endorsement of the World Bank led Global Gas Flare Reduction (2030) Initiative.

Towards achieving the above, a progressive gas development approach is under consideration. One that allows the attainment of first production at the shortest possible time and at the barest minimum cost to the Company.

**Sub-Saharan Africa Growth Initiatives and Opportunities**

In further pursuit of opportunities currently identified in the Sub-Saharan Africa region, your Company continues to make progressive in-roads, in the identification and maturation of such investments. In 2019, your Company's pending application for the assignment of Onshore Block PT5B in Mozambique was further advanced with an invitation to continue direct negotiations with the Mozambican government, starting in the New Year. The invitation was accepted, and further progression of the pursuit is planned for the 1st half of 2020.

**Development of Our Workforce**

At NDEP, we have always held the belief that a satisfied workforce has an enduring commitment, determination, and zeal to contribute significantly more to the advancement, and overall wellbeing of the organisation. This entrenched belief continues to guide all engagements with staff. The dislocations caused by the temporary changes in executive management had become a further trigger for better consultation, appreciation, and consolidation of support from the entire workforce. Management is always deeply appreciative of the rally by all staff to get operational activities seamlessly going.

In 2019, through the Enhanced Workforce Planning (EWP) system now in place, we have established clear growth paths for employees. With a forward-going goal of filling Senior Management positions, first with a consideration for internal staff. To this end, structured training programs were designed to address competency gaps and enhance existing capabilities within the organisation. Staff were scheduled to be trained both locally and abroad, as necessary. We took additional steps towards creating a sustained positive work environment for all staff. Reward and recognition for high-performing staff continued throughout the year, as means of motivating others, and in turn retaining top performers within the organisation.

The health of our staff and their immediate families remain paramount to us. For we have, through an enhanced Health Management Scheme, also now in place, continued promotion of the health of our staff, ensuring that medical issues are identified early and treated appropriately.

**Succession Planning**

As an Entrepreneurial Start-Up enterprise, the Board aims to ensure the running of the affairs of the ever-widening business footprint of the group entity remain steadfastly in competent hands. Maintaining this culture will always remain a challenge. With the various subsidiaries and affiliate companies maturing and strengthened by better yearly performances, your Company will on a continuous basis, also and as necessary, search for, employ and empower only the best of Human Resources to manage its portfolios.

The changes in management during 2019, has allowed us again to focus on the hidden lights within the Company. Over the years, the Board of Directors and Management of your Company, have emphasised and recognised the importance of our most valuable resource, our young workforce. This has always resulted in a new mandate by the Board to look and as much as possible, inward.

This will serve as a means of maintaining our strong values and culture in the realisation and implementation of succession planning for Senior Management positions within the Company.

It is important to assure Shareholders that steps are already underway in further identifying, training, and mentoring of young and emerging senior members of staff, for key positions in the Company. We recognise that these staff, by their demonstration of skill and knowledge have been instrumental in the transformation and growth of the company. From its Start-Up position of "a one well, one field company", to that which we behold today - One strong, truly Nigerian Independent corporate entity, which has become successfully entrenched in the domestic energy space, notable for its nimble achievements and each year, making profit, earning laurels, and adding value to its shareholders nests.

Let me borrow from the words of His Grace – Archbishop Mathew Kukah, and substituting our company for Nigeria... "we are at a cross road and our future hangs in the balance"....For us as a company, "The night is far spent, and the day is at hand".

**2020 and Future Outlook**

Esteemed Shareholders, also in the words of the renowned author, life coach and entrepreneur Jack Cranfield,

> *"Successful people maintain a positive focus in life no matter what is going on around them. They stay focused on their past successes rather than their past failures, and on the next action steps they need to take to get them closer to the fulfilment of their goals rather than all the other distractions that life presents them."*

As a Company trending on maintaining a path to success, we remain focused on the future. Bearing in mind and allowing the experiences of the lessons that we have learned from our past to guide our journey. To attain the goals thrust upon us by the desire to continue to add, and increase value for our shareholders, certain key activities will be pursued. They are each necessary component for a strong foundation on which we will build our options from 2020 and beyond. The following are drivers:

A. That we remain focused on and committed to increasing crude oil and gas reserves in each of our assets. As a result, we have redesigned our drilling and development programmes to add resources, even as we deploy the extended reach of our efforts, to simultaneously harness new oil and gas reserves in such owned assets.

B. The midstream segment of our business investments and operations will take centre stage in 2020 and beyond. With the completion and commissioning of the Refinery Expansion Project, processing capacity will increase from 1,000 to 11,000 bbl/d, with additional product streams, which fully establishes the company's Refining business.

C. In further realisation of our commitment to optimally operating the expanded refinery capacity in 2020 and beyond, we will plan to drill three (3) Reserves Replacement and Development wells in the year. These will sustain increased production, in addition to allowing appraisal of certain sections of the field for future development.

D. In addition, a new water disposal well for effective management of produced water from the Ogbele field is programmed.

E. We expect that 2020 will chart a new path, being another year of operating our unique business model. It will usher in the significance of the midstream operations and opportunities, your Company had invested in. Including the construction of a dedicated state of the art Trailer Park for customers of the Ogbele Refinery. This will be a safe traffic corridor located at a reasonable distance, the proximity of which provides seamless product evacuation while enhancing other related operations. Providing efficient logistics to manage sales and loading of refined products from the Ogbele integrated production facilities. In addition, the re-construction of the Ogbele access road will commence, the aim is to have this completed no later than 2021.

F. The focus on expanding gas processing capacity remains strong in 2020 and beyond. Our plans to expand the capacity of the Ogbele Gas Processing Facility from 100 to 400 MM Scf/d will progress starting in 2020. Investments in this project will continue, with completion projected before the end of Q4 2024.

G. The renewal of the MOU once again with all our Host Communities, brings new life to our existing cordial relations. At the same time, it is a demonstration of our belief in the capacity of the Host Community Development Trust as an enabling instrument for mutual trust. It remains a prerequisite, and key for development.

Our Host Communities remain one key element to the uninterrupted success we have experienced in our production operations and ongoing further development of the Ogbele Marginal Oil Field. We will continue therefore, to dialogue with members of our host communities. The goal will always be edged to fully understand their concerns and needs. We are poised to continue our collaborative efforts in the economic development of our host communities. They remain a key stakeholder in ensuring our progress.

**Safety and Security**

Spurred on as always, by the ever increasing need to be at the fore of security and safety, NDEP has over the years adopted world-class strategies and implemented policies to address present and future threats to potential operating challenges.

The lessons learned from our experiences over the years will continue to guide our steps in addressing security threats, real and potential, as we chart the course of 2020. I must at this point state that the ever-evolving nature of security issues, mean that we are always in consultation with internal and external specialists, security agencies and the various other stakeholders within our operating areas. At all times, these we do in our unending efforts to finding ways of always being several steps ahead of anything that can potentially cause harm to our staff, our facilities and our communities. We recognise that technology is paramount, and we are constantly collaborating with key stakeholders to find and implement technology to help us in this regard.

2020 has brought with it, new safety concerns. This is especially so, with the ravaging of the COVID-19 pandemic. This has in several ways impacted how life can be lived and how work can be performed going forward. This threat to human health and life, has necessitated a rethink of our safety.

The Board of Directors and the Management of your Company recognise this virus is not only a global challenge, but also a local one, negatively impacting our communities and families. We are poised to ensure that the steps we take in the future must be those aimed at managing the spread of this virus, without risking our workforce, communities and the country at large.

**Conclusion**

Distinguished Shareholders, we are currently at a stage of creating a Company, capable of existing and thriving well into the future and decades ahead. We have taken steps in the past, and still will continue to so do, towards attainment of our set goals of becoming a fully Integrated Nigerian Energy Company.

The pledge of management is to remain focused on our goals, whilst actively pursuing new opportunities as they arise. We remain committed also to all key stakeholders, knowing that the collective efforts of all, working in concert, result in the multiple successes we have achieved in so many years.

I would like to thank you esteemed Shareholders for your support over the years. Without this, there may not have been a company. I would like also to thank our Regulators, who consistently guide and support our activities, ensuring that we operate efficiently within the matrix of the law. To our Bankers, Financial Advisers, Partners, and every other Stakeholder, thank you.

**Dr. Layi Fatona** (DSc.)

# Sustainability Report 2019

Our highly esteemed Stakeholders,
We are pleased to present the Sustainability Report for the year ended 31 December 2019.

**Scope**

This annual Sustainability Report outlines NDEP's sustainability strategy, programs and performance for the year ended 31 December 2019. It is aimed to brief you on our commitment and approach to sustainability.

**Overview**

Sustainability is a culture woven into the fabric of NDEP Plc and this is clearly reflected in our people, processes and products. We take pride in carrying out all our activities in a responsible manner factoring in present and future stakeholders interests. The Company ensured it maintained a strong focus on Sustainable Development, not only as a key component of our business decisions, but also in their execution.

To provide you with adequate information in this regard, and also in line with the requirements of the Securities & Exchange Commission Rules & Regulations 2013, the Company will report its Sustainable Development initiatives for the year ended 31 December 2019 in the following key areas:

1. Economic Viability
2. Social Impact
3. Governance
4. Environment

**1. Economic Viability**

**1.1 Corporate Growth Aspirations**

Most recently, and after exhaustive deliberations on the long term future of your company by Staff and Management, a Future Corporate Growth Aspiration was outlined, adopted and endorsed by the Board. This will serve as the instrument which must guide the long term strategic journey into the future for the company and further, as it establishes itself as the truly Nigerian Energy Company. Not just of today, but one that will sustain its growth, carefully managing its bold footprints, beyond its home grounds, but further afield into the wide energy space of the Sub Saharan Africa region of the future.

Bearing in mind the stringent requirements that will make a company remain and sustain such long term aspirations, the Board will support Management as it aims to remain at all times and going forward - as One or the other of the Top two Nigerian Independent Integrated Energy companies.

**1.2 Growth Outlook**

With a careful pursuit of each component of its approved Annual Work Programs, backed always with a stringent and funded budget, the Company will steadily hold on to its strong innovative and profit making position. Aiming always to sustain its ongoing environmentally compliant, minimal footprint integrated oil and gas developments in addition to ongoing and future refining portfolios. It will commit to remain profitable with rewards for its stakeholders. Further, it will sustainably and responsibly pursue each and all of its approved Sub Saharan growth opportunities, ensuring at all times, strict compliance to the existing regulations and laws of the country and that it will secure for its stakeholders, minimal risk and low entry costs for such integrated energy opportunities.

**1.3 Procurement Process**

NDEP Plc adheres to a centralized procurement system. The company maintains a Supplier Code of Conduct which guides it in the selection of suppliers and service providers across its value chain. The procurement processes ensure that we engage economically, environmentally and socially responsible contractors and suppliers. This Code guides our periodic contractor and supplier performance assessment. NDEP conducts its contracting and procurement activities at all times in accordance with its Business Code of Conduct, and expects its contractors and suppliers, including sub-contractors, to adhere to the same principles. Failure to abide by this code will result in sanctions by the company and may result in blacklisting where deemed appropriate.
In addition, in a bid to comply with local legislations and contribute to capacity development, we ensure that in our contracting and procurement processes we give priority to local capacity development in order to ensure sustainable indigenous participation in our entire spectrum of operations.

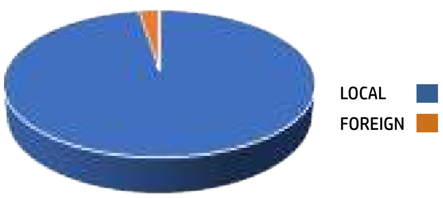
### 1.4 Promotion of Local Content

We support indigenous empowerment, enhancement of skills and job creation. As part of our efforts to support local content and boost local capacity, NDEP Plc operates a deliberate policy of sourcing its goods and services from our local contractors and suppliers except where the expertise is not available locally and/or where the Original Equipment Manufacturer does not have a local presence. The Company's performance in this area is tracked through our quarterly performance evaluation reports to the Nigerian Content Development & Monitoring Board (NCDMB).

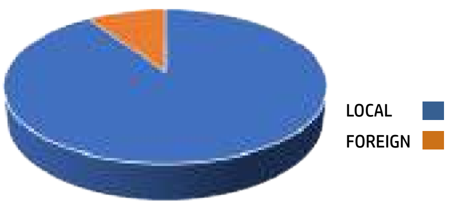
**2019 Operations Support Service Engagements**

In 2019, we engaged the services of over 250 contractors and suppliers out of which only about three per cent were foreign based.

**Contractors/Suppliers by number**




**Contractors/Suppliers by volume**




### 1.5 Finance Management

NDEP Plc optimally, safely and prudently operates its assets, and this has sustained the Company's profitability and continuous dividend payments over the past fourteen years. Investments are carefully analyzed, and funds are deployed in a disciplined approach that maximizes shareholder value. These and other measures have protected the Company in tough times and are responsible for its resilience over time.

Our financial highlights (in the CEO's Statement) confirm the strong financial position of the Company and its ability to remain profitable in years to come.

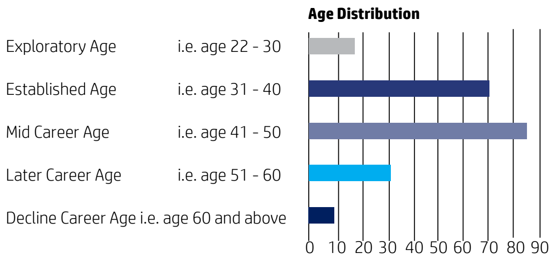
## 2. Social Impact

### 2.1 Employee Management

*i. Diversity and Inclusion:*

NDEP Plc maintains a policy of non-discrimination on the basis of socio-cultural, gender, age, ethnicity, and religious differences. Your Company is an equal opportunity employer that promotes diversity, inclusion and the ideal work environment.

The Age distribution of staff is provided below:




Amongst several initiatives taken during the year ended 31 December 2019 to enhance staff wellness were celebrations of the International Women's and Men's Days, marking the World Fitness Day by having a Half Marathon Walk, indoor and outdoor inter-departmental competitions, "Bring Your Child to Work Day" and Culture Month.

*ii. Staff Motivation and Retention*

NDEP recognises that its success depends on the skills and performance of its employees and therefore seeks to foster an open environment in which employees are actively encouraged to be creative and responsible.

We recognize that the Company has a diversified talent pool of exceptional individuals with varied fortes, and as a result our people are consciously engaged in order for them to find personal fulfillment at work. We place significant emphasis on developing, motivating and equipping our personnel with the right tools and skills to deliver excellently on the job and beyond. In addition, staff health, safety and security constantly remain a priority.

We have built a healthy workforce, by ensuring that all members of staff subscribe to a robust health management regime, that painstakingly caters for the physical and mental health of employees and their families. This comprises annual medical check-ups, gym membership and other recreational engagements, as well as a completely confidential forum for staff to discuss any psychological issues that they may have with a certified 3rd Party Counsellor.

The Company ensures that staff are constantly trained and upskilled in line with the requirements of their jobs and to remain current in the very dynamic oil and gas industry. In this regard, the Company invested in a robust, highly rated industry E-Learning platform that enables all year round capacity and capability development for staff.

The Company's staff attrition rate for the year ended 31 December 2019 is 1.5% of our combined human resource.

*iii. Human Rights, Non-discrimination and Equity*

The Company fully respects human rights, dignity and the worth of all persons, and acts with understanding, tolerance and sensitivity. The NDEP Plc Business Code of Conduct clearly makes provision for the respect of human rights and non-discrimination in the workplace and for the year ended 31 December 2019, we recorded no infractions. Beyond fair treatment of all company's staff, we are an equal opportunity employer that maintains transparency and competitiveness in our recruitment and staff elevation processes.

## 3. Corporate Social Responsibility

### 3.1 Our Host Communities

Our Host Communities (presently Otari, Obumeze, Ogbele, Rumuekpe, Omaraka, and Oshiugbokor) are most integral to our sustainability, thus NDEP is very passionate about identifying closely with their needs and aspirations. The key vehicle for our community interventions is the NDPR Host Community Development Trust (HCDT), a framework which continues to attract national acclaim.

Within the context of the Trust, NDEP through its fully owned subsidiary NDPR constantly engages with its Host Communities with a view to agreeing on interventions and initiatives that are most beneficial to the respective communities. In this regard, in the year ended 31 December 2019, the Company successfully re-negotiated and executed a Memorandum of Understanding (MOU) with each of its communities.

The MOUs codify the terms of engagement between your Company and its Host Communities and ensures unhindered operations while delivering on the mutually-identified sustainability initiatives in these communities.

The HCDT, through diverse projects and activities, contributed to the enhancement of the standard of living and capacity building of the people in our Host Communities. The focal areas of engagement of the Trust are Education, Economic and Social Empowerment, Health, and Infrastructural Development.

*i. Education: ₦28.1 Million*

In addition to being the right of every citizen guaranteed by the constitution of the Federal Republic of Nigeria, education today is a prerequisite for sustainable development and also an effective means of both improved governance and taking knowledge-based decisions. Education therefore improves the strength and capacity of members of our Host Communities to be self-sustaining. The target area of the Trust is the acquisition of higher education, thus, in the year under review, some communities received bursaries and scholarship grants as follows:

- Bursary payment to students in higher institutions at a cost of ₦50,000 per student. See table below for breakdown:

| Community | No. of Beneficiaries | Amount (N '000) |
|---|---|---|
| Obumeze | 46 | 2,300 |
| Rumuekpe | 80 | 4,000 |

- West Africa Examination Council Registration fee payment for 100 students from Otari community at a cost of ₦3 Million.
- Scholarship grant to a student from Otari Community for overseas study at a cost of ₦4.4 Million.
- Provision of furniture to a Secondary School in Rumuekpe at a cost of ₦14.4 Million.

*ii. Health: ₦20.9 Million*

Access to healthcare plays a critical role in development. As such we have undertaken the following initiatives:

- Investment in the maintenance of the health of the elderly people in our Host Communities.
- Ongoing expansion of the Maternity Hospital at Ogbele community. This aims at accommodating pregnant women from all our Host Communities and providing accommodation for doctors and nurses.

*iii. Social and Economic Empowerment: ₦ 59.4 Million*

The social and economic empowerment of our Host Communities is aggressively pursued, as the Trust recognizes the need for the progressive eradication of poverty in the areas where we operate. It therefore implements social and economic programs aimed at eradicating poverty mainly by making members of the communities self-reliant in food production, and to engage in commercial activities that will generate revenue for individuals and the communities. In the year under review:

o An 18-seater Toyota Hiace bus was purchased for Omaraka community at a cost of ₦26.5 Million.

o 600 bags of fertilizer were procured for women in Obumeze community to enhance agriculture and food production at a cost of ₦7.5 Million.

o Obumeze and Omaraka communities Town Halls were furnished at costs of ₦13.4 Million and ₦7.3 Million respectively.

o Relief materials were donated to Otari community to support flood victims at a cost of ₦4.7 Million.

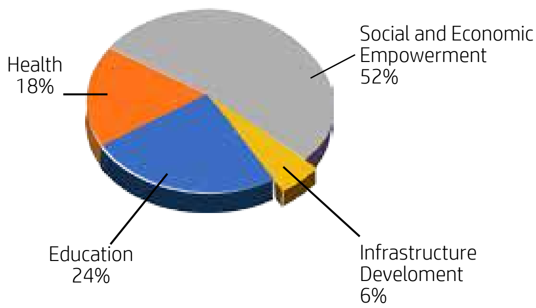
**Obumeze Civic Centre furnished by NDPR Community Development Trust**

*iv. Infrastructure Development: ₦ 6.4 Million*

No community makes reasonable progress without adequate infrastructure such as electricity, good roads, town halls, bridges etc. Your Company, through the Trust ensures that its Host Communities enjoy these amenities and will continue to invest in the sustainable development of the said infrastructure. In the year under review, the following were put in place:

- Replacement of Electrical poles for Ogbele Community at a cost of ₦1.3 Million
- Road maintenance in Oshiugbokor community at a cost of ₦3.5 Million
- Construction of 2 units of Water Boreholes at a cost of ₦1.6 Million

**2019 Host Communities Expenditure at a glance**




These notable achievements have endeared your Company to our Host Communities and obtained for itself, the 'freedom to operate' which is invaluable.

**3.2 Charitable Donations: ₦15M**

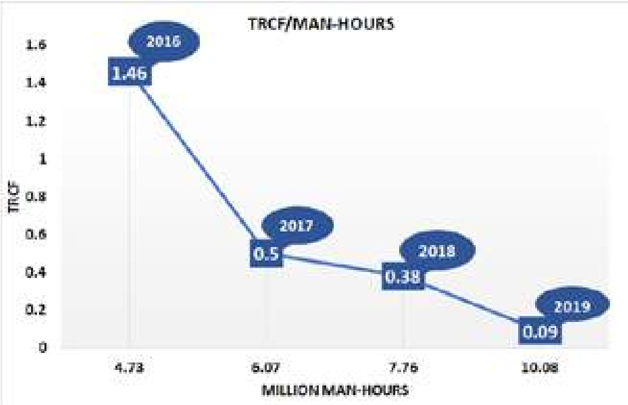
Under the Corporate Social Responsibility activities, the Company supported multiple initiatives in charitable donations and sponsorships. Some of these are:

- Sponsorship of NAPE pre-conference workshop at a cost of ₦5 Million.
- Donation of ₦1 Million to Vida Ninos, a charity that works with under privileged children.
- Donation of ₦2.5 Million to the Annual Lagos Book & Art Fair.
- Sponsorship towards the Annual Aret Adams Memorial Lecture at a cost of ₦500,000.
- Sponsorship of 10 Obafemi Awolowo University Students to attend the 2019 NAPE Conference at a cost of ₦300,000.
- Sponsorship of “Making of Champions”, a scholarship for student Athletes at a cost of ₦3 Million.
- Co-sponsorship of the 2019 Chartered Institute of Personnel Management (CIPM) Annual Conference at a cost of ₦1.5 Million.
- Sponsorship of an Aspen Round Table event at a cost of ₦1 Million.
- Sponsorship of the 2019 Centre for Petroleum Information (CPI) Petroleum Policy Roundtable at a cost of ₦250,000.

**3.3 Health, Safety and Environment (HSE)**

HSE considerations play a critical role in every facet of the Company as the HSE policy guides every aspect of our operations. In 2019, we continued to enhance HSE capacity across the organization by reinforcing the culture and taking proactive steps in this regard. On schedule, we reviewed operations and inspected facilities as part of our assurance process.

Our fire-fighting capacity has been reviewed and enhanced. It is noteworthy that the Company logged 10 million-man hours with no Lost Time Injury. Indeed, the year was marked by a significant increase in our activity levels, with drilling at Ogbele and the Refinery Expansion Projects. In addition to operations at our facilities, we properly managed operational risks and hazards, and therefore achieved zero fatality. We recorded a Total Recordable Case Frequency (TRCF) of 0.09 in 2019 as compared to 0.4 in 2018, despite significant increase in activity level. The HSE team are determined to maintain this average declining trend in the TRCF. See our TRCF profile below:




The Company will strive for continuous improvement on this level of performance as we adopt best operating practices in line with Oil and Gas Industry standards.

**4. Governance**

**4.1 Sustainability Governance**

NDEP Plc adheres to a strict corporate governance policy that is founded on the Nigerian Code of Corporate Governance 2018 and enriched by global best practice corporate governance standards. We have designed and implemented an effective system of checks, balances and controls that timeously identifies and responds to emerging risks.

The overall responsibility for sustaining proper corporate governance within the Company is vested in the Board of Directors, acting through the Board Governance, Remuneration & Nomination Committee.

*i. Policies*

The Company maintains policies to guide the actual practice of the various aspects of proper corporate governance such as the Business Code of Conduct; Environmental and Social Management System

Manual; NDPR Health, Safety and Environment (HSE) Policy; NDPR Resources Conservation Procedure, the Group Whistle Blowing, and the Conflict of Interest Policies. These codes, policies and procedures have been designed to serve as a guide to all staff, contractors/ suppliers, visitors, host communities and other stakeholders. Other policies that will further enhance your Company's Governance performance are in the process of being implemented.

*ii. Zero tolerance to fraud and corruption*

Fraud and corruption are major threats to our sustainable existence. We thus maintain a very high standard of professional and personal ethics in the workplace. We adhere to a strict Code of Conduct that sets out what is expected of our people and promotes transparency and accountability in the work environment. We have zero tolerance for bribery and corruption, monitor compliance to the Code and maintain an independent whistle blowing channel devoid of retaliatory victimization. For the year ended 31 December 2019, we recorded no case of violations in this regard.

## 1. Environmental Sustainability

### 5.1 Energy Efficiency

We created different initiatives to promote energy efficiency in all NDEP Plc facilities. We assiduously work to ensure wastage is reduced to a barest minimum. During the year, fuel consumption increased by only 21% despite the significant increase in the Company's operations. Active energy conservation awareness, monitoring our electricity use, routine maintenance to improve machine efficiency and energy saving electronic devices made this feat possible.

### 5.2 Water Management

The Company initiated a water conservation policy during the year 2019. This was aimed at sensitizing staff to see water as a diminishing natural resource. Water consumption measuring meters were installed in strategic locations in the field to monitor water usage. This ensured that water usage was only optimal and necessary despite the significant increase in operations during the year.

### 5.3 Compliance with Environmental Laws and Regulations

This is not just a tick box exercise for your Company but an internal commitment to leave the environment better than we met it, for the benefit of future generations. With this in mind, we had emplaced as a Key Performance Indicator for our people, compliance with all applicable laws and regulations for the sustenance of the environment.

### 5.4 Waste Management

The Company ensures that there are no forms of spillages or other discharges into the environment. Necessary operational discharges are treated and reinjected into an approved well without polluting surrounding flora and fauna. Waste treatment and a zero-spill assist the Company in reduction of its carbon footprints in the environment.

### Conclusion

As a committed forward-looking company, we strive to become an ever more sustainable company by maximizing our positive impact on all our stakeholder groups, while minimizing our negative impact throughout the value chain. We will continue to deepen our culture of Sustainable Development by adopting best practices and adhering to all applicable laws and regulations, in a manner that minimizes harm to all stakeholders and the environment, whilst remaining profitable.

# Report of the Directors

FOR THE YEAR ENDED 31 DECEMBER 2019

The Directors submit to the members of the Company their report together with the consolidated and separate audited financial statements for the year ended 31 December 2019.

**PRINCIPAL ACTIVITIES**

The Group is in the business of investing in integrated oil and gas development activities.

**STATE OF AFFAIRS**

In the opinion of the Directors, the state of affairs of the Group is satisfactory and there has been no material change after the reporting period.

**RESULTS FOR THE YEAR**

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | ₦ '000 | ₦ '000 | ₦ '000 | ₦ '000 |
| Revenue | 45,958,897 | 39,051,588 | - | - |
| Profit before taxation | 20,592,161 | 29,333,101 | 7,429,419 | 3,007,336 |
| Taxation | (1,094,580) | 8,090,996 | 2 ,429 | (28,946) |
| Profit after taxation | 19,497,581 | 37,424,097 | 7 ,431,848 | 2,978,390 |

**DIVIDEND**

The Directors recommend a dividend of ₦17 per share (2018: ₦13 per share) which amounts to ₦3,693,117,706 for the year ended 31 December 2019 (2018: ₦2,358,309,850). This will be ratified at the Annual General Meeting.

**PROPERTY, PLANT AND EQUIPMENT**

Information relating to Property, Plant and Equipment is given in Note 11 to the financial statements. In the opinion of the Directors, the market value of the Company's property, plant and equipment is not less than the value shown in the financial statements.

**CHARITABLE CONTRIBUTIONS**

The Company made charitable contributions amounting to ₦15.1million during the year ended 31 December 2019 (2018: ₦33.7million). The Company made no donations to any political party.

**DIRECTORS**

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

| | | | |
|---|---|---|---|
| Mr. Ladi Jadesimi | Chairman | | |
| Mr Toba Akinmoladun | Chief Executive Officer | | Resigned 7 October 2019 |
| Dr. 'Layi Fatona | Chief Executive Officer | | Re-appointed 7 October 2019 |
| Mr. Deji West | Executive Director Finance | | Resigned 29 August 2019 |
| Mr. Cyril Odu | Non-Executive Director | | Deceased |
| Mr. Afolabi Oladele | Non-Executive Director | | |
| Mr. Thierry Georger | Non-Executive Director | French | |
| Mr. Osten Olorunsola | Non-Executive Director | | |
| Mr. Ede Osayande | Non-Executive Director | | |
| Mr. Gbenga Adetoro | Non-Executive Director | | Appointed 9 October 2019 |

## DIRECTORS' INTERESTS IN SHARES

Directors' interests in the share capital of the Company as at 31 December 2019 were as follows:-

| Name of Director | Number of Shares | |
|---|---|---|
| | **2019** | **2018** |
| Mr. Ladi Jadesimi | Nil | Nil |
| Dr. 'Layi Fatona | 5,502,416 | 2,702,416 |
| Mr. Ede Osayande | 1,127,998 | 1,127,998 |
| Mr. Cyril Odu (Deceased) | Nil | Nil |
| Mr. Afolabi Oladele | 2,900 | 2,900 |
| Mr. Osten Olorunsola | 48,878 | 48,878 |
| Mr. Deji West (Resigned) | Nil | Nil |
| Mr. Thierry Georger | Nil | Nil |
| Mr Toba Akinmoladun (Resigned) | 921,646 | 800,000 |
| Mr Gbenga Adetoro | Nil | N/A |

Also, the following Directors have beneficial interests in the shares held by the corporate bodies listed against their names:

| Name of Director | Corporate body in whose name shares are held | Number of shares | |
|---|---|---|---|
| | | **2019** | **2018** |
| Dr. 'Layi Fatona | Nouveau Technologies Limited | 2,024,924 | 2,024,924 |
| Dr. 'Layi Fatona | Geotrex Systems Ltd | 860,832 | 860,832 |
| Mr. Ladi Jadesimi | Badagry Creek Fze | 10,028,914 | 9,398,493 |
| Mr. Deji West (Resigned) | Fair Haven Management Limited | - | 168,277 |

## DIRECTORS' INTERESTS IN CONTRACTS

None of the Directors has notified the Company for the purpose of section 277 of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004 of any disclosable interest in contracts with which the Company is involved as at 31 December 2019.

## SHAREHOLDING ANALYSIS

**NDEP Plc - Range analysis as at 31 December, 2019**

| Range | No of Holders | Holders % | Units | Units % |
|---|---|---|---|---|
| 1-1000 | 816 | 50.31 | 119,407 | 0.1 |
| 1001-5000 | 161 | 9.93 | 414,079 | 0.2 |
| 5001-10000 | 96 | 5.92 | 732,502 | 0.3 |
| 10001-50000 | 235 | 14.49 | 6,972,365 | 3.2 |
| 50001-100000 | 109 | 6.72 | 8,161,176 | 3.8 |
| 100001-500000 | 145 | 8.94 | 32,583,434 | 15.0 |
| 500001-1000000 | 22 | 1.36 | 16,024,788 | 7.4 |
| 1000001-5000000 | 32 | 1.97 | 67,390,048 | 31.0 |
| 5000001-17609138 | 6 | 0.37 | 84,844,419 | 39.0 |
| **TOTAL** | **1,622** | **100** | **217,242,218** | **100** |

*Report of the Directors - continued*

**Committee Membership during the year ended 31 December 2019**

| | Audit | Corporate Strategy | Audit & Finance | Governance Remuneration & Nomination | Risk & Corporate Responsibility |
|---|---|---|---|---|---|
| Dr. Layi Fatona | - | √ | √ | - | √ |
| Mr. Deji West | - | - | √ | - | |
| Mr. Toba Akinmoladun | - | √ | √ | - | |
| Mr. Ede Osayande | √ | - | √ | √ | |
| Mr. Ladi Jadesimi | - | - | - | √ | |
| Mr. Osten Olorunsola | - | √ | - | √ | √ |
| Mr. Thierry Georger | - | - | √ | - | √ |
| Mr. Afolabi Oladele | √ | √ | √ | √ | √ |
| Mr. Cyril Odu (deceased) | √ | √ | √ | - | |
| Mr. Gbenga Adetoro | - | - | √ | - | √ |

| | Board | Company Audit | Corporate Strategy | Audit & Finance | Governance Remuneration & Nomination | Risk & Corporate Responsibility |
|---|---|---|---|---|---|---|
| **Executive Directors** | | | | | | |
| Dr. 'Layi Fatona | 7/9 | - | 5/5 | 2/2 | - | 2/4 |
| Mr. Toba Akinmoladun | 4/5 | - | 2/3 | 3/3 | - | |
| Mr. Deji West | 4/5 | - | - | 3/3 | - | |
| **Non- Executive Directors** | | | | | | |
| Mr. Ladi Jadesimi | 8/9 | - | - | - | 10/10 | - |
| Mr. Ede Osayande | 8/9 | 3/4 | - | 4/5 | 10/10 | - |
| Mr. Osten Olorunsola | 9/9 | - | 5/5 | - | 8/10 | 4/4 |
| Mr. Afolabi Oladele | 9/9 | 3/4 | 2/5 | - | 10/10 | 2/4 |
| Mr. Cyril Odu (deceased) | 4/4 | 1/2 | 2/5 | 3/3 | - | - |
| Mr. Thierry Georger | 7/9 | - | - | 3/5 | - | 2/4 |
| Mr. Gbenga Adetoro | 3/3 | - | - | 0/1 | - | 1/2 |

**Shareholders' Representative on the Company Audit Committee during the year ended 31 December 2019**

| | | | | | | |
|---|---|---|---|---|---|---|
| Mr. Femi Akinsanya | - | 4/4 | - | - | - | - |
| Chief Gbola Akinola | - | 2/4 | - | - | - | - |
| Mr. Eddie Efekoha | - | 2/4 | - | - | - | - |

**Notes**

- Nine (9) Board of Directors Meetings were held in 2019.
- Four (4) Company Audit Committee Meetings were held in 2019.
- Five (5) Board Corporate Strategy Committee Meetings were held in 2019.
- Five (5) Board Audit & Finance Committee Meetings held in 2019.
- Ten (10) Board Governance, Remuneration & Nomination Committee Meetings were held in 2019.
- Four (4) Board Risk & Corporate Responsibility Commiittee Meetings were held in 2019.
- Mr. Deji West resigned from the Board on the 29th August 2019.
- Mr. Toba Akinmoladun resigned from the Board on the 17th October 2019.
- Late Mr. Cyril Odu ceased to be a member of the Board on 17th September 2019 following his demise .
- Mr. Gbenga Adetoro was appointed to the Board as a director on 19th October 2019 replacing late Mr. Cyril Odu.

Report of the Directors - continued

**EMPLOYMENT OF DISABLED PERSONS**

The Company has a policy of fair consideration of job application by disabled persons having regard to their abilities and aptitude. The Company's policy prohibits discrimination of disabled persons in the recruitment, training and career development of its employees. Presently no disabled person is in the employment of the Company.

**HEALTH, SAFETY AND WELFARE AT WORK OF EMPLOYEES**

One of the Company's primary business objectives is that its operations shall not cause accidents, damage or losses. The Company is committed to protecting people, the environment and physical assets. The Company established adequate health and safety measures within its premises and its areas of operations and in the operation of all its vehicles. The Company aims to provide as far as possible medical care for all members of its staff and immediate members of their nuclear families.

**EMPLOYEES' TRAINING AND INVOLVEMENT**

The Directors maintain regular communication and consultation with the employees and staff representatives on matters affecting employees and the Company.

The Company organises various in-house, local and international training courses and also sends staff abroad for training when the training capacity is not available locally.

**PROTECTION OF THE ENVIRONMENT**

The Company is committed to protecting the environment within and around its operational areas. In this regard, it has established a framework for complying with all statutory environmental requirements, applying best industry practice and operating in a manner that assumes no harm to the environment.

**APPOINTMENT OF EXTERNAL AUDITORS**

Messrs Deloitte & Touche have expressed their willingness to continue in office as the auditors of the Company in accordance with section 357 (2) of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of NIgeria 2004. This is following the retirement of Messrs Ernst and Young (EY) who served as External Auditors to your Company for many years.

BY ORDER OF THE BOARD

T. Omisore.

**Titilola Omisore**, FRC/2013/NBA/00000003574
SECRETARY
8 May 2020

# Statement of Directors' Responsibilities

FOR THE PREPARATION AND APPROVAL OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

The Directors of Niger Delta Exploration & Production Plc (" the Company") and its subsidiaries (together referred to as "the Group") are responsible for the preparation of the consolidated and separate financial statements that give a true and fair view of the financial position of the Group and Company as at 31 December 2019, and the results of its operations, cash flows and changes in equity for the year then ended, in compliance with International Financial Reporting Standards ("IFRS") and in the manner required by the Companies and Allied Matters Act of Nigeria and the Financial Reporting Council of Nigeria Act, No. 6, 2011.

In preparing the financial statements, the Directors are responsible for:

- properly selecting and applying accounting policies;
- presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- providing additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group and Company's financial position and financial performance; and
- making an assessment of the Group and Company's ability to continue as a going concern.

The Directors are also responsible for:

- designing, implementing and maintaining an effective and sound system of internal controls throughout the Group and Company;
- maintaining adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time, the financial position of the Group and Company, and which enable them to ensure that the financial statements of the Group and Company comply with IFRS;
- maintaining statutory accounting records in compliance with the legislation of Nigeria and IFRS;
- taking such steps as are reasonably available to them to safeguard the assets of the Group and Company; and
- preventing and detecting fraud and other irregularities.

**Going concern:**

The Directors have made an assessment of the Group's and Company's ability to continue as a going concern and have no reason to believe the Group and Company will not remain as a going concern in the year ahead.

The consolidated and separate financial statements of the Group and Company for the year ended 31 December 2019 were approved by the Board of Directors on 8 May 2020 and were signed on its behalf by:

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**Mr. Felix Abili,** FRC/2020/001/00000020933
Finance Manager
8 May 2020

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**Dr. Layi Fatona,** FRC/2013/IODN/00000003811
Chief Executive Officer
8 May 2020

Deloitte.

P. O. Box 965
Marina
Lagos
Nigeria

Deloitte & Touche
Civic Towers
Plot GA 1, Ozumba Mbadiwe Avenue
Victoria Island
Lagos, Nigeria

Tel: +234 (1) 9041700
www.deloitte.com.ng

# Independent Auditors' Report

To the shareholderers of Niger Delta Exploration & Production Plc

**Report on the Audit of the Consolidated and Separate Financial Statements**

**Opinion**

We have audited the consolidated and separate financial statements of Niger Delta Exploration & Production Plc ("the Company") and its subsidiaries (together referred to as "the Group") which comprise the consolidated and separate statement of financial position as at 31 December 2019, the consolidated and separate statement of profit or loss and other comprehensive income, the consolidated and separate statement of changes in equity, the consolidated and separate statement of cash flows for the year then ended, and the notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements give a true and fair view of the financial position of Niger Delta Exploration & Production Plc as at 31 December 2019, and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS), the Companies and Allied Matters Act Cap C20 LFN 2004 and the Financial Reporting Council of Nigeria Act, 2011.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the requirements of the Institute of Chartered Accountants of Nigeria Professional Code of Conduct and Guide for Accountants (ICAN Code) and other independence requirements applicable to performing audits of financial statements in Nigeria.

We have fulfilled our other ethical responsibilities in accordance with the ICAN Code and in accordance with other ethical requirements applicable to performing audits in Nigeria. The ICAN Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Matter**

The consolidated and separate financial statements of Niger Delta Exploration & Production Plc and its subsidiaries for the year ended 31 December 2018 were audited by another auditor who expressed an unmodified opinion on those statements on 9 May 2019.

**Key Audit Matter**

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the consolidated and separate financial statements of the current year. This matter was addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on the matter.

We have determined the matter described below to be the key audit matter to be communicated in our report.

<table>
<tr><th>Key Audit Matter</th><th>How the matter was addressed in the audit</th></tr>
<tr><td colspan="2">Estimation of provision for decommissioning and restoration obligations</td></tr>
<tr><td>The Group's core activities regularly lead to obligations relating to dismantling, removal, asset retirement and soil remediation activities.<br><br>The principal risk relates to management's estimates of future costs used to project the provision for decommissioning and restoration obligations.<br><br>The Group's disclosures about the provision for decommissioning and restoration obligations are included in Note 2 (Accounting policies, judgements and estimates) and Note 22 (Decommissioning liabilities).</td><td>We assessed management's annual estimation of the provision for decommissioning and restoration obligation. Specifically our work included, but was not limited to, the following procedures:<br>● Obtain the management's decommissioning costs computation for the current year;<br>● Test for accuracy and completeness, the inputs used in the decommissioning cost computation;<br>● Evaluate and challenge management's assumptions used for the computation;<br>● Perform retrospective review of the inputs and assumptions used in computation of the provision;<br>● Test the mathematical accuracy of the decommissioning and restoration obligation calculation; and<br>● Assess the adequacy of the Group's disclosures in the financial statements.<br>Based on the procedures performed we considered provision for decommissioning and restoration obligations have not been materially misstated and have been appropriately accounted for in the financial statements.</td></tr>
</table>

**Other Information**

The Directors are responsible for the other information. The other information comprises the Report of the Directors, Audit Committee's Report, Statement of Directors' Responsibilities as required by the Companies and Allied Matters Act, Cap C20 LFN 2004 and Other National Disclosures, which we obtained prior to the date of this auditors' report. The other information does not include the consolidated and separate financial statements and our report thereon.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act Cap C20 LFN 2004, Financial Reporting Council Act, 2011 and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the Group's and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

**Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the Audit Committee and/or the Directors, we determine the matter that was of most significance in the audit of the consolidated and separate financial statements of the current year and is therefore the key audit matter. We describe the matter in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

In accordance with the Sixth Schedule of the Companies and Allied Matters Act Cap C20 LFN 2004, we expressly state that:

i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

ii) The Group and Company have kept proper books of account, so far as appears from our examination of those books; and

iii) The consolidated and separate statement of financial position and profit or loss and other comprehensive income are in agreement with the books of account.

**Olufemi Abegunde,** FCA-FRC/2013/ICAN/00000004507

For: **Deloitte & Touche**

Chartered Accountants

Lagos, Nigeria

25 May 2020

# Report of the Audit Committee

TO THE MEMBERS OF NIGER DELTA EXPLORATION & PRODUCTION PLC

In accordance with the provisions of sections 359(4) and (6) of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, we have reviewed;

i) the scope and planning of the audit requirements and

ii) the accounting and reporting policies of the Group and Company for the year ended 31 December 2019 and ascertained that they are in accordance with legal requirements and agreed ethical practice.

In our opinion, the scope and planning of the audit for the year ended 31 December 2019 together with the consolidated and seperate audited financial statements were satisfactory. The external auditors had discharged their duties conscientiously and satisfactorily. We were satisfied with Management's responses to the auditors' findings.

**Mr. Olufemi Akinsanya, ACA,** FRC/2013/CISN/00000002760
Chairman
Audit Committee
8 May 2020

Members of the Audit Committee

1. Mr Olufemi Akinsanya Chairman
2. Mr Eddie Efekoha
3. Mr. Afolabi Oladele
4. Chief Gbola Akinola
5. Mr Cyril Odu (Deceased)
6. Mr. Ede Osayande

# Consolidated and Separate Statement of Profit or Loss and other Comprehensive Income

*FOR THE YEAR ENDED 31 DECEMBER 2019*

| | Notes | GROUP | | THE COMPANY | |
|---|---|---|---|---|---|
| | | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | | ₦'000 | ₦'000 | ₦'000 | ₦'000 |
| Revenue | 3 | 45,958,897 | 39,051,588 | - | - |
| Cost of sales | 4 | (30,005,292) | (16,253,442) | - | - |
| **Gross profit** | | **15,953,605** | **22,798,146** | - | - |
| Other income | 5 | 4,044,797 | 3,808,388 | 8,217,993 | 5,527,050 |
| General and administrative expenses | 6 | (5,533,855) | (7,036,533) | (944,324) | (2,571,925) |
| **Operating profit** | | **14,464,547** | **19,570,001** | **7,273,669** | **2,955,125** |
| Finance income | 7 | 304,853 | 1,104,135 | 155,750 | 52,211 |
| Finance costs | 7 | (3,180,705) | (733,872) | - | - |
| **Net Finance (cost)/income** | | **(2,875,852)** | **370,263** | **155,750** | **52,211** |
| Share of profit of an associate | 14 | 9,003,466 | 9,392,837 | - | - |
| **Profit before taxation** | | **20,592,161** | **29,333,101** | **7,429,419** | **3,007,336** |
| Tax (expense)/credit | 24 | (1,094,580) | 8,090,996 | 2,429 | (28,946) |
| **Profit after taxation** | | **19,497,581** | **37,424,097** | **7,431,848** | **2,978,390** |
| Profit attributable to: | | | | | |
| Equity holders of the parent | | 19,497,581 | 37,424,097 | 7,431,848 | 2,978,390 |
| | | **19,497,581** | **37,424,097** | **7,431,848** | **2,978,390** |
| **Other comprehensive income:** | | | | | |
| *Other comprehensive income that may be reclassified to profit or loss in subsequent years (net of tax):* | | | | | |
| Foreign currency translation difference | | 6,802,753 | 226,103 | - | - |
| *Other comprehensive income that will not be reclassified to profit or loss in subsequent years (net of tax):* | | | | | |
| Share of other comprehensive income of associate accounted for using the equity method | 14 | 2,177 | 233,487 | - | - |
| Net gain on equity instruments at fair value through other comprehensive income | 13 | (190,569) | 38,349 | (190,569) | 38,349 |
| **Other comprehensive income for the year, net of tax** | | **6,614,361** | **497,939** | **(190,569)** | **38,349** |
| **Total comprehensive income for the year** | | **26,111,942** | **37,922,036** | **7,241,279** | **3,016,739** |
| Total comprehensive income attributable to: | | | | | |
| Equity holders of the parent | | **26,111,942** | **37,922,036** | **7,241,279** | **3,016,739** |
| **Basic earnings per share** | 10 | **₦89.75** | **₦206.3** | **₦34.21** | **₦16.42** |
| **Diluted earnings per share** | | **₦89.75** | **₦206.3** | **₦34.21** | **₦16.42** |

See notes to the financial statements.

# Consolidated and Separate Statement of Financial Position

*AS AT 31 DECEMBER 2019*

| | Notes | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|---|
| | | 31-Dec-19 ₦'000 | 31-Dec-18 ₦'000 | 31-Dec-19 ₦'000 | 31-Dec-18 ₦'000 |
| **Assets** | | | | | |
| **Non-current assets** | | | | | |
| Property, plant and equipment | 11 | 123,284,761 | 94,253,254 | 1,897,675 | 2,703,136 |
| Intangible assets | 12 | 51,561 | 51,767 | 27,045 | 32,162 |
| Deferred tax assets | 15 | 9,395,284 | 9,032,380 | - | - |
| Financial assets | 13 | 1,140,644 | 446,018 | 801,462 | 157,637 |
| Investment in associate | 14 | 74,896,272 | 65,890,629 | 7,810,062 | 7,810,062 |
| Investment in subsidiaries | 25 | - | - | 15,389,666 | 97,003 |
| **Total non-current assets** | | **208,768,522** | **169,674,048** | **25,925,910** | **10,800,000** |
| **Current assets** | | | | | |
| Inventories | 16 | 2,052,194 | 1,358,482 | - | - |
| Trade and other receivables | 17 | 17,838,103 | 14,796,000 | 20,765,837 | 31,822,573 |
| Prepayments | 18 | 178,628 | 287,281 | 32,194 | 63,695 |
| Cash and cash equivalents | 19 | 7,708,991 | 13,610,265 | 3,002,757 | 3,404,788 |
| **Total current assets** | | **27,777,916** | **30,052,028** | **23,800,788** | **35,291,056** |
| **Total assets** | | **236,546,438** | **199,726,076** | **49,726,698** | **46,091,056** |
| **Equity and liabilities** | | | | | |
| **Shareholders' equity** | | | | | |
| Share capital | 20 | 2,172,422 | 1,814,084 | 2,172,422 | 1,814,084 |
| Share premium | 20 | 22,819,670 | 13,008 | 22,819,670 | 13,008 |
| Deposit for shares | 28 | - | 23,165,000 | - | 23,165,000 |
| Translation reserve | 29 | 39,260,936 | 32,456,006 | - | - |
| Fair value reserve of financial assets at FVOCI | 30 | (68,932) | 121,637 | (68,932) | 121,637 |
| Retained earnings | | 119,362,166 | 102,222,889 | 22,766,262 | 17,692,718 |
| Non-controlling interests | 37 | 985,469 | - | - | - |
| **Total shareholders' equity** | | **184,531,731** | **159,792,624** | **47,689,422** | **42,806,447** |
| **Non-current liabilities** | | | | | |
| Borrowings | 21 | 17,486,862 | 7,997,203 | - | - |
| Decommissioning liabilities | 22 | 17,301,015 | 5,932,760 | - | - |
| **Total non-current liabilities** | | **34,787,877** | **13,929,963** | - | - |
| **Current liabilities** | | | | | |
| Trade and other payables | 23 | 10,351,282 | 20,876,480 | 2,037,276 | 3,269,572 |
| Taxation | 24 | 1,314,270 | 979,009 | - | 15,037 |
| Borrowings | 21 | 5,561,278 | 4,148,000 | - | - |
| **Total current liabilities** | | **17,226,830** | **26,003,489** | **2,037,276** | **3,284,609** |
| **Total liabilities** | | **52,014,707** | **39,933,452** | **2,037,276** | **3,284,609** |
| **Total equity & liabilities** | | **236,546,438** | **199,726,076** | **49,726,698** | **46,091,056** |

See notes to the financial statements.

The financial statements on pages 43 to 108 were approved and authorised for issue by the Board of Directors on 8 May 2020 and signed on its behalf by:

**Mr. Felix Abili,** FRC/2020/001/00000020933
Finance Manager

**Dr. Layi Fatona,** FRC/2013/IODN/00000003811
Chief Executive Officer

**Mr. Ladi Jadesimi (OON),** FRC/2015/OIDN/00000006637
Chairman

# Consolidated and Separate Statement of Changes In Equity

*FOR THE YEAR ENDED 31 DECEMBER 2019*

| THE GROUP | Issued capital ₦ '000 | Share premium ₦ '000 | Translation reserve ₦ '000 | Fair value reserve of financial assets at FVOCI ₦ '000 | Deposit for shares ₦ '000 | Retained earnings (restated) ₦ '000 | Non-controlling interests ₦ '000 | Total equity ₦ '000 |
|---|---|---|---|---|---|---|---|---|
| **Balance at 1 January 2018** | 1,814,084 | 13,008 | 31,996,416 | 83,288 | - | 66,612,876 | - | 100,519,672 |
| Profit for the year | - | - | - | - | - | 37,424,097 | - | 37,424,097 |
| Foreign currency translation difference | - | - | 226,103 | - | - | - | - | 226,103 |
| Share of other comprehensive income of associate accounted for using the equity method | - | - | 233,487 | - | - | - | - | 233,487 |
| Net gain on equity instruments at fair value through other comprehensive income | - | - | - | 38,349 | - | - | - | 38,349 |
| **Total comprehensive income for the year** | - | - | 459,590 | 38,349 | - | 37,424,097 | - | 37,922,036 |
| Investors' deposit - ACA (Note 28 ) | - | - | - | - | 23,165,000 | - | - | 23,165,000 |
| Dividends to equity holders of the Company ( note 31) | - | - | - | - | - | (1,814,084) | - | (1,814,084) |
| **Total contributions by and distributions to owners of the Company, recognised directly in equity** | - | - | - | - | 23,165,000 | (1,814,084) | - | 21,350,916 |
| **Balance at 31 December 2018** | **1,814,084** | **13,008** | **32,456,006** | **121,637** | **23,165,000** | **102,222,889** | - | **159,792,624** |
| **Balance at January 2019** | 1,814,084 | 13,008 | 32,456,006 | 121,637 | 23,165,000 | 102,222,889 | - | 159,792,624 |
| Profit for the year | - | - | - | - | - | 19,497,581 | - | 19,497,581 |
| Foreign currency translation difference | - | - | 6,802,753 | - | - | - | - | 6,802,753 |
| Net gain on equity instruments at fair value through other comprehensive income | - | - | - | (190,569) | - | - | - | (190,569) |
| Share of other comprehensive income of associate accounted for using the equity method | - | - | 2,177 | - | - | - | - | 2,177 |
| **Total comprehensive income for the year** | - | - | 6,804,930 | (190,569) | - | 19,497,581 | - | 26,111,942 |
| Issue of shares | 358,338 | 22,806,662 | - | - | (23,165,000) | - | 985,469 | 985,469 |
| Dividends to equity holders of the Company ( note 31) | - | - | - | - | - | (2,358,304) | - | (2,358,304) |
| **Total contributions by and distributions to owners of the Company recognised directly in equity** | 358,338 | 22,806,662 | - | - | (23,165,000) | (2,358,304) | 985,469 | (1,372,835) |
| **Balance at 31 December 2019** | **2,172,422** | **22,819,670** | **39,260,936** | **(68,932)** | **-** | **119,362,166** | **985,469** | **184,531,731** |

# Consolidated and Separate Statement of Changes in Equity

*FOR THE YEAR ENDED 31 DECEMBER 2019*

| THE COMPANY | Issued capital ₦ '000 | Share premium ₦ '000 | Fair value reserve of financial assets at FVOCI ₦ '000 | Deposit for shares ₦ '000 | Retained earnings (restated) ₦ '000 | Total equity ₦ '000 |
|---|---|---|---|---|---|---|
| Balance at 1 January 2018 | 1,814,084 | 13,008 | 83,288 | - | 16,528,412 | 18,438,792 |
| Profit for the year | - | - | - | - | 2,978,390 | 2,978,390 |
| Net gain on equity instruments at fair value through other comprehensive income | - | - | 38,349 | - | - | 38,349 |
| **Total comprehensive income for the year** | - | - | 38,349 | - | 2,978,390 | 3,016,739 |
| Investors' deposit - ACA (Note 28) | - | - | - | 23,165,000 | - | 23,165,000 |
| Dividends to equity holders of the company (note 31) | - | - | - | - | (1,814,084) | (1,814,084) |
| **Total contributions by and distributions to owners of the company, recognised directly in equity** | - | - | - | 23,165,000 | (1,814,084) | 21,350,916 |
| **Balance at 31 December 2018** | **1,814,084** | **13,008** | **121,637** | **23,165,000** | **17,692,718** | **42,806,447** |
| **Balance at January 2019** | 1,814,084 | 13,008 | 121,637 | 23,165,000 | 17,692,718 | 42,806,447 |
| Profit for the year | - | - | - | - | 7 ,431,848 | 7,431,848 |
| Net gain on equity instruments at fair value through other comprehensive income | - | - | (190,569) | - | - | (190,569) |
| **Total comprehensive income for the year** | - | - | (190,569) | - | 7 ,431,848 | 7,241,279 |
| Issue of shares | 358,338 | 22,806,662 | - | (23,165,000) | - | |
| Dividends to equity holders of the company ( note 31) | - | - | - | - | (2,358,304) | (2,358,304) |
| Total contributions by and distributions to owners of the company recognised directly in equity | 358,338 | 22,806,662 | - | (23,165,000) | (2,358,304) | (2,358,304) |
| **Balance at 31 December 2019** | **2,172,422** | **22,819,670** | **(68,932)** | **-** | **22,766,262** | **47,689,422** |

# Consolidated and Separate Statement of Cash Flows

*FOR THE YEAR ENDED 31 DECEMBER 2019*

| | | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|---|
| | Notes | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | | ₦ '000 | ₦ '000 | ₦ '000 | ₦ '000 |
| **Profit before taxation** | | 20,592,161 | 29,333,101 | 7,429,419 | 3,007,336 |
| **Adjustments:** | | | | | |
| Interest expense | 7 | 3,180,705 | 733,872 | - | - |
| Interest income | 7 | ( 304,853) | (1,104,135) | (155,750) | (52,211) |
| Dividend received | 5 | (10,982) | (9,197) | (10,982) | (9,197) |
| Exchange gain | 5 | (1,647,590) | (3,623,284) | (1,604,567) | (445,833) |
| Share of profit from associate | 14 | (9,003,466) | (9,392,837) | - | - |
| Depreciation of property, plant and equipment | 9 | 5,754,295 | 5,505,323 | 9,727 | 14,049 |
| Amortisation of intangible assets | 9 | 15,670 | 48,133 | 9,057 | 18,491 |
| Allowance for expected credit loss/Impairment allowance | 5,6 | (12,757) | 6,463 | (228,976) | (72,020) |
| Provision no longer required | 5 | (2,373,468) | - | (2,373,468) | - |
| Gain on disposal of equipment | 5 | - | (1,000) | - | - |
| Stock adjustment | 4 | (3,545,529) | - | - | - |
| Asset write-off | 11 | 842,322 | - | - | - |
| **Operating cashflows before movement in working capital** | | **13,486,508** | **21,496,439** | **3,074,460** | **2,460,615** |
| Movement in working capital: | | | | | |
| (Increase)/Decrease in trade and other receivables | | (1,381,756) | 5,283,282 | 13,732,601 | (2,734,776) |
| Decrease/(Increase) in prepayment | | 108,653 | (146,950) | 31,501 | (50,334) |
| Decrease/(Increase) in inventory | | 2,851,817 | (170,300) | - | - |
| (Decrease)/Increase in trade and other payables | | (2,214,710) | (207,319) | 1,141,172 | 498,394 |
| **Cash generated by operating activities** | | **12,850,512** | **26,255,152** | **17,979,734** | **173,899** |
| Tax paid (note 24) | 24 | (1,122,223) | (1,119,435) | (12,608) | (13,909) |
| **Net cash flows from operating activities** | | **11,728,289** | **25,135,717** | **17,967,126** | **159,990** |
| **Investing activities** | | | | | |
| Interest received | 7 | 304,853 | 204,862 | 155,750 | 52,211 |
| Dividend received | 5 | 10,982 | 9,197 | 10,982 | 9,197 |
| Purchase of property, plant and equipment | 11 | (24,354,395) | (29,458,014) | (46,588) | (2,182,377) |
| Purchase of intangible assets | 12 | (11,480) | (52,248) | (3,940) | (32,288) |
| Proceeds from disposal of assets | | - | 1,000 | - | - |
| Additional investment in subsidiary | 25 | - | - | (15,292,663) | (476) |
| Purchase of financial assets | | (885,195) | - | (834,394) | - |
| **Net cash used in investing activities** | | **(24,935,235)** | **(29,295,203)** | **(16,010,853)** | **(2,153,733)** |
| **Financing activities** | | | | | |
| Non - controlling interests - issue of shares | | 985,469 | - | - | - |
| Dividend paid | | (2,358,304) | (1,814,084) | (2,358,304) | (1,814,084) |
| Interest paid | | (2,759,107) | (571,762) | - | - |
| Repayment of borrowing | 21 | (3,217,642) | (5,767,853) | - | (335,500) |
| Additional borrowing | 21 | 13,725,000 | 12,200,000 | - | - |
| **Net cash flows generated from/(used in)financing activities** | | **6 ,375,416** | **4,046,301** | **(2,358,304)** | **(2,149,584)** |
| **Decrease in cash and cash equivalents** | | (6,831,530) | (113,185) | (402,031) | (4,143,327) |
| Cash and cash equivalents – Beginning of year | 19 | 13,610,265 | 13,035,876 | 3,404,788 | 7,548,115 |
| Exchange rate effects on cash and cash equivalents | | 930,256 | 687,574 | - | - |
| **Cash and cash equivalents – End of year** | 19 | **7,708,991** | **13,610,265** | **3,002,757** | **3,404,788** |

See notes to the financial statements.

# Notes to the Consolidated and Separate Financial Statements

## 1 REPORTING ENTITY

Niger Delta Exploration & Production Plc ('the Company') was incorporated on 25 March 1992. The consolidated financial statements of the Company as at and for the year ended 31 December 2019 comprise the Group and the Company 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 and separate financial statements are drawn up in Nigerian Naira in accordance with International Financial Reporting Standards (IFRS) Accounting presentation.

The financial statements comprise:
- Consolidated statement of profit or loss and other comprehensive income
- Consolidated statement of financial position
- Consolidated statement of changes in equity
- Consolidated statement of cash flows
- Notes to the financial statements

The Directors also provided the following additional statements:
- Consolidated five-year financial summary
- Consolidated value added statement

### 1.3 Financial Period

These consolidated and separate financial statements cover the period from 1 January 2019 to 31 December 2019 with comparative figures for the financial year from 1 January 2018 to 31 December 2018

### 1.4 Basis of preparation

*Statement of compliance*

The consolidated financial statements of Niger Delta Exploration & Production Plc, and all of its subsidiaries ("the Group") have been prepared in compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and IFRS Interpretations Committee (IFRS IC) interpretations applicable to companies reporting under IFRS.

*Basis of measurement*

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

The preparation of 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.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### ADOPTION OF NEW AND REVISED IFRS STANDARDS

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

The Group has applied the following standards and amendments for the first time in its reporting period commencing 1 January 2019:

**Amendments to IFRS 9: Prepayment Features with Negative Compensation**

Under IFRS 9, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to IFRS 9 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

The amendments should be applied retrospectively and are effective from 1 January 2019, with earlier application permitted. These amendments have no impact on the financial statements of the Group

**IFRS 16 Leases**

IFRS 16 was issued in January 2016 and it replaces IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IAS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will also be required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under IFRS 16 is substantially unchanged from today's accounting under IAS 17. Lessors will continue to classify all leases using the same classification principle as in IAS 17 and distinguish between two types of leases: operating and finance leases.

IFRS 16 also requires lessees and lessors to make more extensive disclosures than under IAS 17. IFRS 16 is effective for annual periods beginning on or after 1 January 2019. Early application is permitted, but not before an entity applies IFRS 15. A lessee can choose to apply the standard using either a full retrospective or a modified retrospective approach. The standard's transition provisions permit certain reliefs. The Group has adopted the standard but has elected not to apply IFRS 16's recognition and measurement requirements to Short-term leases. The Group has short-term lease that has lease term of less than 12 months with no purchase option.

**Amendments to IAS 19: Plan Amendment, Curtailment or Settlement**

The amendments to IAS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event

- Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments also clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss. An entity then determines the effect of the asset ceiling after the plan amendment, curtailment or settlement. Any change in that effect, excluding amounts included in the net interest, is recognised in other comprehensive income.

The amendments apply to plan amendments, curtailments, or settlements occurring on or after the beginning of the first annual reporting period that begins on or after 1 January 2019, with early application permitted. These amendments will apply only to any future plan amendments, curtailments, or settlements of the Group. It has no significant impact on the Group.

**Annual Improvements 2015-2017 Cycle (issued in December 2017)**

These improvements include:

**IFRS 3 Business Combinations**

The amendments clarify that, when an entity obtains control of a business that is a joint operation, it applies the requirements for a business combination achieved in stages, including remeasuring previously held interests in the assets and liabilities of the joint operation at fair value. In doing so, the acquirer remeasures its entire previously held interest in the joint operation.

An entity applies those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2019, with early application permitted. These amendments will apply on future business combinations of the Group.

**IFRS 11 Joint Arrangements**

A party that participates in, but does not have joint control of, a joint operation might obtain joint control of the joint operation in which the activity of the joint operation constitutes a business as defined in IFRS 3. The amendments clarify that the previously held interests in that joint operation are not remeasured.

An entity applies those amendments to transactions in which it obtains joint control on or after the beginning of the first annual reporting period beginning on or after 1 January 2019, with early application permitted. These amendments are currently not applicable to the Group but may apply to future transactions.

**IAS 12 Income Taxes**

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

An entity applies those amendments for annual reporting periods beginning on or after 1 January 2019, with early application is permitted. When an entity first applies those amendments, it applies them to the income tax consequences of dividends recognised on or after the beginning of the earliest comparative period. Since The Group's current practice is in line with these amendments, this does not have any significant impact on its financial statements.

**IAS 23 Borrowing Costs**

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete. An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 1 January 2019, with early application permitted. The amendments do not have any significant effects on the Group's financial statements as it has always adopted this practice

**IFRIC Interpretation 23 Uncertainty over Income Tax Treatment**

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12 and does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments.

The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

An entity must determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed. The interpretation is effective for annual reporting periods beginning on or after 1 January 2019, but certain transition reliefs are available. The Group has applied interpretation from its effective date. Since the Group operates in a complex multinational tax environment, the interpretaion of the standard does not have a significant effect on the financial statements of the Group.

**Amendments to IAS 28: Long-term interests in associates and joint ventures**

The amendments clarify that an entity applies IFRS 9 to long-term interests in an associate or joint venture to which the equity method is not applied but that, in substance, form part of the net investment in the associate or joint venture (long-term interests). This clarification is relevant because it implies that the expected credit loss model in IFRS 9 applies to such long-term interests.

The amendments also clarifies that, in applying IFRS 9, an entity does not take account of any losses of the associate or joint venture, or any impairment losses on the net investment, recognised as adjustments to the net investment in the associate or joint venture that arise from applying IAS 28 Investments in Associates and Joint Ventures. The amendments should be applied retrospectively and are effective from 1 January 2019, with early application permitted. Since the Group does not have such long-term interests in its associate and joint venture, the amendments will not have an impact on its 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 these standards, if applicable, when they become effective.

**Amendments to IAS 1 and IAS 8 - Definition of Material**

In October 2018, the IASB issued amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.' The amendments clarify that materiality will depend on the nature or magnitude of information, or both. An entity will need to assess whether the information, either individually or in combination with other information, is material in the context of the financial statements. The amendments are effective from 1 January, 2020. This amendment is not expected to have a significant impact on the Group.

IAS 1 "Presentation of Financial Statements" sets out the overall requirements for financial statements, including how they should be structured, the minimum requirements for their content and overriding concepts such as going concern, the accrual basis of accounting and the current/non-current distinction. The standard requires a complete set of financial statements to comprise a statement of financial position, a statement of profit or loss and other comprehensive income, a statement of changes in equity and a statement of cash flows. This amendment is not expected to have a significant impact on the Group.

**Amendment to IFRS 3 - Definition of a Business**

The IASB issued amendments to the definition of a business in IFRS 3 Business Combinations to help entities determine whether an acquired set of activities and assets is a business or not. They clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test. The amendments are effective 1 January, 2020. They are not expected to have a significant impact on the Group.

**IFRS 17 Insurance Contracts**

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

• A simplified approach (the premium allocation approach) mainly for short-duration contracts.

IFRS 17 is effective for reporting periods beginning on or after 1 January 2021, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard is not applicable to the Group.

**IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors**

The amendments address the application in selecting and applying accounting policies, accounting for changes in estimates and reflecting corrections of prior period errors. The standard requires compliance with any specific IFRS applying to a transaction, event or condition, and provides guidance on developing accounting policies for other items that result in relevant and reliable information. Changes in accounting policies and corrections of errors are generally retrospectively accounted for, whereas changes in accounting estimates are generally accounted for on a prospective basis. The ammendment is effecticve for annual reporting periods beginning on or after January 1, 2020 with early application permitted. The Group intends to adopt the amendments once effective.

**IFRS 10 and IAS 28 (amendments) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments has yet to be set by the IASB; however, earlier application of the amendments is permitted. The directors of the Company anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods should such transactions arise.

**(c) Basis of consolidation**

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has power or control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to use its power over the entity to affect the amount of the entity's return. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. In the separate financial statement, investment in subsidiaries is measured at cost less accumulated impairments. Investment in subsidiary is impaired when its recoverable amount is lower than its carrying value. The Group considers all facts and circumstances', including the size of the Group's voting rights relative to the size and dispersion of other vote holders in the determination of control.

If the business consideration is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss. The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

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

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

**(ii) Disposal of subsidiaries**

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

**(iii) Investment in Associates**

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the change in the associate's net assets after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Dilution gains and losses arising in investments in associates are recognised in the statement of profit or loss. In the separate financial statements of the Company, Investment in associates are measured at cost less impairment. Investment in associate is impaired when its recoverable amount is lower than its carrying value.

**(iv) Foreign currency translation**

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

**(v) Transactions and balances in Group entities**

Foreign currency transactions are translated into the functional currency of the respective entity using the exchange rates prevailing on the dates of the transactions or the date of valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of profit or loss.

All other foreign exchange gains and losses are presented in the profit or loss statement within 'other (losses)/gains – net'. Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as fair value through OCI, are included in other comprehensive income.

**(vi) Consolidation of Group entities**

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

- assets and liabilities for each statement of financial position items presented, are translated at the closing rate at the reporting date;
- income and expenses for each profit or loss statement are translated at exchange rates prevailing at the date of transaction.
- all resulting exchange differences are recognised in other comprehensive income.

**(d) Interests in joint arrangements**

IFRS defines joint control as the contractually agreed sharing of control over an economic activity, and this exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the "venturers").

A joint operation (JO) involves joint control and often joint ownership by the Group and other venturers of assets contributed to, or acquired for the purpose of, the joint venture, without the formation of a corporation, partnership or other entity.

When joint control ceases to exist, the Group determines which entity controls the investment and accounts for the investment in accordance to IFRS 10. Where control ceases entirely, the investment is accounted for in line with IAS 39 or IAS 28.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

**(e) Oil and natural gas exploration, evaluation and development expenditure**

Oil and natural gas exploration, evaluation and development expenditure is accounted for using the "successful efforts method of accounting". Costs incurred prior to obtaining legal rights to explore are expensed immediately to the profit or loss statement.

**(i) Pre-licence costs**

Pre-licence costs are expensed in the period in which they are incurred.

**(ii) Licence and property acquisition costs**

Exploration licence and leasehold property acquisition costs are capitalised within intangible assets and are reviewed at each reporting date to confirm that there is no indication that the carrying amount exceeds the recoverable amount. This review includes confirming that exploration drilling is still under way or firmly planned, or that it has been determined, or work is under way to determine, that the discovery is economically viable based on a range of technical and commercial considerations and sufficient progress is being made on establishing development plans and timing.

If no future activity is planned, the carrying value of the licence and property acquisition costs is written off through profit or loss. Upon recognition of proved reserves and internal approval for development, the relevant expenditure is transferred to oil and gas properties.

**(iii) Exploration and evaluation costs**

Exploration and evaluation activity involves the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource.

Licence costs paid in connection with a right to explore in an existing exploration area are capitalised and amortised over the term of the permit.

Once the legal right to explore has been acquired, costs directly associated with an exploration well are capitalised as exploration and evaluation intangible assets until the drilling of the well is complete and the results have been evaluated.

These costs include directly attributable employee remuneration, materials and fuel used, rig costs and payments made to contractors.

Geological and geophysical costs are recognised in profit or loss as incurred.

If no potentially commercial hydrocarbons are discovered, the exploration asset is written off as a dry hole. If extractable hydrocarbons are found and, subject to further appraisal activity (e.g., the drilling of additional wells), are likely to be capable of being commercially developed, the costs continue to be carried as an intangible asset while sufficient/continued progress is made in assessing the commerciality of the hydrocarbons. Costs directly associated with appraisal activity undertaken to determine the size, characteristics and commercial potential of a reservoir following the initial discovery of hydrocarbons, including the costs of appraisal wells where hydrocarbons were not found, are initially capitalised as an intangible asset.

All such capitalised costs are subject to technical, commercial and Management review as well as review for indicators of impairment at least once a year. This is to confirm the continued intent to develop or otherwise extract value from the discovery. When this is no longer the case, the costs are written off to profit or loss.

When proved reserves of oil and natural gas are identified and development is sanctioned by Management, the relevant capitalised expenditure is first assessed for impairment and (if required) any impairment loss is recognised, then the remaining balance is transferred to oil and gas properties. No amortisation is charged during the exploration and evaluation phase.

For exchanges or parts of exchanges that involve only exploration and evaluation assets, the exchange is accounted for at the carrying value of the asset given up and no gain or loss is recognized.

**(iv) Development costs**

Expenditure on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of development wells, including unsuccessful development or delineation wells, is capitalised within oil and gas properties.

**(f) Property, plant and equipment (including Oil and gas properties).**

**(i) Initial recognition**

Oil and gas properties and other property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, excluding land.

The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, the initial estimate of the decommissioning obligation, and for qualifying assets (where applicable), borrowing costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. The capitalised value of a finance lease is also included within property, plant and equipment.

When a development project moves into the production stage, the capitalisation of certain construction/development costs ceases and costs are either regarded as part of the cost of inventory or expensed, except for costs which qualify for capitalisation relating to oil and gas property asset additions, improvements or new developments.

**(ii) Depreciation/amortisation**

Oil and gas properties are depreciated/amortised on a unit-of-production basis over the total proved developed and undeveloped reserves of the field concerned, except in the case of assets whose useful life is shorter than the lifetime of the field, in which case the straight-line method is applied. Rights and concessions are depleted on the unit-of-production basis over the total proved developed and undeveloped reserves of the relevant area. The unit-of-production rate calculation for the depreciation/amortisation of field development costs takes into account expenditures incurred to date, together with sanctioned future development expenditure.

Other property, plant and equipment (excluding land) are generally depreciated on a straight-line basis over their estimated useful life. Property, plant and equipment held under finance leases are depreciated over the shorter of lease term and estimated useful life.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in "other income" in profit or loss when the asset is derecognised.

The asset's residual values, useful life and methods of depreciation/amortisation are reviewed at each reporting period, and adjusted prospectively if necessary.

**Useful life**

The useful life of the assets are estimated as follows:

| **Asset** | **Useful life** |
|---|---|
| Plant and equipment | 10 - 40 years |
| Office equipment | 4 years |
| Furniture and Fittings | 4 years |
| Motor vehicles | 4 years |

Project equipment and civil works are depreciated using the unit of production method.

**(iii) Disposal**

The proceeds on disposal of an item of property, plant and equipment or an intangible asset is recognised initially at its fair value by the Group. However, if payment for the item is deferred, the consideration received is recognised initially at the cash price equivalent. The difference between the nominal amount of the consideration and the cash price equivalent is recognised as interest revenue. Any part of the consideration that is receivable in the form of cash is treated as a definition of a financial asset and is accounted for at amortised cost.

**(iv) Major maintenance, inspection and repairs**

Expenditure on major maintenance refits, inspections or repairs comprises the cost of replacement assets or parts of assets, inspection costs and overhaul costs. Where an asset or part of an asset, that was separately depreciated and is now written off, is replaced and it is probable that future economic benefits associated with the item will flow to the Group, the expenditure is capitalised. Where part of the asset replaced was not separately considered as a component and therefore not depreciated separately, the replacement value is used to estimate the carrying amount of the replaced asset(s) which is immediately written off. Inspection costs associated with major maintenance programmes are capitalised and amortised over the period to the next inspection. All other day-to-day repairs and maintenance costs are expensed as incurred.

**(g) Intangible assets**

**Intangible assets include computer software.**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation (calculated on a straight line basis over their useful life) and accumulated impairment losses, if any. Computer sofware is amortised over 4 years.

Internally generated intangible assets, excluding capitalised development costs, are not capitalised. Instead the related expenditure is recognised in profit or loss in the year in which the expenditure is incurred.

The useful life of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite life are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite life is recognised in profit or loss in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful life are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

**(h) Impairment of non-financial assets (excluding goodwill and indefinite life intangibles)**

The Group assesses at each reporting date whether there is an indication that an asset (or cash-generating unit (CGU)) may be impaired. If any indication exists, or when annual impairment testing for an asset is required, The Group estimates the asset's or CGU's recoverable amount. Recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets, in which case, the asset is tested as part of a larger CGU to it belongs.

Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset/CGU is considered impaired and is written down to its recoverable amount. In calculating value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset/CGU. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of The Group's CGUs to which the individual assets are allocated. These budgets and forecasts generally cover the period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flow after the fifth year.

Impairment losses of continuing operations, including impairment of inventories, are recognised in profit or loss in those expense categories consistent with the function of the impaired asset, except for property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets/CGUs excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, The Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's / CGU's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset / CGU does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset/CGU in prior years. Such a reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase and is recognised through other comprehensive income.

### Goodwill

Goodwill is tested for impairment annually (as at 31 December) and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or Group of CGUs) to which the goodwill relates. Where the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

### Intangible assets with indefinite useful life

Intangible assets with indefinite useful life are tested for impairment annually (as at 31 December) either individually or at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

## (i) Financial assets

### (I) Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and The Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which The Group has applied the practical expedient, The Group initially measures a financial asset at its fair value plus – in the case of a financial asset not at fair value through profit or loss – transaction costs. Trade receivables that do not contain a significant financing component or for which The Group has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policies in section (e) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that The Group commits to purchase or sell the asset.

### ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through profit or loss
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets designated at fair value through OCI with recycling of cumulative gains and losses upon derecognition (debt instruments)

*Financial assets at amortised cost (debt instruments)*

This category is the most relevant to The Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

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

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes trade and other receivables, and corporate bonds.

*Financial assets designated at fair value through OCI (equity instruments)*

Upon initial recognition, The Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation, and are not held for trading. The classification is determined on an instrument-by-instrument basis

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

*Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes unquoted equity securities which The Group had not irrevocably elected to classify at fair value through OCI. Dividends on unquoted equity securities are also recognised as other income in the statement of profit or loss when the right of payment has been established.

*Derecognition*

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

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

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, The Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, The Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that The Group could be required to repay.

*Impairment of financial assets*

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that The Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

For trade receivables and contract assets, The Group applies a simplified approach in calculating ECLs. Therefore, The Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment using the loss rate model.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, The Group may also consider a financial asset to be in default when internal or external information indicates that The Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**(j) Financial liabilities, excluding derivative financial instruments, and equity instruments**

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include borrowings, trade and other payables.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification as described below.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not designated any financial liability as fair value through profit or loss.

Amortised Cost

This is the category most relevant to the Group. After initial recognition, trade and other payables, and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

(iii) Derecognition

A financial liability is derecognised when the associated obligation is discharged or cancelled or expires

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

**(k) Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

**(l) Cash and Short-term Deposits**

Cash and cash equivalents in the statement of financial position comprise cash at banks and at hand and short term deposits with an original maturity of three months or less, but exclude any restricted cash which is not available for use by the Group and therefore is not considered highly liquid – for example cash set aside to cover rehabilitation obligations.

**(m) Fair value measurement**

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

a)In the principal market for the asset or liability OR b)In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, The Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**(n) Inventories**

Inventories are stated at the lower of cost and net realisable value. The cost of producing and refining crude oil is accounted for on a weighted average basis. Inventory include include crude and diesel, including the volume held up in pipes. Net realisable value of crude oil and refined products is based on the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Cost includes all costs incurred in the normal course of business in bringing each product to its present location and condition. The cost of crude oil and refined products is the purchase cost, cost of refining, including the appropriate proportion of depreciation, depletion and amortisation and overheads based on normal capacity.

**(o) Leases**

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at date of inception: whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

I. Group as a lessee

Finance leases, which transfer to The Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in profit or loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that The Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating lease payments are recognised as an operating expense in profit or loss on a straight line basis over the lease term.

II. Group as a lessor

Leases where The Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income.

Contingent rents are recognised as revenue in the period in which they are earned.

**(p) Provisions**

(i) General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost in profit or loss.

(ii) Decommissioning liability

The Group recognises a decommissioning liability when it has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made.

The obligation generally arises when the asset is installed or the ground/environment is disturbed at the field location. When the liability is initially recognised, the present value of the estimated costs is capitalised by increasing the carrying amount of the related oil and gas assets to the extent that it was incurred by the development/construction of the field. Any decommissioning obligations that arise through the production of inventory are expensed as incurred.

Changes in the estimated timing of decommissioning or decommissioning cost estimates are dealt with prospectively by recording an adjustment to the provision, and a corresponding adjustment to property, plant and equipment, in line with IFRIC 1.

Any reduction in the decommissioning liability and, therefore, any deduction from the asset to which it relates, shall not exceed the carrying amount of that asset. If it does, any excess over the carrying value is taken immediately to profit or loss.

If the change in estimate results in an increase in the decommissioning liability and, therefore, an addition to the carrying value of the asset, The Group considers whether this is an indication of impairment of the asset as a whole, and if so, tests for impairment in accordance with IAS 36. If, for mature fields, the revised oil and gas assets net of decommissioning provisions exceeds the recoverable value, that portion of the increase is charged directly to expense.

Over time, the discounted liability is increased for the change in present value based on the discount rate that reflects current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognised in profit or loss as a finance cost.

The Group recognises neither the deferred tax asset regarding the temporary difference on the decommissioning liability nor the corresponding deferred tax liability regarding the temporary difference on a decommissioning asset.

**(q) Income taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit or loss statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where The Group and its subsidiary operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred tax is recognised, using the temporary difference approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

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

#### (iii) Royalties, resource rent tax and revenue-based taxes

In addition to corporate income taxes, The Group's financial statements also include and recognize as taxes on income, other types of taxes on net income which are calculated based on oil and gas production.

Royalties, resource rent taxes and revenue-based taxes are accounted for under IAS 12 when they have the characteristics of an income tax. This is considered to be the case when they are imposed under government authority and the amount payable is based on taxable income – rather than based on quantity produced or as a percentage of revenue – after adjustment for temporary differences. For such arrangements, current and deferred income tax is provided on the same basis as described above for other forms of income tax.

Obligations arising from royalty arrangements and other types of taxes, that do not satisfy these criteria, are recognised as current provisions and included in cost of sales. The revenue taxes payable by Niger Delta Exploration & Production Plc do not meet the criteria for IAS 12 and are thus recognised as part of cost of sales.

#### (iv) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

### (r) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The Group has applied IFRS 15 practical expedient to a portfolio of contracts (or performance obligations) with similar characteristics since the Group reasonably expects that the accounting result will not be materially different from the result of applying the standard to the individual contracts. The Group has been able to take a reasonable approach to determine the portfolios that would be representative of its types of customers and business lines. This has been used to categorise the different revenue stream detailed below.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in another section.

*Sale of crude oil*

Revenue from the sale of oil and petroleum products is recognized when the significant risks and rewards of ownership have been transferred, which is considered to occur when title passes to the customer. This generally occurs when the product is physically transferred into a vessel, pipe or other delivery mechanism.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (if any). In determining the transaction price for the sale of crude oil, the entity considers the existence of significant financing components and consideration payable to the customer (if any).

*Significant financing component*

Using the practical expedient in IFRS 15, the entity does not adjust the promised amount of consideration for the effects of a significant financing component since it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

*Contract balances*

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

*Sale of Gas*

The Group provides gas processing, marketing and transportation services. The Group recognises revenue from gas sale at the point in time when the significant risks and rewards of ownership have been transferred. This generally occurs when the gas have been delivered at the buyer's delivery point for gas. The normal credit term is between 30-45 days upon delivery.

*Variable considerations*

Consideration would be variable if an entity's entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

- Customer usage : Certain contracts have range of possible transaction prices arising from different customer usages. The Group uses the expected value method to estimate the volume of goods the customer will utilise because this method best predicts the amount of variable consideration to which the Group will be entitled. Using the practical expedient in IFRS 15, the Group has elected to recognise revenue based on the amount invoiced to the customer since the Group has a right to consideration from its customer in an amount that corresponds directly with the value to the customer of the Group's performance completed to date.

Consideration payable to a customer

Consideration payable to a customer includes penalties that the Group expects to pay to its customer if it does not deliver the Adjusted Annual Contract Quantity or delivers off-specification gas. The consideration payable to a customer is accounted for as a reduction of the transaction unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to the Group.

The Group recognise the reduction of revenue when (or as) the following events occur:

- the entity recognises revenue for the transfer of the related goods or services to the customer; and
- the entity pays or promises to pay the consideration (even if the payment is conditional on a future event). That promise might be implied by the entity's customary business practices.

The following criteria are also applicable to other specific revenue transactions:

Interest income

For all financial instruments measured at amortised cost and interest-bearing financial assets classified as available for sale, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

Interest revenue is included in finance income in profit or loss.

**(s) Cost of sales**

Cost of sales includes the cost of crude oil and gas inventory (including depreciation, amortization and impairment charges), costs related to transportation, impairment, the allowance for doubtful accounts and inventory write downs.

**(t) Borrowing costs**

Financing expenses comprises interest payable on borrowings are recognised in profit or loss in the period in which they are incurred.

**(u) Retirement benefit liabilities**

The Group currently has only defined contribution plans. Its defined benefits plan was discontinued in 2016. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

**(v) Dividend distribution**

Dividend payment or payable is recognised when the Group becomes liable to make payment of dividend, which is generally when shareholders approve the dividend at the annual general meeting. Proposed dividends on ordinary shares are not recognised as liability.

**(w) Current versus non-current classification**

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.
A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of the Group's financial statements in conformity with IFRS requires Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on Management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates if different assumptions were used and different conditions existed.

In particular, the Group has identified the following areas where significant judgments, estimates and assumptions are required, and where if actual results were to differ, may materially affect the financial position or financial results reported in future periods. Further information on each of these and how they impact the various accounting policies are described in the relevant notes to the financial statements.

**i. Hydrocarbon reserve and resource estimates**

Oil and gas production properties are depreciated on units of production (UOP) basis at a rate calculated by reference to total proved developed and undeveloped reserves determined in accordance with Society of Petroleum Engineers rules and incorporating the estimated future cost of developing those reserves. The Group estimates its commercial reserves based on information compiled by appropriately qualified persons relating to the geological and technical data on the size, depth, shape and grade of the hydrocarbon body and suitable production techniques and recovery rates. Commercial reserves are determined using estimates of oil in place, recovery factors and future oil prices, the latter having an impact on the total amount of recoverable reserves and the proportion of the gross reserves which are attributable to the host government under the terms of the Production-Sharing Agreements. Future development costs are estimated using assumptions as to the number of wells required to produce the commercial reserves, the cost of such wells and associated production facilities, and other capital costs.

As the economic assumptions used may change and as additional geological information is produced during the operation of a field, estimates of recoverable reserves may change. Such changes may impact The Group's reported financial position and results which include:

- The carrying value of exploration and evaluation assets, oil and gas properties, property, and plant and equipmentmay be affected due to changes in estimated future cash flows.
- Depreciation and amortisation charges in profit or loss may change where such charges are determined using the units of production method, or where the useful life of the related assets change.
- Provisions for decommissioning may change - where changes to the reserve estimates affect expectations about when such activities will occur and the associated cost of these activities.
- The recognition and carrying value of deferred income tax assets may change due to changes in the judgements regarding the existence of such assets and in estimates of the likely recovery of such assets.

**ii. Exploration and evaluation expenditures**

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The determination of reserves and resources is itself an estimation process that requires varying degrees of uncertainty depending on sub-classification and these estimates directly impact the point of deferral of exploration and evaluation expenditure. The deferral policy requires Management to make certain estimates and assumptions as to future events and circumstances, in particular whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of the expenditure is unlikely, the relevant capitalised amount is written off in profit or loss in the period when the new information becomes available.

**iii. Units of production depreciation of oil and gas assets**

Oil and gas properties are depreciated using the units of production (UOP) method over total proved developed and undeveloped hydrocarbon reserves. This results in a depreciation/amortisation charge proportional to the depletion of the anticipated remaining production from the field.

Each items' life, which is assessed annually, has regard to both its physical life limitations and to present assessments of economically recoverable reserves of the field at which the asset is located. These calculations require the use of estimates and assumptions, including the amount of recoverable reserves and estimates of future capital expenditure. The calculation of the UOP rate of depreciation could be impacted to the extent that actual production in the future is different from current forecast production based on total proved reserves, or future capital expenditure estimates changes. Changes to prove reserves could arise due to changes in the factors or assumptions used in estimating reserves, including:

- The effect on proved reserves of differences between actual commodity prices and commodity price assumptions.

Or

- Unforeseen operational issues

Changes are accounted for prospectively.

**iv. Recoverability of oil and gas assets**

The Group assesses each asset or cash generating unit (CGU) (excluding goodwill, which is assessed annually regardless of indicators) every reporting period to determine whether any indication of impairment exists.

Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and value in use. These assessments require the use of estimates and assumptions such as long-term oil prices (considering current and historical prices, price trends and related factors), discount rates, operating costs, future capital requirements, decommissioning costs, exploration potential, reserves (see Hydrocarbon reserves and resource estimates above) and operating performance (which includes production and sales volumes). These estimates and assumptions are subject to risk and uncertainty. Therefore, there is a possibility that changes in circumstances will impact these projections, which may impact the recoverable amount of assets and/or CGUs.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value for oil and gas assets is generally determined as the present value of estimated future cash flows arising from the continued use of the assets, which includes estimates such as the cost of future expansion plans and eventual disposal, using assumptions that an independent market participant may take into account. Cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Management has assessed its CGUs as being its operations, which is the lowest level for which cash inflows are largely independent of those of other assets.

**v. Decommissioning costs**

Decommissioning costs will be incurred by the Group at the end of the operating life of some of the Group's facilities and properties. The Group assesses its decommissioning provision at each reporting date. The ultimate decommissioning costs are uncertain and cost estimates can vary in response to many factors, including changes to relevant legal requirements, the emergence of new restoration techniques or experience at other production sites. The expected timing, extent and amount of expenditure can also change, for example in response to changes in reserves or changes in laws and regulations or their interpretation. Therefore, significant estimates and assumptions are made in determining the provision for decommissioning. As a result, there could be significant adjustments to the provisions established which would affect future financial results. The provision at reporting date represents Management's best estimate of the present value of the future decommissioning costs required.

**vi. Recovery of deferred income tax assets**

Judgment is required to determine which types of arrangements are considered to be a tax on income in contrast to an operating cost. Judgment is also required in determining whether deferred income tax assets are recognised in the statement of financial position. Deferred income tax assets, including those arising from un-utilised tax losses, require Management to assess the likelihood that the Group will generate sufficient taxable earnings in future periods, in order to utilise recognised deferred income tax assets. Assumptions about the generation of future taxable profits depend on Management's estimates of future cash flows. These estimates of future taxable income are based on forecast cash flows from operations (which are impacted by production and sales volumes, oil and natural gas prices, reserves, operating costs, decommissioning costs, capital expenditure, dividends and other capital management transactions) and judgment about the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred income tax assets recorded at the reporting date could be impacted.

In addition, future changes in tax laws in the jurisdictions in which the Group operates could limit the ability of the Group to obtain tax deductions in future periods.

The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases and pension increases are based on expected future inflation rates for the respective country.

**vii. Fair value hierarchy**

Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility.

Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**viii. Revenue recognition**

The Group applied the following judgements that significantly affects the determination of the amount and timing of revenue from contracts with customers:

*Determining the timing of satisfaction of sales of Crude Oil*

The Group concluded that revenue from sales of crude oil is to be recognised at a point in time; when the customer obtains control of the product. The Group assesses when control is transferred using the indicators below:

- The Group has a present right to payment for the crude oil;
- The customer has legal title to the crude oil;
- The Group has transferred physical possession of the asset and delivery note received;
- The customer has the significant risks and rewards of ownership of the crude oil; and
- The customer has accepted the asset.

**ix Provision for expected credit losses of trade receivables and contract assets**

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the customer sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

**x Contingencies**

By their nature, contingencies will only be resolved when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgment and the use of estimates regarding the outcome of future events.

## 3 Revenue

### 3.1 Disaggregated revenue information

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| **Segments** | **₦ '000** | **₦ '000** | **₦ '000** | **₦ '000** |
| Oil | 38,307,293 | 29,426,722 | - | - |
| Diesel | 3,005,492 | 4,385,193 | - | - |
| Gas | 4,646,112 | 5,239,673 | - | - |
| **Total revenue** | **45,958,897** | **39,051,588** | - | - |
| **Geographical markets** | | | | |
| Within Nigeria | 45,958,897 | 39,051,588 | - | - |
| Outside Nigeria | - | - | - | - |
| **Total revenue from contracts with customers** | **45,958,897** | **39,051,588** | - | - |
| Timing of revenue recognition | | | | |
| Goods transferred at a point in time | 45,958,897 | 39,051,588 | - | - |
| Goods transferred over time | - | - | - | - |
| **Total revenue from contracts with customers** | **45,958,897** | **39,051,588** | - | - |

**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 invoice.

**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 Diesel**

The performance obligation is satisfied at a point in time, when the product is lifted by the customer/distributor and payment is generally due within 0 to 30 days.

The Group has applied the practical expedient in paragraph 121 of IFRS 15 and did not disclose information about remaining performance obligations that have original expected durations of one year or less.

| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
|---|---|---|---|---|
| **Contract balances** | **₦ '000** | **₦ '000** | **₦ '000** | **₦ '000** |
| Trade receivables | 8,688,176 | 5,199,583 | 212,934 | - |
| Contract liabilities | - | - | - | - |

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

Performance obligation for crude oil, diesel 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 diesel are due between 0 to 30 days.

## 4 Cost of sales

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | ₦ '000 | ₦ '000 | ₦ '000 | ₦ '000 |
| Consultancy fee | 2,438,566 | 2,004,464 | - | - |
| Crude oil handling charges | 3,012,307 | 2,337,464 | - | - |
| Depreciation and amortisation (Note 9) | 5,518,419 | 5,327,596 | - | - |
| Exploration costs - OPL 227 | 16,977,030 | - | | |
| Flowstation expenses | 342,580 | 750,669 | - | - |
| Materials, supplies and pollution control | 239,419 | 91,208 | - | - |
| Repairs and maintenance | 195,822 | 476,289 | - | - |
| Royalties to FGN | 2,452,891 | 3,550,220 | - | - |
| Statutory expenses | 45,969 | 32,230 | - | - |
| Staff costs (Note 8) | 2,327,818 | 1,683,302 | - | - |
| Stock adjustment | (3,545,529) | - | - | - |
| **Total** | **30,005,292** | **16,253,442** | - | - |

Consultancy fee include provisions for advisory, technical, corporate and financial services.
Stock adjustment relates to the net movement in the value of inventory in the tank in the year.

Exploration costs refer to the one-off costs of the appraisal well drilled in the shallow offshore OPL 227 block. It includes ₦842m of prior year spends. Management considers it prudent to write off these costs as it is not currently probable that these costs will be recovered from the asset.

## 5. Other income

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | ₦ '000 | ₦ '000 | ₦ '000 | ₦ '000 |
| Dividend received from Financial Assets (note 13) | 10,982 | 9,197 | 10,982 | 9,197 |
| Distribution from NDPR | - | - | 4,000,000 | 5,000,000 |
| Fee income | - | 174,907 | - | - |
| Gain on disposal of property, plant and equipment | - | 1,000 | - | - |
| Miscellaneous | - | - | - | - |
| Provision no longer required | 2,373,468 | - | 2,373,468 | - |
| Unrealised exchange gain | 1,647,590 | 3,623,284 | 1,604,567 | 445,833 |
| Write-back of expected credit loss | 12,757 | - | 228,976 | 72,020 |
| **Total** | **4,044,797** | **3,808,388** | **8,217,993** | **5,527,050** |

Provision no longer required relates to the ACA investment transaction costs.

## 6 General and administrative expenses

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
| | **₦ '000** | **₦ '000** | **₦ '000** | **₦ '000** |
| Auditor's remuneration | 50,000 | 53,627 | 15,750 | 19,851 |
| Bank charges | 126,526 | 212,156 | 37,848 | 50,225 |
| Community development expenses | (99,252) | 718,656 | 9,413 | 11,061 |
| Depreciation and amortisation (Note 9) | 251,546 | 225,860 | 18,784 | 32,540 |
| Directors' fees | 66,508 | 63,100 | 66,508 | 63,100 |
| Expected credit loss of financial assets (note 13) | - | 6,463 | - | - |
| Fuel and Utilities | 112,240 | 97,381 | 4,418 | 10,528 |
| Information technology expenses | 359,897 | 153,955 | 35,666 | 6,497 |
| Insurance | 359,317 | 521,687 | 88,438 | 36,903 |
| Other expenses | 299,569 | 415,219 | 56,968 | 296,290 |
| Permits, registrations and subscriptions | 211,440 | 1,559,255 | 51,393 | 1,259,042 |
| Professional fees | 1,191,781 | 1,137,914 | 248,472 | 392,741 |
| Repairs and maintenance | 862,048 | 521,881 | 1,375 | 10,843 |
| Staff costs (Note 8) | 1,551,879 | 1,122,202 | 306,134 | 325,090 |
| Training | 43,438 | 33,195 | 75 | 7,860 |
| Travelling | 146,918 | 193,982 | 3,082 | 49,354 |
| **Total** | **5,533,855** | **7,036,533** | **944,324** | **2,571,925** |

Other expenses consist of donations, printing and stationery, and other related administrative costs incurred during the year. Professional fees consist of cleaning service, advisory services, security service, legal fees and registral management fee.

Community expenses turned negative due to an over accrual from prior year.

**Credit loss expense**

The table below shows the ECL charges on financial instruments for the year recorded in the profit or loss:

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | **Stage 1 Individual** | **"Stage 1 Individual** | **Simplified Model** | **Simplified Model** |
| | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
| | **₦ '000** | **₦ '000** | **₦ '000** | **₦ '000** |
| Debt instruments measured | | | | |
| at amortised cost -Corporate bonds (note 13) | - | 6,463 | - | - |
| Write-back of expected credit losses (note 17) | (12,757) | - | (228,976) | (72,020) |
| | **(12,757)** | **6,463** | **(228,976)** | **(72,020)** |

## 7 Finance cost and income

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | ₦ '000 | ₦ '000 | ₦ '000 | ₦ '000 |
| **Interest expense**: | | | | |
| Bank borrowings | 2,924,024 | 462,110 | - | - |
| IPIN Interest | 141,051 | 139,564 | - | - |
| Provisions: unwinding of discount (Note 22) | 115,630 | 132,198 | - | - |
| **Finance costs** | **3,180,705** | **733,872** | **-** | **-** |
| **Finance income:** | | | | |
| Interest income | 268,863 | 1,077,998 | 155,750 | 52,211 |
| Coupon on Bonds | 35,990 | 26,137 | - | - |
| – Remeasurement of borrowings at amortised cost | - | - | - | - |
| **Finance income** | **304,853** | **1,104,135** | **155,750** | **52,211** |
| **Net (finance costs)/finance income** | **(2,875,852)** | **370,263** | **155,750** | **52,211** |

## 8. Staff costs

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | ₦ '000 | ₦ '000 | ₦ '000 | ₦ '000 |
| **Included in cost of sales**: | | | | |
| Salaries and other staff costs | 2,327,818 | 1,683,302 | - | - |
| **Included in general admin expenses:** | | | | |
| Salaries and other staff costs | 1,551,879 | 1,122,202 | 306,134 | 325,090 |
| **Total** | **3,879,697** | **2,805,504** | **306,134** | **325,090** |

## 9 Depreciation and amortisation

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | ₦ '000 | ₦ '000 | ₦ '000 | ₦ '000 |
| **Included in cost of sales:** | | | | |
| Depreciation of oil and gas properties | 5,518,419 | 5,327,596 | - | - |
| **Included in general admin expenses:** | | | | |
| Depreciation of other property, plant and equipment | 235,876 | 177,727 | 9,727 | 14,049 |
| Amortisation of intangible assets | 15,670 | 48,133 | 9,057 | 18,491 |
| **Total in general admin expenses** | 251,546 | 225,860 | 18,784 | 32,540 |
| **Total** | **5,769,965** | **5,553,456** | **18,784** | **32,540** |

## 10. 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 in issue during the year excluding ordinary shares purchased by the Company and held as treasury shares.

| | 31-Dec-19 | 31-Dec-18 |
|---|---|---|
| | ₦ '000 | ₦ '000 |
| Profit attributable to equity holders of the Group | 19,497,581 | 37,424,097 |
| **Total** | **19,497,581** | **37,424,097** |

| | 31-Dec-19 | 31-Dec-18 |
|---|---|---|
| | Number | Number |
| Weighted average number of ordinary shares in issue | **217,242,218** | **181,408,450** |

| | 31-Dec-19 | 31-Dec-18 |
|---|---|---|
| **Basic earnings per share (₦)** | **89.75** | **206.30** |
| **Diluted earnings per share (₦)** | **89.75** | **206.30** |

**Basic – THE COMPANY**

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 in issue during the year excluding ordinary shares purchased by the Company and held as treasury shares.

| | 31-Dec-19 | 31-Dec-18 |
|---|---|---|
| | ₦ '000 | ₦ '000 |
| Profit attributable to equity holders of the Company | 7,431,848 | 2,978,390 |

| | 31-Dec-19 | 31-Dec-18 |
|---|---|---|
| | Number | Number |
| Weighted average number of ordinary shares in issue | 217,242,218 | 181,408,450 |

| | 31-Dec-19 | 31-Dec-18 |
|---|---|---|
| **Basic and diluted earnings per share (₦)** | **₦34.21** | **₦16.42** |

## 11. Property, plant and equipment

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | ₦'000 | ₦'000 | ₦'000 | ₦'000 |
| Oil and gas properties (11a) | 121,350,383 | 93,002,859 | - | - |
| Other property, plant and equipment (11b) | 1,934,378 | 1,250,395 | 1,897,675 | 2,703,136 |
| **Total** | **123,284,761** | **94,253,254** | **1,897,675** | **2,703,136** |

## 11a THE GROUP

| OIL AND GAS PROPERTIES | Project Equipment N'000 | Civil works N'000 | Gas pipeline N'000 | Gas plant facilities N'000 | Motor vehicles N'000 | Assets under development N'000 | Total N'000 |
|---|---|---|---|---|---|---|---|
| **Cost:** | | | | | | | |
| **Balance at 1 January 2018** | 71,400,758 | 2,620,652 | 6,796,741 | 20,913,412 | 98,581 | 16,099,978 | 117,930,122 |
| Exchange difference | 350,747 | 13,335 | 33,427 | 107,629 | - | 59,549 | 564,687 |
| Reclassifications | 87,525 | - | - | - | - | (87,525) | - |
| Additions | 879,419 | 90,681 | - | 971,084 | - | 27,227,978 | 29,169,162 |
| Changes in decommisioning assets | 647,583 | - | - | - | - | - | 647,583 |
| **Balance at 31 December 2018** | **73,366,032** | **2,724,668** | **6,830,168** | **21,992,125** | **98,581** | **43,299,980** | **148,311,554** |
| **Balance at 1 January 2019** | 73,366,032 | 2,724,668 | 6,830,168 | 21,992,125 | 98,581 | 43,299,980 | 148,311,554 |
| Exchange difference | 209 | 1,299 | - | 3,762 | - | 47,575 | 52,845 |
| Reclassifications/Transfer | 14,590,530 | - | - | - | (98,581) | (14,598,740) | (106,791) |
| Additions | 2,965,487 | 264,244 | - | 765,004 | - | 19,445,095 | 23,439,830 |
| Write-offs | - | - | - | - | - | (842,322) | (842,322) |
| Changes in decommisioning assets | 11,212,620 | - | - | - | - | - | 11,212,620 |
| **Balance at 31 December 2019** | 102,134,878 | 2,990,211 | 6,830,168 | 22,760,891 | - | 47,351,588 | 182,067,736 |
| **Depreciation:** | | | | | | | |
| **Balance at 1 January 2018** | 43,283,754 | 1,977,774 | 1,289,275 | 3,065,329 | 98,581 | - | 49,714,713 |
| Exchange difference | 234,603 | 10,368 | 6,340 | 15,075 | - | - | 266,386 |
| Depreciation for the year | 4,499,396 | 130,321 | 162,721 | 535,158 | - | - | 5,327,596 |
| **Balance at 31 December 2018** | 48,017,753 | 2,118,463 | 1,458,336 | 3,615,562 | 98,581 | - | 55,308,695 |
| **Balance at 1 January 2019** | 48,017,753 | 2,118,463 | 1,458,336 | 3,615,562 | 98,581 | - | 55,308,695 |
| Exchange difference | (10,199) | (3,985) | 776 | 2,228 | - | - | (11,180) |
| Depreciation for the year | 4,807,379 | 100,356 | 157,694 | 452,990 | - | - | 5,518,419 |
| Transfer | - | - | - | - | (98,581) | - | (98,581) |
| **Balance at 31 December 2019** | 52,814,933 | 2,214,834 | 1,616,806 | 4,070,780 | - | - | 60,717,353 |
| **Net book value:** | | | | | | | |
| **At 31 December 2019** | 49,319,945 | 775,377 | 5,213,362 | 18,690,111 | - | 47,351,588 | 121,350,383 |
| At 31 December 2018 | 25,348,279 | 606,205 | 5,371,832 | 18,376,563 | - | 43,299,980 | 93,002,859 |

There are no impairments in Property, Plant, and Equipment during the year. See Note 21 for assets pledged as collateral for borrowings. There are no capital commitments in respect of PPE expenditures. Write off is included in exploration costs (Note 8)

*Notes to the Consolidated and Separate Financial Statements – continued*

**11b THE GROUP**

**OTHER PROPERTY, PLANT AND EQUIPMENT**

| | Plant and machinery ₦'000 | Furniture and Fittings ₦'000 | Office equipment ₦'000 | Motor vehicles ₦'000 | Building ₦'000 | Land ₦'000 | Total ₦'000 |
|---|---|---|---|---|---|---|---|
| **Cost:** | | | | | | | |
| **Balance at 1 January 2018** | 272,809 | 77,899 | 1,337,053 | 854,848 | 308,978 | 569,000 | 3,420,587 |
| Exchange difference | 1,238 | 226 | 6,765 | 5,016 | - | - | 13,245 |
| Additions | - | 1,276 | 86,729 | 161,833 | 39,014 | - | 288,852 |
| Disposal | - | - | - | (8,585) | - | - | (8,585) |
| **Balance at 31 December 2018** | 274,047 | 79,401 | 1,430,547 | 1,013,112 | 347,992 | 569,000 | 3,714,099 |
| | | | | | | | |
| **Balance at 1 January 2019** | 274,047 | 79,401 | 1,430,547 | 1,013,112 | 347,992 | 569,000 | 3,714,099 |
| Exchange difference | - | - | 699 | 367 | - | - | 1,066 |
| Additions | - | | 139,529 | 147,000 | 628,036 | - | 914,565 |
| Transfer | - | - | 8,210 | 98,581 | - | - | 106,791 |
| Disposals | - | - | - | - | - | - | - |
| **Balance at 31 December 2019** | 274,047 | 79,401 | 1,578,985 | 1,259,060 | 976,028 | 569,000 | 4,736,521 |
| | | | | | | | |
| **Depreciation:** | | | | | | | |
| **Balance at 1 January 2018** | 251,632 | 57,340 | 1,192,449 | 724,290 | 67,013 | - | 2,292,724 |
| Exchange difference | 1,188 | 221 | 5,947 | (5,519) | 1 | - | 1,838 |
| Depreciation for the year | 7,930 | 7,335 | 57,867 | 90,693 | 13,902 | - | 177,727 |
| Disposal | - | - | - | (8,585) | - | - | (8,585) |
| **Balance at 31 December 2018** | 260,750 | 64,896 | 1,256,263 | 800,879 | 80,916 | - | 2,463,704 |
| | | | | | | | |
| **Balance at 1 January 2019** | 260,750 | 64,896 | 1,256,263 | 800,879 | 80,916 | - | 2,463,704 |
| Exchange difference | - | (1) | 3,983 | (13) | 13 | - | 3,982 |
| Depreciation for the year | 7,362 | 5,574 | 96,000 | 112,168 | 14,772 | - | 235,876 |
| Transfer | - | - | - | 98,581 | - | - | 98,581 |
| Disposal | - | - | - | - | - | - | - |
| **Balance at 31 December 2019** | 268,112 | 70,469 | 1,356,246 | 1,011,615 | 95,701 | - | 2,802,143 |
| | | | | | | | |
| **Net book value:** | | | | | | | |
| **At 31 December 2019** | **5,935** | **8,932** | **222,739** | **247,445** | **880,327** | **569,000** | **1,934,378** |
| At 31 December 2018 | 13,297 | 14,505 | 174,284 | 212,233 | 267,076 | 569,000 | 1,250,395 |

There are no impairments in Property, Plant, and Equipment during the year. See Note 21 for assets pledged as collateral for borrowings. There are no capital commitments in respect of PPE expenditures.

**11b THE COMPANY**

**PROPERTY, PLANT AND EQUIPMENT**

| | Plant and machinery ₦'000 | Furniture and Fittings ₦'000 | Office equipment ₦'000 | Motor vehicles ₦'000 | Assets under development ₦'000 | Total ₦'000 |
|---|---|---|---|---|---|---|
| **Cost:** | | | | | | |
| **Balance at 1 January 2018** | 21,172 | 33,130 | 42,817 | 14,102 | 502,052 | 613,273 |
| Additions | - | - | 1,282 | - | 2,181,095 | 2,182,377 |
| **Balance at 31 December 2018** | 21,172 | 33,130 | 44,099 | 14,102 | 2,683,147 | 2,795,650 |
| **Balance at 1 January 2019** | 21,172 | 33,130 | 44,099 | 14,102 | 2,683,147 | 2,795,650 |
| Additions | - | - | - | - | 46,588 | 46,588 |
| Transfer | | | | | ( 842,322) | (842,322) |
| Disposal | - | - | - | - | - | - |
| **Balance at 31 December 2019** | 21,172 | 33,130 | 44,099 | 14,102 | 1,887,413 | 1,999,916 |
| **Depreciation:** | | | | | | |
| **Balance at 1 January 2018** | 16,048 | 12,571 | 35,744 | 14,102 | - | 78,465 |
| Depreciation for the year | 1,915 | 7,095 | 5,039 | - | - | 14,049 |
| **Balance at 31 December 2018** | 17,963 | 19,666 | 40,783 | 14,102 | - | 92,514 |
| **Balance at 1 January 2019** | 17,963 | 19,666 | 40,783 | 14,102 | - | 92,514 |
| Depreciation for the year | 2,420 | 5,213 | 2,094 | (13) | 13 | 9,727 |
| Disposal | - | - | - | - | - | - |
| **Balance at 31 December 2019** | 20,383 | 24,879 | 42,877 | 14,089 | 13 | 102,241 |
| **Net book value:** | | | | | | |
| At 31 December 2019 | 789 | 8,251 | 1,222 | 13 | 1,887,400 | 1,897,675 |
| At 31 December 2018 | 3,209 | 13,464 | 3,316 | - | 2,683,147 | 2,703,136 |

Write off is included in exploration costs (Note 8)

## 12 Intangible assets

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | Software | Total | Software | Total |
| | ₦ '000 | ₦ '000 | ₦ '000 | ₦'000 |
| **Cost:** | | | | |
| **Balance at 1 January 2018** | 202,861 | 202,861 | 100,898 | 100,898 |
| Exchange difference | 598 | 598 | - | - |
| Additions | 52,248 | 52,248 | 32,288 | 32,288 |
| **Balance at 31 December 2018** | **255,707** | **255,707** | **133,186** | **133,186** |
| **Balance at 1 January 2019** | 255,707 | 255,707 | 133,186 | 133,186 |
| Exchange difference | 3,984 | 3,984 | - | - |
| Addition | 11,480 | 11,480 | 3,940 | 3,940 |
| **Balance at 31 December 2019** | **271,171** | **271,171** | **137,126** | **137,126** |
| **Amortisation:** | | | | |
| **Balance at 1 January 2018** | 155,304 | 155,304 | 82,533 | 82,533 |
| Exchange difference | 503 | 503 | - | - |
| Amortisation charge for the year | 48,133 | 48,133 | 18,491 | 18,491 |
| **Balance at 31 December 2018** | **203,940** | **203,940** | **101,024** | **101,024** |
| **Balance at 1 January 2019** | 203,940 | 203,940 | 101,024 | 101,024 |
| Exchange difference | - | - | - | - |
| Amortisation charge for the year | 15,670 | 15,670 | 9,057 | 9,057 |
| **Balance at 31 December 2019** | 219,610 | 219,610 | 110,081 | 110,081 |
| **Net book value:** | | | | |
| **At 31 December 2019** | **51,561** | **51,561** | **27,045** | **27,045** |
| At 31 December 2018 | 51,767 | 51,767 | 32,162 | 32,162 |

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

## 13 Financial assets

Financial assets include the following:

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | ₦ '000 | ₦'000 | ₦'000 | ₦'000 |
| **Fair value through OCI** | | | | |
| *Listed securities:* | | | | |
| Consolidated Hallmark Insurance Plc | 518,635 | - | 518,635 | - |
| *Unlisted securities:* | | | | |
| PetroData Management Services Ltd | 281,891 | 137,850 | 281,891 | 137,850 |
| Dharmattan Gas and Power Ltd | 936 | 19,787 | 936 | 19,787 |
| At amortised cost | | | | |
| Corporate Bonds | 339,182 | 288,381 | - | - |
| **Total** | **1,140,644** | **446,018** | **801,462** | **157,637** |

The Group has designated its equity investments as FVOCI on the basis that these are not held for trading. In 2019, the Group received dividends of ₦7.2million (2018: ₦7.2 million) from PetroData Management Services Ltd; ₦187,265 (2018: Nil) from Dharmattan Gas and Power Ltd; ₦1.8 million (2018: ₦1.8 million) from Consolidate Hallmark Insurance Plc which was recorded in the income statement as other income.

The Group did not dispose of or derecognise any FVOCI equity instruments in 2019. Further disclosures on fair value are made in note 33.

As at 31 December 2019, the corporate bonds were impaired to the tune of ₦30m ( 31 Dec 2018 : ₦30m). There are no impairment charges to Profit or Loss in the year. The fair value of the corporate bonds is ₦343m at 31 December 2019 (2018: ₦302m). Contractual cashflows on the bond is ₦307m

## 14 Investment in associate - ND Western Limited

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | ₦ '000 | ₦ '000 | ₦ '000 | ₦'000 |
| At beginning | 65,890,629 | 61,945,773 | 7,810,062 | 7,810,062 |
| Effects of changes in accounting policies* | - | (5,681,468) | - | - |
| Share of profit | 9,003,466 | 9,392,837 | - | - |
| Share of other comprehensive income(net of tax), may not be reclassified to profit or loss in subsequent periods | 2,177 | 233,487 | - | - |
| **Carrying amount** | **74,896,272** | **65,890,629** | **7,810,062** | **7,810,062** |

*The effects of changes in accounting policies of ND Western Ltd relates to the impact of its adoption of IFRS 9 in 2018. It elected to pass the impact of IFRS 9 into retained earnings without restating comparatives.

The summarised financial statements of ND Western Ltd are presented below;

| **Summarised statement of financial position** | **31-Dec-19** | **31-Dec-18** |
|---|---|---|
| | **₦ '000** | **₦ '000** |
| Current assets | 57,838,629 | 46,697,474 |
| Non current asset | 251,649,787 | 213,890,413 |
| Current liabilities | (102,951,269) | (95,265,683) |
| Non-current liabilities | (26,787,533) | (7,185,960) |
| Net assets | 179,749,614 | 158,136,244 |
| NDEP's share of net assets | 74,896,272 | 65,890,629 |

| **Summarised profit or loss statement** | **31-Dec-19** | **31-Dec-18** |
|---|---|---|
| | **₦'000** | **₦ '000** |
| Revenue | 43,171,411 | 80,773,061 |
| Other income | 27,602,491 | 13,574,141 |
| Operating and Admin expenses | (51,283,364) | (57,640,248) |
| Net finance costs | (5,265,107) | (5,727,418) |
| Profit before taxation | 14,225,431 | 30,979,536 |
| Income tax | 7,382,715 | (8,436,908) |
| Profit after taxation | 21,608,146 | 22,542,628 |
| Other comprehensive income | 5,224 | 560,365 |
| Total comprehensive income | 21,613,370 | 23,102,993 |
| Proportion of Group's ownership | 41.667% | 41.667% |
| Group's share of profit for the year | 9,003,466 | 9,392,837 |
| Group's share of other comprehensive income | 2,177 | 233,487 |

The principal place of business of ND Western is Nigeria and it is accounted for using the equity method. No dividend was received from the associate in the year.

As at 31 December 2019, ND Western reported a capital commitment balance of ₦17.5bn ( 2018: ₦33.7bn).

## 15 Deferred taxation

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

| **Deferred tax assets** | **THE GROUP** | | **THE COMPANY** | |
|---|---|---|---|---|
| | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
| | **₦ '000** | **₦'000** | **₦ '000** | **₦ '000** |
| Accelerated depreciation and amortisation | 11,362,053 | 8,983,184 | - | - |
| Tax losses | 378,919 | 750,988 | - | - |
| Total | 11,740,972 | 9,734,172 | - | - |
| Recognised | (11,740,972) | (9,734,172) | - | - |
| Unrecognised deferred tax assets | - | - | - | - |
| | | | | |
| **Deferred tax liabilities** | | | | |
| Accelerated depreciation and amortisation | 2,247,402 | 589,424 | - | - |
| Decommissioning liabilities | 98,286 | 112,368 | - | - |
| **Total** | **2,345,688** | **701,792** | **-** | **-** |
| | | | | |
| **Deferred taxation** | | | | |
| At start of year | (9,032,380) | (11,711) | - | - |
| Income statement credit | (362,904) | (9,020,669) | - | - |
| **Net deferred tax assets at end of year** | **(9,395,284)** | **(9,032,380)** | **-** | **-** |
| | | | | |
| Reflected in the statement of financial position as: | | | | |
| Deferred tax liabilities | 2,345,688 | 701,792 | - | - |
| Deferred tax assets | (11,740,972) | (9,734,172) | - | - |
| **Net deferred tax assets** | **(9,395,284)** | **(9,032,380)** | **-** | **-** |

Deferred taxes are recoverable in more than one year.

## 16 Inventories

| | **THE GROUP** | | **THE COMPANY** | |
|---|---|---|---|---|
| | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
| | **₦'000** | **₦ '000** | **₦'000** | **₦'000** |
| Crude | 807,446 | 108,811 | - | - |
| Diesel | 21,793 | 27,991 | - | - |
| Materials | 1,222,955 | 1,221,680 | - | - |
| **Total** | **2,052,194** | **1,358,482** | **-** | **-** |

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

## 17 Trade and other receivables

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
| | **₦ '000** | **₦'000** | **₦ '000** | **₦'000** |
| Trade receivables | 8,688,176 | 5,199,583 | 212,934 | - |
| Other receivables | 169,190 | 898,728 | 169,190 | 898,728 |
| Related party receivables (Note 32) | 8,983,423 | 8,713,132 | 20,383,713 | 31,152,821 |
| | 17,840,789 | 14,811,443 | 20,765,837 | 32,051,549 |
| Allowance for expected credit losses | (2,686) | (15,443) | - | (228,976) |
| | **17,838,103** | **14,796,000** | **20,765,837** | **31,822,573** |

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

| | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
|---|---|---|---|---|
| As at 1 January | 15,443 | 15,443 | 228,976 | 300,996 |
| Write-back of expected credit losses | (12,757) | - | (228,976) | (72,020) |
| As at 31 December | **2,686** | **15,443** | - | **228,976** |

Trade receivables are non-interest bearing and are generally on 30-90 day terms. Other receivables relate principally to receivables from Community Trust.

Allowance for expected credit losses on trade and related party receivables is ₦2.7m (Group) and Nil for Company ( 31 Dec 2018: ₦15.4m - Group & ₦229m for Company). The write back of expected credit losses arose from reassessment. See note 33b for credit risk disclosures

## 18 Prepayments

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
| | **₦ '000** | **₦'000** | **₦'000** | **₦ '000** |
| Prepaid expenses | 97,296 | 77,395 | 9,949 | 10,938 |
| Prepaid insurance | 77,184 | 197,912 | 18,097 | 40,783 |
| Other prepayments | 4,148 | 11,974 | 4,148 | 11,974 |
| **Total** | **178,628** | **287,281** | **32,194** | **63,695** |

Other prepayments include prepaid internet access

## 19 Cash and cash equivalents

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
| | **₦'000** | **₦'000** | **₦ '000** | **₦ '000** |
| Cash and bank balances | 7,320,269 | 11,738,733 | 2,640,470 | 3,075,271 |
| Short term deposits | 388,722 | 1,871,532 | 362,287 | 329,517 |
| **Total** | **7,708,991** | **13,610,265** | **3,002,757** | **3,404,788** |

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. The entire balances are also cash and cash equivalent for statement of cashflow purposes..

## 20 Share capital and premium

**Share capital and premium – THE GROUP**

| | Number of shares | Ordinary shares (₦'000) | Share premium (₦'000) | Total (₦'000) |
|---|---|---|---|---|
| **Balance at 1 January 2018** | 181,408,450 | 1,814,084 | 13,008 | 1,827,092 |
| **Balance at 31 December 2018** | **181,408,450** | **1,814,084** | **13,008** | **1,827,092** |
| **Balance at 1 January 2019** | 181,408,450 | 1,814,084 | 13,008 | 1,827,092 |
| - Issue of shares | 35,833,768 | 358,338 | 22,806,662 | 23,165,000 |
| **Balance at 31 December 2019** | **217,242,218** | **2,172,422** | **22,819,670** | **24,992,092** |

The issue of shares represents 35,833,768 units of shares of ₦10 each at $2.23/share issued to African Capital Alliance (ACA). This was approved by the shareholders at the Annual General Meeting held in 2018.

**Share capital and premium – THE COMPANY**

| | Number of shares | Ordinary shares (₦ '000) | Share premium (₦'000) | Total (₦'000) |
|---|---|---|---|---|
| **Balance at 1 January 2018** | 181,408,450 | 1,814,084 | 13,008 | 1,827,092 |
| **Balance at 31 December 2018** | **181,408,450** | **1,814,084** | **13,008** | **1,827,092** |
| **Balance at 1 January 2019** | 181,408,450 | 1,814,084 | 13,008 | 1,827,092 |
| -Issue of shares | 35,833,768 | 358,338 | 22,806,662 | 23,165,000 |
| **Balance at 31 December 2019** | **217,242,218** | **2,172,422** | **22,819,670** | **24,992,092** |

The issue of shares represents 35,833,768 units of shares of ₦10 each at $2.23/share issued to African Capital Alliance (ACA). This was approved by the shareholders at the Annual General Meeting held in 2018.

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

| | Number of shares | Amount (₦ '000) |
|---|---|---|
| **Authorised Share capital** | 275,000,000 | 2,750,000 |
| **Issued and fully paid-up** | 217,242,218 | 2,172,422 |

## 21 Borrowings

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | ₦ '000 | ₦ '000 | ₦ '000 | ₦ '000 |
| GTB | 15,620,076 | 4,551,525 | - | - |
| FCMB | 24,436 | 48,421 | - | - |
| BOI loan | 7,296,881 | 7,438,510 | - | - |
| Petre IPINs | 106,747 | 106,747 | - | - |
| **Total** | **23,048,140** | **12,145,203** | **-** | **-** |
| Current | 5,561,278 | 4,148,000 | - | - |
| Non-current | 17,486,862 | 7,997,203 | - | - |
| **Total** | **23,048,140** | **12,145,203** | **-** | **-** |

**Participating Investment Notes (Petre IPINs)**

On 9th May 2003, by a Share Purchase Agreement ("SPA"), Niger Delta Exploration & Production Plc (NDEP) acquired all the shares of Niger Delta Petroleum Resources Limited of which the net consideration was paid to the then existing shareholders by issuing ordinary shares in NDEP of a total value of US$ 2,113,738 at an agreed price of of US$ 0.30 per share and the issue of NDPR Participating Investment Notes of $ 1.00 each to a value of US$ 2,113,738 at an agreed price of $1.00 per note. They are entitled to cashflow distributions.

**Guaranty Trust Bank Plc (GTB)**

GTB loan facility was secured in November 2018. $15million and $45million of the facility were drawndown in 2018 and 2019 respectively. The loan is repayable every quarter, starting from February 2019 to November 2023. It is secured by: all assets debenture on fixed and floating crude oil assets only of NDPR in Ogbele Field; floating charge on the crude oil produced from the acreage operated by NDPR in OML 54, assignment and domiciliation of crude oil sales proceeds to GTB; charge over collection accounts and corporate guarantee of NDEP Plc for the full facility amount and interest thereon. Interest is payable at 11% per annum.

**First City Monument Bank Ltd (FCMB)**

FCMB loan represents the balance of an original loan sum of ₦86million facility from First City Monument Bank obtained to purchase vehicles. The loan is repayable monthly from November 2016 to November 2020. It is secured by the vehicles purchased. Interest is payable at 21% per annum.

**Bank of Industry Ltd (BOI)**

BOI loan represents a $25million facility from the Bank of Industry, obtained in October 2018. It is repayable monthly, over 6 years, with a one-year moratorium on principal. It is secured by a Bank Guarantee from Access Bank. Interest is payable at 9% per annum.

The exposure of the Company's borrowings to interest rate changes and the contractual repricing dates at the end of the reporting period are as follows:

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | ₦ '000 | ₦ '000 | ₦ '000 | ₦'000 |
| 6-12 months | 5,561,278 | 4,148,000 | - | - |
| 1-5 years | 17,486,862 | 7,997,203 | - | - |
| Over 5 years | - | - | - | - |
| **Total** | **23,048,140** | **12,145,203** | **-** | **-** |

The carrying amounts and fair value of the borrowings are as follows:

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
| | **₦'000** | **₦ '000** | **₦ '000** | **₦ '000** |
| **Carrying amount:** | | | | |
| Borrowings | 23,048,140 | 12,145,203 | - | - |
| **Total** | **23,048,140** | **12,145,203** | **-** | **-** |
| **Fair value:** | | | | |
| Borrowings | 22,899,000 | 12,247,000 | - | - |
| **Total** | **22,899,000** | **12,247,000** | **-** | **-** |

The fair values are based on cash flows discounted using a rate based on the current borrowing rate of 11% for GTB, 21% for FCMB, and 9% for BOI. They are classified as level 2 fair values in the fair value hierarchy.

Changes in liabilities arising from financing activities:

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
| | **₦ '000** | **₦ '000** | **₦ '000** | **₦ '000** |
| Beginning balance | 12,145,203 | 31,645,367 | - | 25,966,000 |
| Additional borrowing | 13,725,000 | 12,200,000 | - | - |
| Repayments | (3,217,642) | (5,767,853) | - | (335,500) |
| Foreign exchange movement | 89,611 | (34,623) | - | - |
| Reclassed to equity (note 28) | - | (23,165,500) | - | (23,165,500) |
| Reclassed to accrued interest (note 23) | - | (2,465,000) | - | (2,465,000) |
| Accrued interest | 183,047 | - | - | - |
| Remeasurements | 122,921 | (267,188) | - | - |
| Closing balance | 23,048,140 | 12,145,203 | - | - |

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

## 22 Decommissioning liabilities

| | THE GROUP | THE COMPANY |
|---|---|---|
| | **₦ '000** | **₦ '000** |
| **Balance at 1 January 2018** | **5,123,944** | - |
| **Charged/(credited) to profit or loss** | | |
| Changes in estimated flows | 647,583 | - |
| Exchange difference | 29,035 | - |
| Unwinding of discount due to passage of time | 132,198 | - |
| **Balance at 31 December 2018** | **5,932,760** | - |
| **Balance at 1 January 2019** | **5,932,760** | - |
| **Charged/(credited) to profit or loss:** | | |
| Additional obligations incurred | - | |
| Changes in estimated flows | 11,212,620 | - |
| Exchange difference | 40,005 | - |
| Unwinding of discount due to passage of time | 115,630 | - |
| **Balance at 31 December 2019** | **17,301,015** | - |

The Group makes full provision for the future cost of decommissioning oil production facilities and pipelines on a discounted basis on the installation of those facilities. The decommissioning provision represents the present value of decommissioning costs relating to oil and gas properties and refining facilities, which are expected to be incurred up to 2035 (revised in 2015 from the initial 10 years' life of the asset). These provisions have been created based on the Group's internal estimates. Assumptions based on the current economic environment have been made which Management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to take into account any material changes to the assumptions. However, actual decommissioning costs will ultimately depend upon future market prices for the necessary decommissioning works required which will reflect market conditions at the relevant time. Furthermore, the timing of decommissioning is likely to depend on when the fields cease to produce at economically viable rates. This, in turn, will depend upon future oil and gas prices, which are inherently uncertain.The discount rate used in the calculation of the provision as at 31 December 2019 is 2.25% (31 December 2018 : 2.87%).

## 23 Trade and other payables

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
| | **₦'000** | **₦ '000** | **₦ '000** | **₦ '000** |
| Accruals | - | 5,006,079 | - | 2,465,500 |
| Royalty payable | 3,588,348 | 3,046,927 | - | - |
| Sundry creditors | 1,975,195 | 1,269,795 | 873,221 | 207,432 |
| Trade payables | 4,621,543 | 11,352,628 | 997,859 | 395,589 |
| Unclaimed dividend | 166,196 | 201,051 | 166,196 | 201,051 |
| | **10,351,282** | **20,876,480** | **2,037,276** | **3,269,572** |

- Trade payables are non-interest bearing and are normally settled on 30-day terms . Sundry creditors include accrued IPIN note dues, and staff payables.
- The Directors consider that the carrying amount of trade payables approximates to their fair value.

## 24 Taxation

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
| | **₦'000** | **₦'000** | **₦'000** | **₦'000** |
| Petroleum profit tax | - | - | - | - |
| Income tax expense | 1,126,683 | 778,251 | - | 14,098 |
| Education tax | 225,953 | 239,126 | - | 939 |
| Under/(Over) provision of prior year taxes | 104,848 | (87,704) | (2,429) | 13,909 |
| **Total current tax** | **1,457,484** | **929,673** | **(2,429)** | **28,946** |
| **Deferred taxation** | | | | |
| Origination of temporary differences | (362,904) | (9,020,669) | - | - |
| **Total deferred tax** | **(362,904)** | **(9,020,669)** | **-** | **-** |
| **Income tax expense/(credit)** | **1,094,580** | **(8,090,996)** | **(2,429)** | **28,946** |

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

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | ₦ '000 | ₦ '000 | ₦ '000 | ₦'000 |
| At 1 January | 979,009 | 1,168,771 | 15,037 | - |
| Tax paid | (1,122,223) | (1,119,435) | (12,608) | (13,909) |
| Prior period (over)/under provision | 104,848 | (87,704) | (2,429) | 13,909 |
| Income tax charge for the year | 1,352,636 | 1,017,377 | - | 15,037 |
| **At 31 December** | **1,314,270** | **979,009** | **-** | **15,037** |

| **Reconciliation of effective tax rate** | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | ₦'000 | ₦ '000 | ₦'000 | ₦'000 |
| **Profit before income tax** | **20,592,161** | **29,333,101** | **7,429,419** | **3,007,336** |
| Income tax using the weighted average domestic corporation tax rate | 8,648,708 | 15,253,214 | 2,228,826 | 902,201 |
| Net origination of temporary differences | (362,904) | (9,020,669) | - | - |
| Education tax levy | 225,953 | 239,126 | - | 939 |
| Non-taxable income | (6,043,774) | (1,488,985) | (2,228,826) | - |
| Disallowed expenses | 5,398,878 | 3,988,860 | - | - |
| Recognition of previously unrecognised tax incentives | (5,284,833) | (9,034,576) | | (888,103) |
| Recognition of previously unrecognised tax losses | - | (3,055,987) | - | - |
| Share of profit from associate taxed at source | (3,781,456) | (4,884,275) | - | - |
| Under/(over) provided in prior years | 104,848 | (87,704) | (2,429) | 13,909 |
| **Total income tax expense/ (credit) in income statement** | **1,094,580** | **(8,090,996)** | **(2,429)** | **28,946** |

## 25. Subsidiaries

The Niger Delta Exploration & Production Plc ('the parent') controls the following subsidiaries:

| | Ownership interest | 31-Dec-19<br>₦ '000 | 31-Dec-18<br>₦'000 |
|---|---|---|---|
| Niger Delta Petroleum Resources Limited (NDPR) | 100% | 50,000 | 50,000 |
| Niger Delta Exploration & Production - Uganda Limited (NDEP Uganda) | 100% | - | 16,003 |
| ND Properties Limited (ND Properties) | 100% | 1,180,206 | 20,000 |
| ND Refineries Limited | 94.0345% | 14,149,460 | 1,000 |
| ND Gas Limited (ND Gas) | 100% | 10,000 | 10,000 |
| | | **15,389,666** | **97,003** |

*Notes to the Consolidated and Separate Financial Statements – continued*

**Summarized statement of profit or loss**

| | Niger Delta Petroleum Resources Ltd | | ND Gas Ltd | | ND Refineries Ltd | | ND Properties Ltd | |
|---|---|---|---|---|---|---|---|---|
| | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
| | **₦'000** | **₦ '000** | **₦ '000** | **₦ '000** | **₦ '000** | **₦ '000** | **₦ '000** | **₦ '000** |
| Revenue | 32,617,539 | 25,918,643 | 13,114,927 | 12,605,181 | 3,005,492 | 4,396,064 | 95,238 | 100,000 |
| Cost of sales | (28,744,680) | (14,673,097) | (2,359,227) | (2,438,148) | (1,888,509) | (3,152,325) | (20,687) | (29,427) |
| | 3,872,859 | 11,245,545 | 10,755,700 | 10,167,033 | 1,116,983 | 1,243,739 | 74,551 | 70,573 |
| Other income | 425,879 | 3,332,182 | 10,319 | 576,006 | 1,679 | 42,551 | 25,347 | - |
| General & Admin expenses | (4,307,908) | (4,023,137) | (413,681) | (538,674) | (157,871) | (310,663) | - | - |
| Net Finance (costs)/income | (2,136,543) | 325,821 | 32 | 16,038 | (895,091) | (23,807) | - | - |
| **(Loss)/Profit before taxation** | **(2,145,713)** | **10,880,411** | **10,352,370** | **10,220,403** | **65,700** | **951,820** | **99,898** | **70,573** |
| Tax (credit)/expense | 2,434,787 | 9,971,613 | (3,478,330 | (1,103,523) | (190,017) | (738,012) | 136,551 | (10,137) |
| **Profit/(Loss) after taxation** | **289,074** | **20,852,024** | **6,874,040** | **9,116,880** | **(124,317)** | **213,808** | **236,449** | **60,436** |
| Other comprehensive income | 1,140,960 | 4,666,410 | 5,661,793 | (4,440,307) | - | - | - | - |
| **Total comprehensive income** | **1,430,034** | **25,518,434** | **12,535,833** | **4,676,573** | **(124,317)** | **213,808** | **236,449** | **60,436** |

**Summarised statement of financial position:**

| | Niger Delta Petroleum Resources Ltd | | ND Gas Ltd | | ND Refineries Ltd | | ND Properties Ltd | |
|---|---|---|---|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | N '000 | N '000 | N '000 | N '000 | N'000 | N '000 | N'000 | N '000 |
| **Assets** | | | | | | | | |
| Property plant & equipment | 48,877,055 | 36,837,897 | 27,213,122 | 23,748,395 | 43,847,569 | 30,127,751 | - | - |
| Intangible assets | 22,166 | 19,321 | - | - | 2,350 | 284 | - | - |
| Deferred tax assets | 12,186,356 | 9,730,768 | - | | - | - | 144,292 | |
| Investment property | - | - | - | - | - | - | 1,449,340 | 836,076 |
| Financial assets | 339,182 | 288,381 | - | - | - | - | - | - |
| Investment in subsidiary | 1,640,071 | - | - | - | - | - | - | - |
| Inventories | 1,159,879 | 502,552 | 870,274 | 827,693 | 22,041 | 28,239 | - | - |
| Trade and other receivables | 6,656,304 | 5,953,552 | 20,345,257 | 5,646,240 | 393,555 | - | 100,494 | 99,525 |
| Prepayments | 145,279 | 223,586 | - | - | 1,155 | - | - | - |
| Cash and cash equivalents | 4,598,275 | 3,238,018 | 106,770 | 428,694 | 65,317 | 6,538,762 | - | - |
| **Total assets** | **75,624,567** | **56,794,075** | **48,535,423** | **30,651,022** | **44,331,987** | **36,695,036** | **1,694,126** | **935,601** |
| **Liabilities** | | | | | | | | |
| Borrowings | 15,815,387 | 4,706,693 | - | - | 7,296,881 | 7,438,510 | - | - |
| Deferred tax liabilities | - | - | 2,502,911 | 356,190 | 432,453 | 342,198 | - | - |
| Decommissioning liabilities | 10,274,211 | 5,932,760 | 2,971,310 | - | 4,055,494 | - | - | - |
| Trade & other payables | 23,981,655 | 17,985,334 | 90,355 | 393,091 | 14,704,350 | 27,586,628 | 71,839 | 707,573 |
| Taxation | (27,365) | 18,643 | 1,316,691 | 783,417 | 17,203 | 151,777 | 7,741 | 1 0,136 |
| **Total liabilities** | **50,043,888** | **28,643,430** | **6,881,266** | **1,532,698** | **26,506,381** | **35,519,113** | **79,580** | **717,709** |
| **Equity** | | | | | | | | |
| Deposit for shares | - | - | - | - | - | - | 1,160,205 | - |
| Share capital | 50,000 | 50,000 | 10,000 | 10,000 | 10,000 | 1,000 | 20,000 | 20,000 |
| Share premium | - | - | - | - | 16,765,000 | - | | |
| Translation reserve | 1,668,670 | 527,710 | 8,714,666 | 3,052,873 | - | - | - | - |
| Retained earnings | 23,862,009 | 27,572,935 | 32,929,491 | 26,055,451 | 1 ,050,606 | 1,174,923 | 434,341 | 1 97,892 |
| **Total equity** | 25,580,679 | 28,150,645 | 41,654,157 | 29,118,324 | 17,825,606 | 1,175,923 | 1,614,546 | 217,892 |
| **Total liabilities and equity** | **75,624,567** | **56,794,075** | **48,535,423** | **30,651,022** | **44,331,987** | **36,695,036** | **1,694,126** | **935,601** |

*Notes to the Consolidated and Separate Financial Statements – continued*

**Summarised statement of cashflows**

| | Niger Delta Petroleum Resources Ltd | | ND Gas Ltd | | ND Refineries Ltd | | ND Propertes Ltd | |
|---|---|---|---|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | ₦'000 | ₦'000 | ₦'000 | ₦'000 | ₦ '000 | ₦'000 | ₦ '000 | ₦'000 |
| Net cash flows from/ (used in) operating activities | 9,698,468 | 16,012,683 | 785,149 | 1,468,068 | (12,466,677) | 13,620,632 | (532,169) | 39,015 |
| Net cash used in investing activities | (14,430,012) | (12,109,045) | (1,107,073) | (955,046) | (9,713,228) | (14,456,183) | (628,036) | (39,015) |
| Net cash flows generated from/(used in) financing activities | 5,004,153 | (6,475,528) | - | - | 15,706,460 | 7,374,313 | 1,160,205 | - |
| **Net increase /(decrease) in cash and cash equivalents** | **272,609** | **(2,571,890)** | **(321,924)** | **513,022** | **(6,473,445)** | **6,538,762** | - | - |

The premilinary cost (₦16m) of setting up NDEP Uganda was written off in 2019 due to lack of operational activities and physical presence. Any future investments will be subject to Management consideration.

## 26 Commitments

As at 31 December 2019, there are no capital commitments that have not been provided for (2018 - Nil ).

## 27 Contingencies

The Group has contingent liabilities in respect of legal suits against Niger Delta Petroleum Resources Limited (NDPR) as the operator of the Ogbele oil field. The possible liabilities from these cases amount to ₦3,027million (2018: ₦2,708million). These have not been incorporated in these financial statements. Management and Group's solicitors are of the opinion the Group will suffer no loss from these claims.

## 28 Deposit for shares

This represents the $80m (₦23.165Bn) investment by African Capital Alliance(ACA) in the Company for 35,833,768 units of shares of ₦10 Naira each at $2.23/share. Ministerial Consent was received from the Federal Government in December 2018 for conversion to equity. All 35,833,768 units of shares have been converted to ordinary shares with equal voting rights and are issued at par value of ₦10 per share.

## 29 Translation reserve

Included in translation reserve are share of other comprehensive income of an associate and foreign currency translation reserve.

## 30 Fair value reserve

This represents the fair value changes in financial assets measured at fair value through other comprehensive income.

## 31 Dividend paid and proposed

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2019 | 2018 | 2019 | 2018 |
| | N'000 | N'000 | N'000 | N'000 |
| *Cash dividends on ordinary shares declared and paid* | | | | |
| Final dividend for 2018: 13 Naira per share ( 2017: 10 Naira per share) | 2,358,304 | 1,814,084 | 2,358,304 | 1,814,084 |
| *Proposed dividends on ordinary shares* | | | | |
| Final dividend for 2019: 17 Naira per share ( 2018: 13 Naira per share) | 3,693,114 | 2,358,304 | 3,693,114 | 2,358,304 |

## 32 Related party disclosures

The consolidated financial statements include the financial statements of Niger Delta Exploration & Production Plc and the subsidiaries listed in the following table:

| | Country of incorporation | % Effective Equity interest 31-Dec-19 | 31-Dec-18 |
|---|---|---|---|
| Niger Delta Petroleum Resources Limited | Nigeria | 100 | 100 |
| ND Gas Limited | Nigeria | 100 | 100 |
| ND Properties Limited | Nigeria | 100 | 100 |
| ND Refineries Limited | Nigeria | 94.0345 | 100 |

The summarised financial statements of these subsidiaries are presented in Note 25.

Other related parties include ND western Limited, an associate company in which the Group has a 41.667% ownership interest.

The ultimate parent of the Group is Niger Delta Exploration & Production Plc.

The following transactions were carried out with related parties:

(a) Sales of goods and services

| | 31-Dec-19 | 31-Dec-18 |
|---|---|---|
| **Goods** | **N'000** | **N'000** |
| – ND Western Limited (Associate) | Nil | Nil |
| Rendering of services: | | |
| – Ultimate parent (legal and administration services) | Nil | Nil |
| **Total** | **Nil** | **Nil** |

(b) Purchase of goods and services

| | 31-Dec-19 | 31-Dec-18 |
|---|---|---|
| | N'000 | N'000 |
| **Rendering of services:** | | |
| – Entity controlled by key Management personnel (Geotrex Systems Limited) | 358,738 | 250,538 |
| **Total** | **358,738** | **250,538** |

Goods and services are bought from associates and an entity controlled by key Management personnel on normal commercial terms and conditions.

(c) Key Management compensation

Key Management includes Directors (executive and non-executive), members of the Executive Committee, the Company Secretary and the Head of Internal Audit. The compensation paid or payable to key Management for employee services is shown below:

| | 31-Dec-19 | 31-Dec-18 |
|---|---|---|
| | ₦'000 | ₦'000 |
| Salaries and other short-term employee benefits | 757,595 | 637,974 |
| Post-employment benefits | 543,972 | 39,366 |
| Total | 1,301,567 | 677,340 |

(d) Year-end balances arising from sales/purchases of goods/services

| | 31-Dec-19 | 31-Dec-18 |
|---|---|---|
| | ₦'000 | ₦'000 |
| *Receivables from related parties* | | |
| ND Western Limited | 8,983,423 | 8,713,132 |

The receivables are unsecured in nature and bear interest at commecial interest rates. No provisions are held against receivables from related parties (2018: nil).

There were no loans to related parties during the year.

## 33 Financial risk management

*Financial risk factors*

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

Risk management is carried out by the Group's senior management, under policies approved by the Board of Directors. The Group identifies, evaluates and hedges financial risks in close co-operation with the Group's functional units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, and investment of excess liquidity.

**(a) Market risk**

Market risk is the risk that changes in market prices - such as currency exchange rates and interest rates - will affect the Group's income or the value of its financial instruments. The aim of managing market risk is to manage exposures within acceptable parameters , while optimising return.

*(i) Currency risk*

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to cash and cash equivalents that are denominated in US dollars. Its exposure to other currencies is immaterial. Its borrowings are repaid from its dollar revenue streams. The Group's policy is to ensure that its net exposure is kept at an acceptable level by buying or selling currencies at spot rates when necessary to address imbalances. The sensitivity of the Group's cash and cash equivalents, receivables and payables, to changes in USD exchange rates is shown below;

| | Currency | Change in exchange rate | 31-Dec-19 ₦'000 | 31-Dec-18 ₦'000 |
|---|---|---|---|---|
| **Cash and cash equivalents** | **USD** | 10% | 479,932 | 917,317 |
| | | -10% | (479,932) | (917,317) |
| **Trade and other receivables** | **USD** | 10% | 1,767,160 | 1,391,272 |
| | | -10% | (1,767,160) | (1,391,272) |
| **Trade and other payables** | **USD** | 10% | 621,077 | 1,252,589 |
| | | -10% | (621,077) | (1,252,589) |
| **Borrowings** | **USD** | 10% | 2,291,696 | 365,696 |
| | | -10% | (2,291,696) | (365,696) |

(ii) Price risk

The Group is exposed to equity securities price risk because of investments in financial assets (Consolidated Hallmark Investment) held by the Group. However, the Group is also exposed to commodity price risk in form of crude oil inventory. Oil prices are determined by market forces which are beyond the control of the Group. Management is currently examining different strategies for managing this risk as market realities unfold. The sensitivity of the Group's earnings and equity to a change in the price per barrel of oil equivalent at year end is shown below:

| | Change in year-end price | 31-Dec-19 ₦'000 | 31-Dec-18 ₦'000 |
|---|---|---|---|
| Barrels of oil equivalents | 10% | 6,353,760 | 4,983,090 |
| | -10% | ( 6,353,760) | (4,983,090) |
| Equity prices | 10% | 51,864 | - |
| | -10% | (51,864) | - |

(iii) Cash flow and interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The Group is not exposed to this risk as it does not have a floating interest rate instrument.

**(b) Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables), and deposits with banks and financial institutions.

*Trade receivables*

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. The Group has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. The requirement for impairment is analysed at each reporting date on an individual basis for all customers. The Group evaluates the concentration of risk with respect to trade receivables as Medium as customers consists of large and reputable oil and gas companies. The Group's maximum exposure to credit risk for the components of the statement of financial position is its carrying amount.

*Deposits with banks and other financial institutions*

Credit risk from balances with banks and financial institutions is managed by the Group's Finance department in accordance with the Group's policy. Surplus funds are spread amongst reputable commercial banks and funds must be within treasury limits assigned to each of the counterparty. Counterparty treasury limits are reviewed by the Group's Finance Director periodically and may be updated throughout the year subject to approval of the Finance Director . The limits are set to minimize the concentration of risks and therefore mitigate financial loss through potential counterparty's failure. The Group's maximum exposure to credit risk for the components of the statement of financial position is its carrying amount.

Imapairment losses

**Nigeria Mapping Table**

| **Global-scale long term local currency rating** | **National scale long term rating** | **National scale short term rating** | **Implied S&P Agusto rating** | **Implied S&P rating class (without modifiers)** | **rating categories (with modifiers)** |
|---|---|---|---|---|---|
| BB+ and above | ngAAA | ngA-1 | AAA | B | B+ |
| BB | ngAA+ | ngA-1 | AA | B | B |
| BB- | ngAA, ngAA- | ngA-1 | AA | B | B |
| B+ | ngA+, ngA, ngA- | ngA-1, ngA-2 | A | B | B |
| B | ngBBB+, | ngA-2, ngA-3 | BBB | B | B- |
| B- | ngBB+, ngBB | ngB | BB | B | B- |
| CCC+ | ngBB-, ngB+ | ngB | B | CCC | CCC+ |
| CCC | ngB, ngB-, | ngC | B | CCC | CCC |
| CCC- | ngCCC, ngCCC- | ngC | CCC | CCC | CCC- |
| CC | ngCC | ngC | CC | CC | CC |
| C | ngC | ngC | C | C | C |
| R | R | R | D | D | D |
| SD | SD | SD | D | D | D |
| D | D | D | D | D | D |

*i* *Trade receivables*

For trade receivables, the Group applied the simplified approach in computing ECL. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses (ECL). The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 17. The Group does not hold collateral as security.

Set out below is the information about the credit risk exposure on the Group's trade receivables as at 31 December 2019 using a provision matrix:

| **31 December 2019** | | | **Trade receivables** | | | |
|---|---|---|---|---|---|---|
| | | | **Days past due** | | | |
| ***In thousands of naira*** | **Current** | **<30 days** | **30-60 days** | **61-90 days** | **>90 days** | **Total** |
| | **N'000** | **N'000** | **N'000** | **N'000** | **N'000** | **N'000** |
| Expected credit loss rate | 0.03% | 0.03% | 0.00% | 0.00% | 0.00% | |
| Estimated total gross carrying amount at default | 8,081,330 | 587,726 | 19,120 | | | **8,688,176** |
| Expected credit loss | 2,525 | 161 | - | - | | **2,686** |

| **31 December 2018** | | | **Trade receivables** | | | |
|---|---|---|---|---|---|---|
| | | | **Days past due** | | | |
| ***In thousands of naira*** | **Current** | **<30 days** | **30-60 days** | **61-90 days** | **>90 days** | **Total** |
| | **N'000** | **N'000** | **N'000** | **N'000** | **N'000** | **N'000** |
| Expected credit loss rate | 0.14% | 0.35% | 37.34% | 2.87% | 2.87% | |
| Estimated total gross carrying amount at default | 4,592,737 | 587,726 | 19,120 | | | **5,199,583** |
| Expected credit loss | 6,248 | 2,055 | 7,140 | | | **15,443** |

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

| | **2019** | **2018** |
|---|---|---|
| | **N'000** | **N'000** |
| **Balance as at 1 January 2019** | 15,443 | 15,443 |
| Provision for expected credit losses | - | - |
| Unused amount reversed | (12,758) | - |
| Changes in credit risk parameters | - | - |
| **Balance as at 31 December 2019** | **2,686** | **15,443** |

The impairment level from 1 Jan 2019 has been revised as there have been significant changes in the ECL impairment estimate.

Loss rates are calculated using a 'loss rate' method based on the amount written off over the life of the financial asset. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected life of the receivables.

*iii Expected credit loss measurement - other financial assets*

The Group applied the general approach in computing expected credit losses (ECL) for corporate bonds, IntraGroup receivables and short-term deposits. The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

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

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

The 12-month and Lifetime PDs are derived by mapping the internal rating grade of the obligors to the PD term structure of an external rating agency for all asset classes. The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type. The assumptions underlying the ECL calculation – such as how the maturity profile of the PDs, etc. – are monitored and reviewed on a regular basis. There have been no significant changes in estimation techniques or significant assumptions made during the reporting period. The significant changes in the balances of the other financial assets including information about their impairment allowance are disclosed below respectively.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows

**Analysis of inputs to the ECL model under multiple economic scenarios**

An overview of the approach to estimating ECLs is set out in Note 2.b(ii) Summary of significant accounting policies and in Note 2 Significant accounting judgements, estimates and assumptions. To ensure completeness and accuracy, the Group obtains the data used from third party sources (Central Bank of Nigeria, Standards and Poor's etc.) and a team of expert within its credit risk department verifies the accuracy of inputs to the Group's ECL models including determining the weights attributable to the multiple scenarios. The following tables set out the key drivers of expected loss and the assumptions used for the Group's base case estimate, ECLs based on the base case, plus the effect of the use of multiple economic scenarios.

The tables show the values of the key forward looking economic variables/assumptions used in each of the economic scenarios for the ECL calculations. The figures for "Subsequent years" represent a long-term average and so are the same for each scenario.

| **31 December 2019** | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Key drivers** | **Assigned Probabilities** | **ECL Scenario** | **2020** | **2021** | **2021** | **2022** | **2023** | **2024** | **Subsequent years** |
| **GDP growth** | | | | | | | | | |
| | 10% | Upturn | 0.29 | 0.32 | 0.32 | 0.35 | 0.38 | 0.41 | 0.41 |
| | 80% | Base | 19.00 | 0.15 | 0.15 | 0.16 | 0.14 | 0.15 | 0.15 |
| | 10% | Downturn | 0.11 | 0.08 | 0.08 | 0.05 | 0.02 | -0.01 | -0.01 |
| **Oil Price %** | | | | | | | | | |
| | 10% | Upturn | 59.00 | 62.00 | 62.00 | 65.00 | 68.00 | 71.00 | 71.00 |
| | 80% | Base | 57.00 | 62.00 | 62.00 | 54.00 | 56.00 | 57.00 | 57.00 |
| | 10% | Downturn | 41.00 | 38.00 | 38.00 | 35.00 | 32.00 | 29.00 | 29.00 |
| **Exchange rate %** | | | | | | | | | |
| | 10% | Upturn | 175.00 | 165.00 | 165.00 | 170.00 | 160.00 | 155.00 | 155.00 |
| | 80% | Base | 209.48 | 230.95 | 230.95 | 219.95 | 242.49 | 254.62 | 254.62 |
| | 10% | Downturn | 214.99 | 237.02 | 237.02 | 225.74 | 248.87 | 261.32 | 261.32 |
| **Inflation rate %** | | | | | | | | | |
| | 10% | Upturn | 24.00 | 20.00 | 20.00 | 22.00 | 18.00 | 16.00 | 16.00 |
| | 80% | Base | 32.00 | 34.00 | 34.00 | 33.00 | 35.00 | 36.00 | 36.00 |
| | 10% | Downturn | 36.00 | 40.00 | 40.00 | 38.00 | 42.00 | 44.00 | 44.00 |

| **31 December 2018** | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Key drivers** | **Assigned Probabilities** | **ECL Scenario** | **2019** | **2020** | **2021** | **2022** | **2023** | **Subsequent years** |
| **GDP growth** | | | | | | | | |
| | 10% | Upturn | 0.26 | 0.29 | 0.32 | 0.35 | 0.38 | 0.41 |
| | 80% | Base | 0.20 | 19.00 | 0.15 | 0.16 | 0.14 | 0.15 |
| | 10% | Downturn | 0.14 | 0.11 | 0.08 | 0.05 | 0.02 | -0.01 |
| **Oil Price %** | | | | | | | | |
| | 10% | Upturn | 56.00 | 59.00 | 62.00 | 65.00 | 68.00 | 71.00 |
| | 80% | Base | 55.00 | 57.00 | 62.00 | 54.00 | 56.00 | 57.00 |
| | 10% | Downturn | 44.00 | 41.00 | 38.00 | 35.00 | 32.00 | 29.00 |
| **Exchange rate %** | | | | | | | | |
| | 10% | Upturn | 180.00 | 175.00 | 165.00 | 170.00 | 160.00 | 155.00 |
| | 80% | Base | 199.50 | 209.48 | 230.95 | 219.95 | 242.49 | 254.62 |
| | 10% | Downturn | 204.75 | 214.99 | 237.02 | 225.74 | 248.87 | 261.32 |
| **Inflation rate %** | | | | | | | | |
| | 10% | Upturn | 26.00 | 24.00 | 20.00 | 22.00 | 18.00 | 16.00 |
| | 80% | Base | 31.00 | 32.00 | 34.00 | 33.00 | 35.00 | 36.00 |
| | 10% | Downturn | 34.00 | 36.00 | 40.00 | 38.00 | 42.00 | 44.00 |

The following tables outline the impact of multiple scenarios on the allowance:

| **31 December 2019** | **Corporate Bonds** | **IntraGroup recivables** | **Total** |
|---|---|---|---|
| | **₦'000** | **₦'000** | **₦'000** |
| Upside (10%) | 3,006 | - | 3,006 |
| Base (80%) | 24,044 | - | 24,044 |
| Downside (10%) | 3,006 | - | 3,006 |
| **Total** | 30,056 | - | 30,056 |

| **31 December 2018** | **Corporate Bonds** | **IntraGroup recivables** | **Total** |
|---|---|---|---|
| | **₦'000** | **₦'000** | **₦'000** |
| Upside (10%) | 3,006 | 33,982 | 36,988 |
| Base (80%) | 24,044 | 161,012 | 185,056 |
| Downside (10%) | 3,006 | 33,982 | 36,988 |
| **Total** | 30,056 | 228,976 | 259,032 |

**Impairment allowance for financial assets under general approach**

In assessing the Group's internal rating process, the Group's customers and counter parties are assessed based on a credit scoring model that takes into account various historical, current and forward-looking information such as:

- Any publicly available information on the Group's customers and counter parties from external parties. This includes external rating grades issued by rating agencies, independent analyst reports, publicly traded bond or press releases and articles.
- Any macro-economic or geopolitical information, e.g., GDP growth relevant for the specific industry and geographical segments where the client operates.
- Any other objectively supportable information on the quality and abilities of the client's management relevant for the Group's performance.

The table below shows the Group's internal credit rating grades.

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system are explained in below and policies on whether ECL allowances are calculated on an individual or collective basis are set out below.

| **Internal rating grade** | **Internal rating description** | **12 month PD range** | **Implied S&P rating** |
|---|---|---|---|
| 1 | High grade | 0.00% - 0.58% | Very Good+ |
| 2 | High grade | 0.58% - 1.42% | Very Good |
| 3 | High grade | 1.42% - 2.43% | Very Good- |
| 4 | Standard grade | 2.43% - 16.3% | Good+ |
| 5 | Standard grade | 16.3% - 28.05% | Good |
| 7 | Sub-standard grade | 28.05% - 41.03% | Average+ |
| 8 | Past due but not impaired | 41.03% - 100 | Bad |
| **Non- performing** | | | |
| 9 | Individually impaired | 100% | Very Bad |

***Group - Intercompany receivables***

An analysis of changes in the gross carrying amount and the corresponding ECL allowances is, as follows:

| | Stage 1 | Stage 2 | Stage 3 | Total |
|---|---|---|---|---|
| | ₦'000 | ₦'000 | ₦'000 | ₦'000 |
| Gross carrying amount as at 1 January 2019 | 8,713,132 | - | - | 8,713,132 |
| New asset purchased | 270,291 | - | - | 270,291 |
| **At 31 December 2019** | **8,983,423** | **-** | **-** | **8,983,423** |

| ***Company- Intercompany receivables*** | **2019** | **2018** |
|---|---|---|
| ***Internal grading system*** | ***Stage 1*** | |
| | ***Individual*** | ***Total*** |
| | ***₦'000*** | ***₦'000*** |
| Standard grade | 339,821 | 339,821 |
| | **339,821** | **339,821** |

| ***Related party receivables*** | **2019** | |
|---|---|---|
| | ***Stage 1*** | |
| | ***Individual*** | ***Total*** |
| | ***₦'000*** | ***₦'000*** |
| **Gross carrying amount as at 1 January 2019** | **31,152,821** | **31,152,821** |
| New assets originated or purchased | 20,383,713 | 20,383,713 |
| Assets derecognised or repaid (excluding write offs) | (31,152,821) | (31,152,821) |
| | **20,383,713** | **20,383,713** |

| | **2019** | |
|---|---|---|
| ***Impairment allowance for related party receivables*** | ***Stage 1*** | |
| | ***Individual*** | ***Total*** |
| | ***₦'000*** | ***₦'000*** |
| **ECL allowance as at 1 January 2019 under IFRS 9** | 228,976 | 228,976 |
| Assets derecognised or repaid (excluding write offs) | (228,976) | (228,976) |
| | - | - |

| **Corporate bonds** | **2019** | **2018** |
|---|---|---|
| ***Internal grading system*** | ***Stage 1*** | ***Stage 1*** |
| | ***Individual*** | ***Individual*** |
| | ***₦'000*** | ***₦'000*** |
| Standard grade | 30,056 | 30,056 |
| | **30,056** | **30,056** |

***Corporate bonds***

| | 2019 | |
|---|---|---|
| | ***Stage 1*** | |
| | ***Individual*** | ***Total*** |
| | ***₦'000*** | ***₦'000*** |
| **Gross carrying amount as at 1 January 2019** | 318,437 | 318,437 |
| Accrued coupon | - | - |
| New assets originated or purchased | - | - |
| Assets derecognised or repaid (excluding write offs) | - | - |
| | **318,437** | **318,437** |

| | 2019 | |
|---|---|---|
| ***Impairment allowance for Corporate bonds*** | ***Stage 1*** | |
| | ***Individual*** | ***Total*** |
| | ***₦'000*** | ***₦'000*** |
| **ECL allowance as at 1 January 2019 under IFRS 9** | 30,056 | 30,056 |
| New assets originated or purchased | - | - |
| Assets derecognised or repaid (excluding write offs) | - | - |
| ECL Charge for the year | - | - |
| | **30,056** | **30,056** |

***Group***

| ***Trade receivables*** | **2019** | **2018** |
|---|---|---|
| ***External grading system*** | ***Simplified Model*** | |
| | ***Collective*** | |
| | ***₦'000*** | ***₦'000*** |
| Standard grade | 2,686 | 15,443 |
| | **2,686** | **15,443** |

| ***Trade receivables*** | **2019** | **2018** |
|---|---|---|
| | ***Simplified Model*** | |
| | ***Collective*** | |
| | ***Total*** | |
| | ***₦'000*** | ***₦'000*** |
| **Gross carrying amount as at 1 January 2019** | 5,199,583 | 7,432,292 |
| New assets originated or purchased | - | - |
| Assets derecognised or repaid (excluding write offs) | 3,488,593 | (2,232,709) |
| **Total** | **8,688,176** | **5,199,583** |

| ***Impairment allowance for trade receivables*** | ***2019*** | **2018** |
|---|---|---|
| | ***Simplified Model Collective*** | |
| | ***Total*** | |
| | ***₦'000*** | ***₦'000*** |
| ECL allowance as at 1 January 2019 under IFRS 9 | 15,443 | 15,443 |
| New assets originated or purchased | - | - |
| Assets derecognised or repaid (excluding write offs) | - | - |
| Reversals | (12,757) | - |
| | **2,685** | **15,443** |

The Group monitors its risk of a shortage of funds using a liquidity planning tool.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures,and preference shares. The Group's policy is that not more than 25% of borrowings should mature in the next 12-month period. Approximately 24% of the Group's debt will mature in less than one year at 31 December 2019 (2018: 10%) based on the carrying value of borrowings reflected in the financial statements. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

### (c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in funding its business activities and meeting obligations associated with financial liabilities. The Finance department monitors and manages liquidity but ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate management for the Company short, medium and long-term funding and liquidity management requirements. The table below disclose the maturity profile of the Company's financial liabilities and those financial assets used for managing liquidity risk.

The following are the contractual maturities of financial instruments:

**THE GROUP**

| | **Carrying amount** | **Contractual cash flows** | **Less than a year** | **Between 1 and 2 years** | **Between 2 and 5 years** |
|---|---|---|---|---|---|
| **2019** | **₦'000** | **₦'000** | **₦'000** | **₦'000** | **₦'000** |
| Trade payable | 4,621,543 | 4,621,543 | 4,621,543 | - | - |
| Borrowings | 23,048,140 | 22,899,000 | 7,649,000 | 9,760,000 | 5,490,000 |
| **2018** | **₦'000** | **₦'000** | **₦'000** | **₦'000** | **₦'000** |
| Trade payable | 11,352,628 | 11,352,628 | 11,352,628 | - | - |
| Borrowings | 12,145,203 | 12,247,000 | 2,673,020 | 5,643,321 | 3,930,659 |

**THE COMPANY**

| | **Carrying amount** | **Contractual cash flows** | **Less than a year** | **Between 1 and 2 years** | **Between 2 and 5 years** |
|---|---|---|---|---|---|
| **2019** | **₦'000** | **₦'000** | **₦'000** | **₦'000** | **₦'000** |
| Trade payable | 997,589 | 997,589 | 997,589 | - | - |
| Borrowings | - | - | - | - | - |
| **2018** | **₦'000** | **₦'000** | **₦'000** | **₦'000** | **₦'000** |
| Trade payable | 395,589 | 395,589 | 395,589 | - | - |
| Borrowings | - | - | - | - | - |

**d) Fair Value**

The fair values of financial assets and liabilities have been included at the amount at which the instruments can be exchanged, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate fair values;

- Cash and short-term deposits, trade receivables , trade payables and other current liabilities approximate their carrying amounts largely due to the short-term nature of these instruments.
- Long-term borrrowings are evaluated by the Group based on parameters such as interest rates, specific country factors, and risk characteristics of the projects financed. The fair values are based on cash flows discounted using a rate based on the borrowing rate of 5%, 15% (2018: 11%, 21%) for GTB, FCMB.
- Fair value of unlisted equities is based on the average of two valuation techniques namely the dividend discount model, and the Enterprise Value multiples.
- Fair value of corporate bonds is based on price quotations at the reporting date.

The following table discloses the fair value measurement hierarchy of the Group's assets and liabilities.

| | Date of valuation | Total ₦'000 | Level 1 (quoted market price) ₦'000 | Level 2 (observable market inputs) ₦'000 | Level 3 (unobservable market inputs) ₦'000 |
|---|---|---|---|---|---|
| **Assets for which fair values are disclosed;** | | | | | |
| Corporate Bonds | 31-Dec-19 | 342,833 | - | 342,833 | - |
| **Assets measured at fair value** | | | | | |
| Unlisted equity securities | 31-Dec-19 | 801,462 | - | - | 801,462 |
| **Liabilities for which fair values are disclosed;** | | | | | |
| Borrowings | 31-Dec-19 | 22,899,000 | - | 22,899,000 | - |
| **Assets for which fair values are disclosed;** | | | | | |
| Corporate Bonds | 31-Dec-18 | 302,113 | - | 302,113 | - |
| **Assets measured at fair value** | | | | | |
| Unlisted equity securities* | 31-Dec-18 | 157,637 | - | - | 1 57,637 |
| **Liabilities for which fair values are disclosed;** | | | | | |
| Borrowings | 31-Dec-18 | 12,247,000 | - | 12,247,000 | - |

There were no transfers between Level 1 and Level 2 during 2019

* Due to a change in accounting policy, unlisted securities were recognised in Level 3 for the first time.

The following table discloses the fair value measurement hierarchy of the Company's assets and liabilities

| | Date of valuation | Total ₦'000 | Level 1 (quoted market price) ₦'000 | Level 2 (observable market inputs) ₦'000 | Level 3 (unobservable market inputs) ₦'000 |
|---|---|---|---|---|---|
| **Assets measured at fair value;** | | | | | |
| Unlisted equity securities | 31-Dec-19 | 282,827 | - | - | 282,827 |
| **Liabilities for which fair values are disclosed;** | | | | | |
| Borrowings | 31-Dec-19 | - | - | - | - |
| **Assets measured at fair value;** | | | | | |
| Unlisted equity securities | 31-Dec-18 | 157,637 | - | - | 157,637 |
| **Liabilities for which fair values are disclosed;** | | | | | |
| Borrowings | 31-Dec-18 | - | - | - | - |

There were no transfers between Level 1 and Level 2 during 2019

* Due to a change in accounting policy, unlisted securities were recognised in Level 3 for the first time

**Description of significant unobservable inputs to valuation:**

The significant unobservable inputs used in the fair value measurements categorised within Level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis are shown below for Group and Company:

| **31st December 2019** | **Valuation technique** | **Significant unobservable inputs** | **Rate** | **Sensitivity of the input to fair value** |
|---|---|---|---|---|
| AFS financial assets in unquoted equity shares | Dividend discount model (DDM) | Long-term growth rate for cash flows for subsequent years | 20% | 6% increase /(decrease) in the growth rate would result in an increase/(decrease) in fair value by ₦639m |
| | | Cost of equity capital | 20%/23% | 2% increase/ (decrease) in the cost of equity capital would result in a decrease/ (increase) in fair value by ₦105m |
| | | Discount for lack of marketability | 10% | 5% Increase (decrease) in the discount would decrease (increase) the fair value by ₦115m |

*Notes to the Consolidated and Separate Financial Statements – continued*

| 31st December 2018 | Valuation technique | Significant unobservable inputs | Rate | Sensitivity of the input to fair value |
|---|---|---|---|---|
| AFS financial assets in unquoted equity shares model (DDM) method | Dividend discount | Long-term growth rate for cash flows for subsequent years | 11% | 6% increase /(decrease) in the growth rate would result in an increase/ (decrease) in fair value by N0.9m |
| | | Cost of equity capital | 22% | 2% increase/ (decrease) in the cost of equity capital would result in a decrease/ (increase) in fair value by N0.6m |
| | | Discount for lack of marketability | 10% | 5% Increase (decrease) in the discount would decrease (increase) the fair value by N0.7m. |

**Capital Management Disclosures**

The Group and the Company's objectives when managing capital, which is a broader concept than the 'equity' on the face of the statement of financial position, are:

- To comply with the capital requirements set by the regulators of the oil and gas industry, where the Company operates;
- To safeguard the ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of its business.

Capital adequacy are strictly observed when managing economic capital.

The gearing ratio is computed below:

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
| | **N'000** | **N'000** | **N'000** | **N'000** |
| Total interest bearing debt | 23,048,140 | 12,145,203 | - | - |
| Total Equity | 184,531,731 | 159,792,624 | 47,689,422 | 42,806,447 |
| **Capital Gearing ( Debt to Equity)** | **12%** | **8%** | **0%** | **0%** |

| | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
|---|---|---|---|---|
| | **N'000** | **N'000** | **N'000** | **N'000** |
| Total Assets | 236,546,438 | 199,726,076 | 49,726,698 | 46,091,056 |
| Total Equity | 184,531,731 | 159,792,624 | 47,689,422 | 42,806,447 |
| **Capital Gearing (Total Equity to Total Assets)** | **78%** | **80%** | **96%** | **93%** |

## 34 Staff information

(a) The average number of full time persons employed by the Company during the year was as follows:

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | Number | Number | Number | Number |
| Management | 2 | 4 | 1 | 1 |
| Operations | 106 | 86 | 1 | 1 |
| Finance | 15 | 14 | 3 | 3 |
| Administration | 79 | 77 | 2 | 3 |
| **Total** | **202** | **181** | **7** | **8** |

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | Number | Number | Number | Number |
| Less than 5,000,000 | 12 | 33 | - | - |
| 5,000,001 – 10,000,000 | 54 | 56 | - | - |
| Above 10,000,000 | 136 | 92 | 7 | 8 |
| Total | 202 | 181 | 7 | 8 |

## 35 Directors remuneration

The remuneration paid to the Directors of the Company was:

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | ₦'000 | ₦'000 | ₦'000 | ₦'000 |
| Emoluments (including salaries, bonuses, fees and sitting allowance) | 540,162 | 637,921 | 61,977 | 63,100 |

Fees and other emoluments disclosed above include amounts paid to:

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | ₦'000 | ₦'000 | ₦'000 | ₦'000 |
| The Chairman | 13,034 | 9,875 | 13,034 | 9,875 |
| The highest paid Director | 127,728 | 182,810 | 127,728 | 9,875 |

## 36 Events after the reporting period

### Coronavirus Pandemic (Covid-19)

Management and the Board have considered the impact of Covid-19 on the 2019 financial statements and on the Company's business. In line with the International Financial Reporting Standards and the Financial Reporting Council of Nigeria guidelines, Covid has been treated as a non-adjusting event in the financial statements as at 31 December 2019.

Management continues to monitor the impact of Covid-19 on the oil and gas sector in 2020, especially in the light of weak demand for crude oil, which has contributed to the significant fall in the price of crude oil. Although, the diversification of the Company's business in the oil value chain boosts its resilience in these times, a drop in financial performance is nonetheless expected in 2020. While it is difficult to estimate the impact in these highly uncertain times, Management has already taken steps to reposition the Company to weather the storm.

Management has begun the process of renegotiating its contracts and loans , deferring non-immediate value adding projects, reducing wastes in all its process, deploying technology to control costs and improving staff efficiency. The expected commissioning of Trains 2 and 3 of the Refinery in 2020 will deepen the Company's diversification strategy and enable the Company capture more value further up the chain.

Management is confident that the financial statements of the Company will continue to be prepared on a going concern basis and it will remain liquid to meet its obligations as they fall due.

There were no other significant events after the reporting date that could have a material effect on the state of affairs of the Group as at 31 December 2019, or on the net results for the year that have not been adequately provided for or disclosed in these financial statements.

## 37 Non-Controlling Interest

Non-Controlling Interests represent the 5.9655% ownership stake in ND Refineries Ltd held outside the Group. The investment was received as part of the fund-raising efforts for Train 2 & 3 of the refinery which are expected to be commissioned in 2020. This stake was admitted into the business at close of business of 31 December 2019 and does not have a share of profit or loss and other comprehensive income nor any share of the post acquisition reserves as at 31 December 2019.

# Other National Disclosures

*FOR THE YEAR ENDED 31 DECEMBER 2019*

# Consolidated and Separate Statement of Value Added

FOR THE YEAR ENDED 31 DECEMBER 2019

| | THE GROUP | | | | THE COMPANY | | | |
|---|---|---|---|---|---|---|---|---|
| | 31-Dec-19 | | 31-Dec-18 | | 31-Dec-19 | | 31-Dec-18 | |
| | N'000 | | N'000 | | N'000 | | N'000 | |
| Revenue | 45,958,897 | | 39,051,588 | | - | | - | |
| Cost of bought in materials and services | | | | | | | | |
| - Local | (23,436,594) | | (11,380,795) | | (619,406) | | (2,214,295) | |
| | 22,522,303 | | 27,670,793 | | (619,406) | | (2,214,295) | |
| Non-trading items | 13,353,116 | | 14,305,360 | | 8,373,743 | | 5,579,261 | |
| Value added | 35,875,419 | | 41,976,153 | | 7,754,337 | | 3,364,966 | |
| | | % | | % | | % | | % |
| Applied as follows: | | | | | | | | |
| - Staff costs | 3,879,697 | 11 | 2,805,504 | 7 | 306,134 | 4 | 325,090 | 10 |
| To Government: | | | | | | | | |
| - Royalty costs | 2,452,891 | 7 | 3,550,220 | 8 | - | - | - | - |
| - Gas flaring charges | - | - | - | - | - | - | - | - |
| - Taxes | 1,457,484 | 4 | 929,673 | 2 | (2,429) | - | 28,946 | 1 |
| To providers of funds: | | | | | | | | |
| - Interest | 3,180,705 | 9 | 733,872 | 2 | - | - | - | - |
| To provide for the Company's future | | | | | | | | |
| - Depreciation, depletion and amortisation | 5,769,965 | 16 | 5,553,456 | 13 | 18,784 | - | 32,540 | 1 |
| - Deferred taxation | (362,904) | (1) | (9,020,669) | (21) | - | - | - | - |
| - Revenue reserve | 19,497,581 | 54 | 37,424,097 | 89 | 7,431,848 | 96 | 2,978,390 | 88 |
| | 35,875,419 | 100 | 41,976,153 | 100 | 7,754,337 | 100 | 3,364,966 | 100 |

The value added represents the wealth created through the use of the Company's assets by its employees, Management and Board. This statement shows the allocation of that wealth to employees, providers of finance, shareholders and that retained for the future creation of more wealth.

# Five-Year Financial Summary

**THE GROUP**

**Statement of Comprehensive Income**

| | YEAR ENDED | | | | |
|---|---|---|---|---|---|
| | **31-Dec-19** | **31-Dec-18** | **31-Dec-17** | **31-Dec-16** | **31-Dec-15** |
| | **N'000** | **N'000** | **N'000** | **N'000** | **N '000** |
| Revenue | 45,958,897 | 39,051,588 | 33,783,890 | 17,816,928 | 17,055,567 |
| Profit/(loss) before taxation | 20,592,161 | 29,333,101 | 25,858,022 | 8,313,253 | (1,614,746) |
| Taxation | (1,094,580) | 8,090,996 | (1,360,324) | (129,812) | 3,727,168 |
| Profit after taxation | 19,497,581 | 37,424,097 | 24,497,698 | 8,183,441 | 2,112,422 |
| Basic earnings per share | ₦89.75 | ₦206.3 | ₦135.04 | ₦46.17 | ₦11.93 |
| Diluted earnings per share | ₦89.75 | ₦206.3 | ₦138.21 | ₦46.23 | ₦11.93 |
| Final dividend per share | ₦17* | ₦13 | ₦10 | ₦6 | ₦2 |
| Return on equity | 11% | 23% | 23% | 10% | 7% |

* This is proposed dividend subject to ratification at the AGM

**Statement of Financial Position**

| | AS AT | | | | |
|---|---|---|---|---|---|
| | **31-Dec-19** | **31-Dec-18** | **31-Dec-17** | **31-Dec-16** | **31-Dec-15** |
| | **N'000** | **N'000** | **N'000** | **N'000** | **N '000** |
| **Assets** | | | | | |
| Property, plant and equipment | 123,284,761 | 94,253,254 | 69,343,272 | 58,107,879 | 31,061,958 |
| Intangible assets | 51,561 | 51,767 | 47,557 | 88,319 | 74,329 |
| Deferred tax assets | 9,395,284 | 9,032,380 | - | - | - |
| Investments in associates | 74,896,272 | 65,890,629 | 61,945,773 | 56,857,153 | 35,589,689 |
| Financial assets | 1,140,644 | 446,018 | 354,000 | 36,000 | 55,242 |
| Total current assets | 27,777,916 | 30,052,028 | 29,936,994 | 34,525,405 | 9,616,020 |
| | 236,546,438 | 199,726,076 | 161,627,596 | 149,614,756 | 76,397,238 |
| **Equity and liabilities** | | | | | |
| Share capital | 2,172,422 | 1,814,084 | 1,814,084 | 1,772,474 | 1,770,267 |
| Share premium | 22,819,670 | 13,008 | 13,008 | 13,008 | 13,008 |
| Translation reserve | 39,260,936 | 32,456,006 | 31,996,416 | 30,370,549 | 6,751,794 |
| Deposit for shares | - | 23,165,000 | - | - | - |
| Fair value reserve of financial assets at FVOCI | (68,932) | 121,637 | - | - | - |
| Retained earnings | 119,362,166 | 102,222,889 | 72,321,669 | 48,888,480 | 41,059,433 |
| Non-controlling interests | 985,469 | - | - | - | - |
| Total non current liabilities | 34,787,877 | 13,929,963 | 31,055,311 | 33,202,620 | 8,643,764 |
| Total current liabilities | 17,226,830 | 26,003,489 | 24,427,108 | 35,367,625 | 18,158,972 |
| | 236,546,438 | 199,726,076 | 161,627,596 | 149,614,756 | 76,397,238 |

# Five-Year Financial Summary

**THE COMPANY**

**Statement of Comprehensive income**

| | YEAR ENDED | | | | |
|---|---|---|---|---|---|
| | 31-Dec-19<br>₦'000 | 31-Dec-18<br>₦'000 | 31-Dec-17<br>₦'000 | 31-Dec-16<br>₦'000 | 31-Dec-15<br>₦ '000 |
| Revenue | - | - | - | - | - |
| Profit/(loss) before taxation | 7,429,419 | 3,007,336 | 2,341,856 | 1,781,164 | (2,940,472) |
| Taxation | 2,429 | (28,946) | (244) | - | 3,403,871 |
| Profit after taxation | 7,431,848 | 2,978,390 | 2,341,612 | 1,781,164 | 463,399 |
| Basic earnings per share | ₦34.21 | ₦16.42 | ₦12.91 | ₦9.82 | ₦2.55 |
| Diluted earnings per share | ₦34.21 | ₦16.42 | ₦12.91 | ₦9.82 | ₦2.55 |
| Final dividend per share | ₦17* | 13 | ₦10 | ₦6 | ₦2 |
| Return on equity | 16% | 7% | 13% | 10% | 3% |

* This is proposed dividend subject to ratification at the AGM

**Statement of financial position**

| | AS AT | | | | |
|---|---|---|---|---|---|
| | 31-Dec-19<br>₦'000 | 31-Dec-18<br>₦'000 | 31-Dec-17<br>₦'000 | 31-Dec-16<br>₦'000 | 31-Dec-15<br>₦'000 |
| **Assets** | | | | | |
| Property, plant and equipment | 1,897,675 | 2,703,136 | 534,808 | 5,010,427 | 128,578 |
| Intangible assets | 27,045 | 32,162 | 18,365 | 40,628 | 40,965 |
| Investments in associates | 7,810,062 | 7,810,062 | 7,810,062 | 7,810,062 | 7,810,062 |
| Investments in subsidiaries | 15,389,666 | 97,003 | 96,527 | 95,527 | 95,527 |
| Financial assets | 801,462 | 157,637 | 36,000 | 36,000 | 55,242 |
| Total current assets | 23,800,788 | 35,291,056 | 36,432,414 | 30,492,285 | 8,570,338 |
| | 49,726,698 | 46,091,056 | 44,928,176 | 43,484,929 | 16,700,712 |
| **Equity and liabilities** | | | | | |
| Share capital | 2,172,422 | 1,814,084 | 1,814,084 | 1,814,084 | 1,814,084 |
| Share premium | 22,819,670 | 13,008 | 13,008 | 13,008 | 13,008 |
| Deposit for shares | - | 23,165,000 | - | - | - |
| Fair value reserve of financial assets at FVOCI | (68,932) | 121,637 | - | - | |
| Retained earnings | 22,766,262 | 17,692,718 | 16,829,408 | 15,576,247 | 14,157,899 |
| Total non current liabilities | - | - | 24,400,000 | 23,901,928 | 202,573 |
| Total current liabilities | 2,037,276 | 3,284,609 | 1,871,676 | 2,179,662 | 513,148 |
| | 49,726,698 | 46,091,056 | 44,928,176 | 43,484,929 | 16,700,712 |

# Supplementary Information

*FOR THE YEAR ENDED 31 DECEMBER 2019*

## 1. TOTAL PROVEN RECOVERABLE RESERVES

Estimated Quantities of Total Proven Developed and Undeveloped Oil, Condensate and Natural Gas Liquids Reserves (million barrels of oil equivalent) in the Ogbele field.

| | YEAR ENDED | | | | |
|---|---|---|---|---|---|
| | **2019** | **2018** | **2017** | **2016** | **2015** |
| *Total Hydrocarbon* | | | | | |
| Reserves (Liquids+Gas): | | | | | |
| At beginning of year | 88.36 | 87.80 | 92.10 | 91.97 | 60.46 |
| Revision | 2.05 | 4.45 | - | 3.78 | 35.17 |
| Production | (4.96) | (3.89) | (4.30) | (3.65) | (3.66) |
| At end of year | 85.45 | 88.36 | 87.80 | 92.10 | 91.97 |

# Consolidated and Separate Audited Financial Statements

*FOR THE YEAR ENDED 31 DECEMBER 2019*

**(IN US DOLLARS)**

# Consolidated and Separate Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2019

| | Notes | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|---|
| | | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | | $'000 | $'000 | $'000 | $'000 |
| Revenue | 3 | 150,685 | 128,038 | - | - |
| Cost of sales | 4 | (98,251) | (53,291) | - | - |
| **Gross profit** | | **52,434** | **74,747** | - | - |
| Other income | 5 | 35,172 | 12,486 | 26,699 | 18,121 |
| General and administrative expenses | 6 | (18,148) | (23,070) | (3,096) | (8,434) |
| **Operating profit** | | **69,458** | **64,163** | **23,603** | **9,687** |
| Finance income | 7 | 1,000 | 3,620 | 511 | 171 |
| Finance costs | 7 | (10,428) | (2,406) | - | - |
| **Net Finance (cost)/income** | | **(9,428)** | **1,214** | **511** | **171** |
| Share of profit of an associate | 14 | 29,382 | 30,745 | - | - |
| **Profit before taxation** | | **89,412** | **96,122** | **24,114** | **9,858** |
| Tax (expense)/credit | 24 | (3,571) | 26,398 | 8 | (94) |
| **Profit after taxation** | | **85,841** | **122,520** | **24,122** | **9,764** |
| Profit attributable to: | | | | | |
| Equity holders of the parent | | 85,841 | 122,520 | 24,122 | 9,764 |
| | | **85,841** | **122,520** | **24,122** | **9,764** |
| **Other comprehensive income:** | | | | | |
| Net gain on equity instruments at fair value through other comprehensive income | 13 | (622) | - | (622) | - |
| **Other comprehensive income for the year, net of tax** | | (622) | - | (622) | - |
| **Total comprehensive income for the year** | | **85,219** | **122,520** | **23,500** | **9,764** |
| Total comprehensive income attributable to: | | | | | |
| Equity holders of the parent | | **85,219** | **122,520** | **23,500** | **9,764** |
| **Basic earnings per share** | 10 | **$0.4** | **$0.68** | **$0.11** | **$0.05** |
| **Diluted earnings per share** | | **$0.4** | **$0.68** | **$0.11** | **$0.05** |

See notes to the financial statements.

# Consolidated and Separate Statement of Financial Position

AS AT 31 DECEMBER 2019

| | Notes | THE GROUP 31-Dec-19 $'000 | THE GROUP 31-Dec-18 $'000 | THE COMPANY 31-Dec-19 $'000 | THE COMPANY 31-Dec-18 $'000 |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| **Non-current assets** | | | | | |
| Property, plant and equipment | 11 | 402,233 | 307,511 | 6,220 | 8,818 |
| Intangible assets | 12 | 168 | 169 | 88 | 106 |
| Deferred tax assets | 15 | 30,653 | 29,469 | - | - |
| Financial assets | 13 | 3,722 | 1,456 | 2,615 | 515 |
| Investment in associate | 14 | 244,360 | 214,978 | 50,000 | 50,000 |
| Investment in subsidiaries | 25 | - | - | 50,673 | 970 |
| **Total non-current assets** | | **681,136** | **553,583** | **109,596** | **60,409** |
| **Current assets** | | | | | |
| Inventories | 16 | 6,695 | 4,432 | - | - |
| Trade and other receivables | 17 | 58,199 | 48,274 | 67,752 | 103,826 |
| Prepayments | 18 | 583 | 938 | 105 | 208 |
| Cash and cash equivalents | 19 | 25,151 | 44,405 | 9,797 | 11,109 |
| **Total current assets** | | **90,628** | **98,049** | **77,654** | **115,143** |
| **Total assets** | | **771,764** | **651,632** | **187,250** | **175,552** |
| **Equity and liabilities** | | | | | |
| **Shareholders' equity** | | | | | |
| Share capital | 20 | 19,316 | 18,141 | 19,316 | 18,141 |
| Share premium | 20 | 78,955 | 130 | 78,955 | 130 |
| Deposit for shares | 26 | - | 80,000 | - | 80,000 |
| Fair value reserve of financial assets at FVOCI | 27 | (223) | 399 | (223) | 399 |
| Retained earnings | | 500,781 | 422,672 | 82,555 | 66,165 |
| Non-controlling interest | 28 | 3,231 | - | - | - |
| **Total shareholders' equity** | | **602,060** | **521,342** | **180,603** | **164,835** |
| **Non-current liabilities** | | | | | |
| Borrowings | 21 | 57,054 | 26,092 | - | - |
| Decommissioning liabilities | 22 | 56,447 | 19,357 | - | - |
| **Total non-current liabilities** | | **113,501** | **45,449** | **-** | **-** |
| **Current liabilities** | | | | | |
| Trade and other payables | 23 | 33,771 | 68,114 | 6,647 | 10,668 |
| Taxation | 24 | 4,288 | 3,194 | - | 49 |
| Borrowings | 21 | 18,144 | 13,533 | - | - |
| **Total current liabilities** | | **56,203** | **84,841** | **6,647** | **10,717** |
| **Total liabilities** | | **169,704** | **130,290** | **6,647** | **10,717** |
| **Total equity & liabilities** | | **771,764** | **651,632** | **187,250** | **175,552** |

See notes to the financial statements.

*The financial statements on pages 115 to 137 were approved and authorised for issue by the Board of Directors on 8 May 2020 and signed on its behalf by:*

**Mr. Felix Abili,** FRC/2020/001/00000020933
Finance Manager

**Dr Layi Fatona,** FRC/2013/IODN/00000003811
Chief Executive Officer

**Mr. Ladi Jadesimi (OON),** FRC/2015/OIDN/00000006637
Chairman

# Consolidated and Separate Statement of Changes In Equity

FOR THE YEAR ENDED 31 DECEMBER 2019

**THE GROUP**

| | Issued capital $'000 | Share premium $'000 | Trans-lation reserve $'000 | Fair value reserve of financial assets at FVOCI $'000 | Deposit for shares $'000 | Retained earnings (restated) $'000 | Non-controlling interests $'000 | Total equity $'000 |
|---|---|---|---|---|---|---|---|---|
| **Balance at 1 January 2018** | 18,141 | 130 | - | 273 | - | 306,100 | - | 324,644 |
| Profit for the year | - | - | - | - | - | 122,520 | - | 122,520 |
| Net gain on equity instruments at fair value through other comprehensive income | - | - | - | 126 | - | - | - | 126 |
| **Total comprehensive income for the year** | - | - | - | 126 | - | 122,520 | - | 122,646 |
| Investors' deposit - ACA (Note 26) | - | - | - | - | 80,000 | - | - | 80,000 |
| Dividends to equity holders of the company | - | - | - | - | - | (5,948) | - | (5,948) |
| **Total contributions by and distributions to owners of the company, recognised directly in equity** | - | - | - | - | 80,000 | (5,948) | - | 74,052 |
| **Balance at 31 December 2018** | **18,141** | **130** | **-** | **399** | **80,000** | **422,672** | **-** | **521,342** |
| **Balance at January 2019** | 18,141 | 130 | - | 399 | 80,000 | 422,672 | - | 521,342 |
| Profit for the year | - | - | - | - | - | 85,841 | - | 85,841 |
| Net gain on equity instruments at fair value through other comprehensive income | - | - | - | (622) | - | - | - | (622) |
| **Total comprehensive income for the year** | - | - | - | **(622)** | - | **85,841** | - | **85,219** |
| Issue of shares | 1,175 | 78,825 | - | | (80,000) | - | 3,231 | 3,231 |
| Dividends to equity holders of the company | - | - | - | - | - | (7,732) | - | (7,732) |
| **Total contributions by and distributions to owners of the company recognised directly in equity** | **1,175** | **78,825** | **-** | **-** | **(80,000)** | **(7,732)** | **3,231** | **(4,501)** |
| **Balance at 31 December 2019** | **19,316** | **78,955** | **-** | **(223)** | **-** | **500,781** | **3,231** | **602,060** |

# Consolidated and Separate Statement of Changes In Equity

FOR THE YEAR ENDED 31 DECEMBER 2019

**THE COMPANY**

| | Issued capital $'000 | Share premium $'000 | Fair value reserve of assets at FVOCI $'000 | Deposit for shares $'000 | Retained earnings (restated) $'000 | Total equity $'000 |
|---|---|---|---|---|---|---|
| **Balance at 1 January 2018** | 18,141 | 130 | 273 | - | 62,349 | 80,893 |
| Profit for the year | - | - | - | - | 9,764 | 9,764 |
| Foreign currency translation difference | - | - | 126 | - | - | 126 |
| **Total comprehensive income for the year** | - | - | 126 | - | 9,764 | 9,890 |
| Investors' deposit | - | - | - | 80,000 | - | 80,000 |
| Dividends to equity holders of the company | - | - | - | - | (5,948) | (5,948) |
| **Total contributions by and distributions to owners of the company, recognised directly in equity** | - | - | - | 80,000 | (5,948) | 74,052 |
| **Balance at 31 December 2018** | **18,141** | **130** | **399** | **80,000** | **66,165** | **164,835** |
| **Balance at January 2019** | 18,141 | 130 | 399 | 80,000 | 66,165 | 164,835 |
| Profit for the year | - | - | - | - | 24,122 | 24,122 |
| Net gain on equity instruments at fair value through other comprehensive income | - | - | (622) | - | - | (622) |
| **Total comprehensive income for the year** | - | - | (622) | - | 24,122 | 23,500 |
| Issue of shares | 1,175 | 78,825 | | (80,000) | | - |
| Dividends to equity holders of the company | - | - | - | - | (7,732) | (7,732) |
| **Total contributions by and distributions to owners of the company, recognised directly in equity** | 1,175 | 78,825 | - | (80,000) | (7,732) | (7,732) |
| **Balance at 31 December 2019** | **19,316** | **78,955** | **(223)** | **-** | **82,555** | **180,603** |

# Consolidated and Separate Statement of Cash Flows

FOR THE YEAR ENDED 31 DECEMBER 2019

| | | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|---|
| | **Notes** | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
| | | **$'000** | **$'000** | **$'000** | **$'000** |
| **Profit before taxation** | | **89,412** | **96,122** | **24,114** | **9,858** |
| Adjustments: | | | | | |
| Interest expense | 7 | 10,428 | 2,406 | - | - |
| Interest income | 7 | (1,000) | (3,620) | (511) | (171) |
| Dividend received | 5 | (36) | (30) | (36) | (30) |
| Exchange gain | 5 | (27,312) | (11,880) | (5,015) | (1,462) |
| Share of profit from associate | 14 | (29,382) | (30,796) | - | - |
| Depreciation of property, plant and equipment | 9 | 18,750 | 18,050 | 32 | 46 |
| Amortisation of intangible assets | 9 | 48 | 158 | 28 | 61 |
| Allowance for expected credit loss/Impairment allowance | 5,6 | - | 21 | - | (236) |
| Provision no longer required | 5 | (7,782) | - | (7,782) | - |
| Gain on disposal of equipment | 5 | - | (3) | - | - |
| Stock adjustment | 4 | (11,625) | - | - | - |
| Asset write-off | 11 | 2,814 | - | - | - |
| **Operating cashflows before movement in working capital** | | **44,315** | **70,428** | **10,830** | **8,066** |
| Movement in working capital: | | | | | |
| (Increase)/Decrease in trade and other receivables | | (9,925) | 19,401 | 38,868 | (9,011) |
| Decrease/(Increase) in prepayment | | 355 | (479) | 103 | (164) |
| Decrease/(Increase) in inventory | | 9,362 | (556) | - | - |
| Increase/(Decrease) in trade and other payables | | 751 | (676) | 8,776 | 1,626 |
| **Cash generated by operating activities** | | **44,858** | **88,118** | **58,577** | **517** |
| Tax paid (note 24) | 24 | (3,661) | (3,670) | (41) | (46) |
| **Net cash flows from operating activities** | | **41,197** | **84,448** | **58,536** | **471** |
| **Investing activities** | | | | | |
| Interest received | 7 | 1,000 | 672 | 511 | 171 |
| Dividend received | 5 | 36 | 30 | 36 | 30 |
| Purchase of property, plant and equipment | 11 | (79,524) | (96,584) | (228) | (7,155) |
| Purchase of intangible assets | 12 | (47) | (171) | (10) | (106) |
| Proceeds from disposal of assets | | - | 3 | - | - |
| Additional investment in subsidiary | 25 | - | - | (49,703) | (2) |
| Purchase of financial assets | | (2,888) | - | (2,722) | - |
| **Net cash used in investing activities** | | **(81,423)** | **(96,050)** | **(52,116)** | **(7,062)** |
| **Financing activities** | | | | | |
| Non - controlling interests - issue of shares | | 3,231 | - | - | - |
| Dividend paid | | (7,732) | (5,948) | (7,732) | (5,948) |
| Interest paid | | (8,759) | (1,875) | - | - |
| Repayment of borrowing | 21 | (10,717) | (18,911) | - | (1,100) |
| Additional borrowing | 21 | 45,000 | 40,000 | - | - |
| **Net cash flows generated from/(used in) financing activities** | | **21,023** | **13,266** | **(7,732)** | **(7,048)** |
| **(Decrease)/increase in cash and cash equivalents** | | (19,254) | 1,664 | (1,312) | (13,639) |
| Cash and cash equivalents – Beginning of year | 19 | 44,405 | 42,741 | 11,109 | 24,748 |
| **Cash and cash equivalents – End of year** | 19 | **25,151** | **44,405** | **9,797** | **11,109** |

See notes to the financial statements.

# Notes to the Consolidated and Separate Financial Statements

## 3 Revenue

### 3.1 Disaggregated revenue information

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| **Segments** | **$'000** | **$'000** | **$'000** | **$'000** |
| Oil | 125,598 | 96,481 | - | - |
| Diesel | 9,854 | 14,378 | - | - |
| Gas | 15,233 | 17,179 | - | - |
| **Total revenue** | **150,685** | **128,038** | **-** | **-** |
| | | | | |
| **Geographical markets** | | | | |
| Within Nigeria | 150,685 | 128,038 | - | - |
| Outside Nigeria | - | - | - | - |
| **Total revenue from contracts with customers** | **150,685** | **128,038** | **-** | **-** |
| | | | | |
| **Timing of revenue recognition** | | | | |
| Goods transferred at a point in time | 150,685 | 128,038 | - | - |
| Goods transferred over time | - | - | - | - |
| **Total revenue from contracts with customers** | **150,685** | **128,038** | - | - |

**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 invoice.

**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 Diesel**

The performance obligation is satisfied at a point in time, when the product is lifted by the customer/distributor and payment is generally due within 0 to 30 days.

The Group has applied the practical expedient in paragraph 121 of IFRS 15 and did not disclose information about remaining performance obligations that have original expected durations of one year or less.

| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
|---|---|---|---|---|
| **Contract balances** | **$'000** | **$'000** | **$'000** | **$'000** |
| Trade receivables | 28,486 | 17,048 | 698 | - |
| Contract liabilities | - | - | - | - |

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

Performance obligation for crude oil, diesel 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 diesel are due between 0 to 30 days.

## 4 Cost of sales

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | $'000 | $'000 | $'000 | $'000 |
| Consultancy fee | 7,995 | 6,572 | - | - |
| Crude oil handling charges | 9,876 | 7,664 | - | - |
| Depreciation and amortisation (Note 9) | 17,968 | 17,468 | - | - |
| Exploration costs - OPL 227 | 55,662 | - | - | - |
| Flowstation expenses | 1,123 | 2,461 | - | - |
| Materials, supplies and pollution control | 785 | 299 | - | - |
| Repairs and maintenance | 642 | 1,562 | - | - |
| Royalties to FGN | 8,042 | 11,640 | - | - |
| Statutory expenses | 151 | 106 | - | - |
| Staff costs (Note 8) | 7,632 | 5,519 | - | - |
| Stock Adjustments | (11,625) | - | - | - |
| **Total** | **98,251** | **53,291** | - | - |

Consultancy fee include provisions for advisory, technical, corporate and financial services.

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

Exploration costs refer to the one-off costs of the appraisal well drilled in the shallow offshore OPL 227 block. It includes $2.8m of prior year spends. Management considers it prudent to write off these costs as it is not currently probable that these costs will be recovered from the asset.

## 5 Other income

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | $'000 | $'000 | $'000 | $'000 |
| Dividend received from Financial Assets (Note 13) | 36 | 30 | 36 | 30 |
| Distribution from NDPR | - | - | 13,115 | 16,393 |
| Unrealised exchange gain | 27,312 | 11,880 | 5,015 | 1,462 |
| Fee income | - | 573 | - | - |
| Gain on disposal of property, plant and equipment | - | 3 | - | - |
| Provision no longer required | 7,782 | - | 7,782 | - |
| Write-back of expected credit loss | 42 | - | 751 | 236 |
| **Total** | **35,172** | **12,486** | **26,699** | **18,121** |

Provision no longer required relates to the ACA investment transaction costs.

## 6 General and administrative expenses

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
| | **$'000** | **$'000** | **$'000** | **$'000** |
| Auditor's remuneration | 164 | 176 | 52 | 65 |
| Bank charges | 415 | 696 | 124 | 165 |
| Community development expenses | (325) | 2,356 | 31 | 36 |
| Depreciation and amortisation (Note 9) | 830 | 741 | 60 | 107 |
| Directors' fees | 218 | 207 | 218 | 207 |
| Expected credit loss of financial assets (note 13) | - | 21 | - | - |
| Fuel and Utilities | 368 | 319 | 14 | 35 |
| Information technology expenses | 1,180 | 505 | 117 | 21 |
| Insurance | 1,178 | 1,710 | 290 | 121 |
| Other expenses | 982 | 1,361 | 187 | 971 |
| Permits, registrations and subscriptions | 693 | 5,112 | 169 | 4,128 |
| Professional fees | 3,907 | 3,731 | 815 | 1,288 |
| Repairs and maintenance | 2,826 | 1,711 | 5 | 36 |
| Staff costs (Note 8) | 5,088 | 3,679 | 1,004 | 1,066 |
| Training | 142 | 109 | - | 26 |
| Travelling | 482 | 636 | 10 | 162 |
| **Total** | **18,148** | **23,070** | **3,096** | **8,434** |

Other expenses consist of donations, printing and stationery, and other related administrative costs incurred during the year.
Professional fees consist of cleaning service, advisory services, security service, legal fees and registral management fee.
Community expenses turned negative due to an over accrual from prior year.

**Credit loss expense**

The table below shows the ECL charges on financial instruments for the year recorded in the profit or loss:

| | *Group* | | *Company* | |
|---|---|---|---|---|
| | ***Stage1 Individual*** | ***Stage 1 Individual*** | ***Simplified Model*** | ***Simplified Model*** |
| | ***31-Dec-19*** | ***31-Dec-18*** | ***31-Dec-19*** | ***31-Dec-18*** |
| | ***$'000*** | ***$'000*** | ***$'000*** | ***$'000*** |
| Debt instruments measured at amortised cost - Corporate bonds (note 13) | - | 21 | - | - |
| Write-back of expected credit losses (note 17) | (42) | - | (751) | (236) |
| | **(42)** | **21** | **(751)** | **(236)** |

## 7 Finance cost and income

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | $'000 | $'000 | $'000 | $'000 |
| **Interest expense:** | | | | |
| Bank borrowings | 9,587 | 1,515 | - | - |
| IPIN Interest | 462 | 458 | - | - |
| Provisions: unwinding of discount (Note 22) | 379 | 433 | - | - |
| **Finance costs** | **10,428** | **2,406** | **-** | **-** |
| Interest income | 882 | 3,534 | 511 | 171 |
| Coupon on Bonds | 118 | 86 | - | - |
| **Finance income** | **1,000** | **3,620** | **511** | **171** |
| **Net finance costs** | **(9,428)** | **1,214** | **511** | **171** |

## 8 Staff costs

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | $'000 | $'000 | $'000 | $'000 |
| **Included in cost of sales:** | | | | |
| Salaries and other staff costs | 7,632 | 5,519 | - | - |
| **Included in general admin expenses:** | | | | |
| Salaries and other staff costs | 5,088 | 3,679 | 1,004 | 1,066 |
| **Total** | **12,720** | **9,198** | **1,004** | **1,066** |

## 9 Depreciation and amortisation

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | $'000 | $'000 | $'000 | $'000 |
| **Included in cost of sales:** | | | | |
| Depreciation of oil and gas properties | 17,968 | 17,468 | - | - |
| **Included in general admin expenses:** | | | | |
| Depreciation of other property, plant and equipment | 782 | 583 | 32 | 46 |
| Amortisation of intangible assets | 48 | 158 | 28 | 61 |
| **Total in general admin expenses** | **830** | **741** | **60** | **107** |
| **Total** | **18,798** | **18,209** | **60** | **107** |

## 10 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 in issue during the year excluding ordinary shares purchased by the company and held as treasury shares.

| | 31-Dec-19 | 31-Dec-18 |
|---|---|---|
| | $'000 | $'000 |
| Profit attributable to equity holders of the Group | 85,841 | 122,520 |
| **Total** | **85,841** | **122,520** |

| | 31-Dec-19 | 31-Dec-18 |
|---|---|---|
| | Number | Number |
| Weighted average number of ordinary shares in issue | **217,242,218** | **181,408,450** |

| | 31-Dec-19 | 31-Dec-18 |
|---|---|---|
| **Basic earnings per share ($)** | **$0.4** | **$0.68** |
| **Diluted earnings per share ($)** | **$0.4** | **$0.68** |

**Basic – THE COMPANY**

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 in issue during the year excluding ordinary shares purchased by the company and held as treasury shares.

| | 31-Dec-19 | 31-Dec-18 |
|---|---|---|
| | $'000 | $'000 |
| Profit attributable to equity holders of the company | 24,122 | 9,764 |

| | 31-Dec-19 | 31-Dec-18 |
|---|---|---|
| | Number | Number |
| Weighted average number of ordinary shares in issue | 217,242,218 | 181,408,450 |

| | 31-Dec-19 | 31-Dec-18 |
|---|---|---|
| Basic and diluted earnings per share ($) | $0.11 | $0.05 |

## 11 Property, plant and equipment

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | $'000 | $'000 | $'000 | $'000 |
| Oil and gas properties (11a) | 395,923 | 303,434 | - | - |
| Other property, plant and equipment (11b) | 6,310 | 4,077 | 6,220 | 8,818 |
| **Total** | **402,233** | **307,511** | **6,220** | **8,818** |

**THE GROUP**

| **OIL AND GAS PROPERTIES** | **Project equipment $'000** | **Civil works $'000** | **Gas pipeline $'000** | **Gas plant facilities $'000** | **Motor vehicles $'000** | **Assets under development $'000** | **Total $'000** |
|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | |
| **Balance at 1 January 2018** | 234,101 | 8,592 | 22,284 | 68,569 | 322 | 52,787 | 386,655 |
| Reclassifications | 287 | - | - | - | - | (287) | - |
| Additions | 2,856 | 298 | - | 3,183 | - | 88,772 | 95,109 |
| Changes in decommisioning assets | 2,123 | - | - | - | - | - | 2,123 |
| **Balance at 31 December 2018** | **239,367** | **8,890** | **22,284** | **71,752** | **322** | **141,272** | **483,887** |
| **Balance at 1 January 2019** | 239,367 | 8,890 | 22,284 | 71,752 | 322 | 141,272 | 483,887 |
| Reclassifications | 47,839 | - | - | - | (322) | (47,865) | (348) |
| Additions | 9,261 | 866 | - | 2,509 | - | 63,898 | 76,534 |
| Write-offs | - | - | - | - | - | (2,814) | (2,814) |
| Changes in decommisioning assets | 36,763 | - | - | - | - | - | 36,763 |
| **Balance at 31 December 2019** | **333,230** | **9,756** | **22,284** | **74,261** | **-** | **154,491** | **594,022** |
| **Depreciation:** | | | | | | | |
| **Balance at 1 January 2018** | 141,914 | 6,485 | 4,227 | 10,050 | 322 | - | 162,998 |
| Depreciation for the year | 14,751 | 427 | 531 | 1,746 | - | - | 17,455 |
| **Balance at 31 December 2018** | **156,665** | **6,912** | **4,758** | **11,796** | **322** | **-** | **180,453** |
| **Balance at 1 January 2019** | 156,665 | 6,912 | 4,758 | 11,796 | 322 | - | 180,453 |
| Depreciation for the year | 15,651 | 314 | 517 | 1,486 | - | - | 17,968 |
| Reclassfication | - | - | - | - | (322) | - | (322) |
| **Balance at 31 December 2019** | **172,316** | **7,226** | **5,275** | **13,282** | **-** | **-** | **198,099** |
| **Net book value:** | | | | | | | |
| At 31 December 2019 | **160,914** | **2,530** | **17,009** | **60,979** | **-** | **154,491** | **395,923** |
| At 31 December 2018 | **82,702** | **1,978** | **17,526** | **59,956** | **-** | **141,272** | **303,434** |

There are no impairments in Property, Plant, and Equipment during the year. See Note 21 for assets pledged as collateral for borrowings. There are no capital commitments in respect of PPE expenditures.
Write off is included in exploration costs (Note 8)

*Notes to the Consolidated and Separate Financial Statements - Continued*

**THE GROUP**
**OTHER PROPERTY, PLANT AND EQUIPMENT**

| | Plant and machinery $'000 | Furniture and Fittings $'000 | Office equipment $'000 | Motor vehicles $'000 | Building $'000 | Land $'000 | Total $'000 |
|---|---|---|---|---|---|---|---|
| **Cost:** | | | | | | | |
| **Balance at 1 January 2018** | 894 | 255 | 4,384 | 2,803 | 1,013 | 1,856 | 11,205 |
| Additions | - | 4 | 283 | 530 | 122 | - | 939 |
| Disposal | - | - | - | (28) | - | - | (28) |
| **Balance at 31 December 2018** | **894** | **259** | **4,667** | **3,305** | **1,135** | **1,856** | **12,116** |
| **Balance at 1 January 2019** | 894 | 259 | 4,667 | 3,305 | 1,135 | 1,856 | 12,116 |
| Additions | - | - | 459 | 481 | 2,049 | - | 2,989 |
| Reclassification | - | - | 26 | 322 | - | - | 348 |
| **Balance at 31 December 2019** | **894** | **259** | **5,152** | **4,108** | **3,184** | **1,856** | **15,453** |
| **Depreciation:** | | | | | | | |
| **Balance at 1 January 2018** | 825 | 188 | 3,910 | 2,375 | 220 | - | 7,518 |
| Depreciation for the year | 26 | 24 | 189 | 266 | 44 | | 549 |
| Disposal | - | - | - | (28) | - | - | (28) |
| **Balance at 31 December 2018** | **851** | **212** | **4,099** | **2,613** | **264** | **-** | **8,039** |
| **Balance at 1 January 2019** | 851 | 212 | 4,099 | 2,613 | 264 | - | 8,039 |
| Depreciation for the year | 24 | 18 | 326 | 366 | 48 | - | 782 |
| Reclassification | - | - | - | 322 | - | - | 322 |
| **Balance at 31 December 2019** | **875** | **230** | **4,425** | **3,301** | **312** | **-** | **9,143** |
| **Net book value:** | | | | | | | |
| **At 31 December 2019** | **19** | **29** | **727** | **807** | **2,872** | **1,856** | **6,310** |
| At 31 December 2018 | 43 | 47 | 568 | 692 | 871 | 1,856 | 4,077 |

There are no impairments in Property, Plant, and Equipment during the year. See Note 21 for assets pledged as collateral for borrowings. There are no capital commitments in respect of PPE expenditures.

**b THE COMPANY**

**OTHER PROPERTY, PLANT AND EQUIPMENT**

| | Plant and machinery $'000 | Furniture and Fittings $'000 | Office equipment $'000 | Motor vehicles $'000 | Assets under development $'000 | Total $'000 |
|---|---|---|---|---|---|---|
| **Cost:** | | | | | | |
| **Balance at 1 January 2018** | 69 | 108 | 140 | 46 | 1,638 | 2,001 |
| Additions | - | - | 4 | - | 7,116 | 7,120 |
| **Balance at 31 December 2018** | **69** | **108** | **144** | **46** | **8,754** | **9,121** |
| **Balance at 1 January 2019** | 69 | 108 | 144 | 46 | 8,754 | 9,121 |
| Additions | - | - | - | - | 228 | 228 |
| Reclassification | - | - | - | - | (2,794) | (2,794) |
| **Balance at 31 December 2019** | **69** | **108** | **144** | **46** | **6,188** | **6,555** |
| **Depreciation:** | | | | | | |
| **Balance at 1 January 2018** | 53 | 41 | 117 | 46 | - | 257 |
| Depreciation for the year | 6 | 23 | 17 | - | - | 46 |
| **Balance at 31 December 2018** | **59** | **64** | **134** | **46** | **-** | **303** |
| **Balance at 1 January 2019** | 59 | 64 | 134 | 46 | - | 303 |
| Depreciation for the year | 8 | 17 | 7 | - | - | 32 |
| **Balance at 31 December 2019** | **67** | **81** | **141** | **46** | **-** | **335** |
| **Net book value:** | | | | | | |
| **At 31 December 2019** | **2** | **27** | **3** | **-** | **6,188** | **6,220** |
| At 31 December 2018 | 10 | 44 | 10 | - | 8,754 | 8,818 |

*Notes to the Consolidated and Separate Financial Statements - Continued*

## 12 Intangible assets

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | **Software** | **Total** | **Software** | **Total** |
| | **$'000** | **$'000** | **$'000** | **$'000** |
| **Cost:** | | | | |
| **Balance at 1 January 2018** | 665 | 665 | 331 | 331 |
| Additions | 173 | 173 | 106 | 106 |
| **Balance at 31 December 2018** | **838** | **838** | **437** | **437** |
| **Balance at 1 January 2019** | 838 | 838 | 437 | 437 |
| Addition | 47 | 47 | 10 | 10 |
| **Balance at 31 December 2019** | **885** | **885** | **447** | **447** |
| **Amortisation:** | | | | |
| **Balance at 1 January 2018** | 509 | 509 | 271 | 271 |
| Amortisation charge for the year | 160 | 160 | 60 | 60 |
| **Balance at 31 December 2018** | **669** | **669** | **331** | **331** |
| **Balance at 1 January 2019** | 669 | 669 | 331 | 331 |
| Amortisation charge for the year | 48 | 48 | 28 | 28 |
| **Balance at 31 December 2019** | **717** | **717** | **359** | **359** |
| **Net book value:** | | | | |
| **At 31 December 2019** | **168** | **168** | **88** | **88** |
| At 31 December 2018 | 169 | 169 | 106 | 106 |

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

## 13. Financial assets

Financial assets include the following:

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | $'000 | $'000 | $'000 | $'000 |
| **Fair value through OCI** | | | | |
| *Listed securities:* | | | | |
| Consolidated Hallmark Insurance Plc | 1,692 | - | 1,692 | - |
| *Unlisted securities:* | | | | |
| PetroData Management Services Ltd | 920 | 450 | 920 | 450 |
| Dharmattan Gas and Power Ltd | 3 | 65 | 3 | 65 |
| *At amortised cost:* | | | | |
| Corporate Bonds | 1,107 | 941 | - | - |
| **Total** | **3,722** | **1,456** | **2,615** | **515** |

The Group has designated its equity investments as FVOCI on the basis that these are not held for trading. In 2019, the Group received dividends of $23,607 (2018: $23,607) from PetroData Management Services Ltd; $614 (2018: Nil) from Dharmattan Gas and Power Ltd; $5,893 (2018: $5,893) from Consolidated Hallmark Insurance Plc which was recorded in the income statement as other income. The Group did not dispose of or derecognise any FVOCI equity instruments in 2019. Further disclosures on fair value are made in note 33.

As at 31 December 2019, the corporate bonds were impaired to the tune of $98,000 ( 1 Jan 2019 : $98,000). There are no impairment charges to Profit or Loss in the year.

The fair value of the corporate bonds is $1.1m at 31 December 2019 (2018:$1m). Contractual cashflows on the bond is $1m.

## 14 Investment in associate - ND Western Ltd

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | $'000 | $'000 | $'000 | $'000 |
| At beginning | 214,978 | 202,769 | 50,000 | 50,000 |
| Effects of changes in accounting policies* | - | (18,536) | - | - |
| Share of profit | 29,382 | 30,745 | - | - |
| Share of other comprehensive income(net of tax), may not be reclassified to profit or loss in subsequent periods | - | - | - | - |
| **Carrying amount** | **244,360** | **214,978** | **50,000** | **50,000** |

*The effects of changes in accounting policies of ND Western Ltd relates to the impact of its adoption of IFRS 9 in 2018. It elected to pass the impact of IFRS 9 into retained earnings without restating comparatives.

*Notes to the Consolidated and Separate Financial Statements - Continued*

The summarised financial statements of ND Western Ltd are presented below;

| **Summarised statement of financial position** | **31-Dec-19** | **31-Dec-18** |
|---|---|---|
| | **$'000** | **$'000** |
| Current assets | 188,708 | 152,358 |
| Non current asset | 821,043 | 697,848 |
| Current liabilities | (335,890) | (310,818) |
| Non-current liabilities | (87,400) | (23,445) |
| Net assets | 586,461 | 515,943 |
| NDEP's share of net assets | 244,361 | 214,978 |

| **Summarised profit or loss statement** | **31-Dec-19** | **31-Dec-18** |
|---|---|---|
| | **$'000** | **$'000** |
| Revenue | 140,889 | 264,396 |
| Other income | 90,080 | 44,433 |
| Operating and Admin expenses | (167,362) | (188,676) |
| Net finance costs | (17,183) | (18,747) |
| Profit before taxation | 46,424 | 101,406 |
| Income tax | 24,093 | (27,618) |
| Profit after taxation | 70,517 | 73,788 |
| Other comprehensive income | - | - |
| Total comprehensive income | 70,517 | 73,788 |
| Proportion of Group's ownership | 41.667% | 41.667% |
| Group's share of profit for the year | 29,382 | 30,745 |
| Group's share of other comprehensive income | - | - |

The principal place of business of ND Western is Nigeria and it is accounted for using the equity method. No dividend was received from the associate in the year.

As at 31 December 2019, ND Western reported a capital commitment balance of $57m ( 2018: $110m).

## 15 Deferred taxation

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

| **Deferred tax assets** | **THE GROUP** | | **THE COMPANY** | |
|---|---|---|---|---|
| | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
| | **$'000** | **$'000** | **$'000** | **$'000** |
| Accelerated depreciation and amortisation | 27,861 | 29,309 | - | - |
| Tax losses | 10,445 | 2,450 | - | - |
| Total | 38,306 | 31,759 | - | - |
| Recognised | (38,306) | (31,759) | - | - |
| Unrecognised deferred tax assets | - | - | - | - |
| **Deferred tax liabilities** | | | | |
| Accelerated depreciation and amortisation | 7,332 | 1,923 | - | - |
| Decommissioning liabilities | 321 | 367 | - | - |
| **Total** | **7,653** | **2,290** | **-** | **-** |

| | | | | |
|---|---|---|---|---|
| **Deferred taxation** | | | | |
| At start of year | (29,469) | (38) | - | - |
| Income statement charge/(credit) | (1,184) | (29,431) | - | - |
| Tax (charged)/credited directly to equity | - | | | |
| **Net deferred tax assets at end of year** | **(30,653)** | **(29,469)** | - | - |
| | | | | |
| Reflected in the statement of financial position as: | | | | |
| Deferred tax liabilities | 7,653 | 2,290 | - | - |
| Deferred tax assets | (38,306) | (31,759) | - | - |
| **Net deferred tax assets** | **(30,653)** | **(29,469)** | - | - |

Deferred taxes are recoverable in more than one year.

## 16 Inventories

| | **THE GROUP** | | **THE COMPANY** | |
|---|---|---|---|---|
| | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
| | **$'000** | **$'000** | **$'000** | **$'000** |
| Crude | 2,634 | 355 | - | - |
| Diesel | 71 | 91 | - | - |
| Materials | 3,990 | 3,986 | - | - |
| **Total** | **6,695** | **4,432** | - | - |

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.

## 17 Trade and other receivables

| | **THE GROUP** | | **THE COMPANY** | |
|---|---|---|---|---|
| | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
| | **$'000** | **$'000** | **$'000** | **$'000** |
| Trade receivables | 28,346 | 16,964 | 695 | - |
| Other receivables | 552 | 2,932 | 552 | 2,932 |
| Related party receivables | 29,310 | 28,428 | 66,505 | 101,641 |
| | 58,208 | 48,324 | 67,752 | 104,573 |
| Allowance for expected credit losses | (9) | (50) | - | (747) |
| | **58,199** | **48,274** | **67,752** | **103,826** |

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

| | **2019** | **2018** | **2019** | **2018** |
|---|---|---|---|---|
| | **$'000** | **$'000** | **$'000** | **$'000** |
| As at 1 January | 50 | 50 | 747 | 982 |
| Write-back of expected credit losses | (42) | - | (747) | (235) |
| As at 31 December | 9 | 50 | - | 747 |

Trade receivables are non-interest bearing and are generally on 30-90 day terms. Other receivables relate principally to receivables from Community Trust.

Allowance for expected credit losses on trade and related party receivables is $9,000 (Group) and $747,000 for Company ( 31 Dec 2018: $50,000 - Group & $747,000 for Company). See note 33b for credit risk disclosures.

*Notes to the Consolidated and Separate Financial Statements - Continued*

## 18 Prepayments

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | $'000 | $'000 | $'000 | $'000 |
| Prepaid expenses | 317 | 253 | 32 | 36 |
| Prepaid insurance | 252 | 646 | 59 | 133 |
| Other prepayments | 14 | 39 | 14 | 39 |
| **Total** | **583** | **938** | **105** | **208** |

Other prepayments include prepaid internet access

## 19 Cash and cash equivalents

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | $'000 | $'000 | $'000 | $'000 |
| Cash and bank balances | 23,883 | 38,299 | 8,615 | 10,034 |
| Short term deposits | 1,268 | 6,106 | 1,182 | 1,075 |
| **Total** | **25,151** | **44,405** | **9,797** | **11,109** |

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. The entire balances are also cash and cash equivalent for statement of cashflow purposes.

## 20 Share capital and premium

**Share capital and premium – THE GROUP**

| | Number of shares | Ordinary shares ($'000) | Share premium ($'000) | Total ($'000) |
|---|---|---|---|---|
| **Balance at 1 January 2018** | 181,408,450 | 18,141 | 130 | 18,271 |
| **Balance at 31 December 2018** | **181,408,450** | **18,141** | **130** | **18,271** |
| **Balance at 1 January 2019** | 181,408,450 | 18,141 | 130 | 18,271 |
| - Issue of shares | 35,833,768 | 1,175 | 78,825 | 80,000 |
| **Balance at 31 December 2019** | **217,242,218** | **19,316** | **78,955** | **98,271** |

The issue of shares represents 35,833,768 units of shares of ₦10 each at $2.23/share issued to African Capital Alliance (ACA). This was approved by the shareholders at the Annual General Meeting held in 2018.

**Share capital and premium – THE COMPANY**

| | Number of shares | Ordinary shares ($'000) | Share premium ($'000) | Total ($'000) |
|---|---|---|---|---|
| **Balance at 1 January 2018** | 181,408,450 | 18,141 | 130 | 18,271 |
| **Balance at 31 December 2018** | **181,408,450** | **18,141** | **130** | **18,271** |
| **Balance at 1 January 2019** | 181,408,450 | 18,141 | 130 | 18,271 |
| - Issue of shares | 35,833,768 | 1,175 | 78,825 | 80,000 |
| **Balance at 31 December 2019** | **217,242,218** | **19,316** | **78,955** | **98,271** |

All shares are ordinary shares with equal voting rights and are issued at par value of ₦10 per share. 35,833,768 units of shares were issued to African Capital Alliance (ACA) in the year. This was approved by the shareholders at the Annual General Meeting held in 2018.

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

| | Number of shares | Amount ($'000) |
|---|---|---|
| Authorised Share capital | 275,000,000 | 27,500 |
| Issued and fully paid-up | 217,242,218 | 18,141 |

## 21 Borrowings

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | $'000 | $'000 | $'000 | $'000 |
| GTB | 50,963 | 14,850 | - | - |
| FCMB | 80 | 158 | - | - |
| BOI loan | 23,807 | 24,269 | - | - |
| Petre IPINs | 348 | 348 | - | - |
| **Total** | **75,198** | **39,625** | - | - |
| Current | 18,144 | 13,533 | - | - |
| Non-current | 57,054 | 26,092 | - | - |
| **Total** | **75,198** | **39,625** | - | - |

**Participating Investment Notes ( Petre IPINs)**

On 9th May 2003, by a Share Purchase Agreement ("SPA"), Niger Delta Exploration & Production Plc (NDEP) acquired all the shares of Niger Delta Petroleum Resources Limited of which the net consideration was paid to the then existing shareholders by issuing ordinary shares in NDEP of a total value of US$ 2,113,738 at an agreed price of of US$ 0.30 per share and the issue of NDPR Participating Investment Notes of $ 1.00 each to a value of US$ 2,113,738 at an agreed price of $1.00 per note. They are entitled to cashflow distributions.

**Guaranty Trust Bank Plc (GTB)**

GTB loan facility was secured in November 2018. $15million and $45million of the facility were drawndown in 2018 and 2019 respectively. The loan is repayable every quarter, starting from February 2019 to November 2023. It is secured by: all assets debenture on fixed and floating crude oil assets only of NDPR in Ogbele Field; floating charge on the crude oil produced from the acreage operated by NDPR in OML 54, assignment and domiciliation of crude oil sales proceeds to GTB; charge over collection accounts and corporate guarantee of NDEP Plc for the full facility amount and interest thereon. Interest is payable at 11% per annum.

**First City Monument Bank Ltd (FCMB)**

FCMB loan represents the balance of an original loan sum of ₦86million facility from First City Monument Bank Plc, obtained to purchase vehicles. The loan is repayable monthly from November 2016 to November 2020. It is secured by the vehicles purchased. Interest is payable at 21% per annum.

**Bank of Industry (BOI)**

BOI loan represents a $25million facility from the Bank of Industry, obtained in October 2018. It is repayable monthly, over 6 years, with a one-year moratorium on principal. It is secured by a Bank Guarantee from Access Bank. Interest is payable at 9% per annum.

The exposure of the Company's borrowings to interest rate changes and the contractual repricing dates at the end of the reporting period are as follows:

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
| | **$'000** | **$'000** | **$'000** | **$'000** |
| 6-12 months | 18,144 | 13,533 | - | - |
| 1-5 years | 57,054 | 26,092 | - | - |
| Over 5 years | - | - | - | - |
| **Total** | **75,198** | **39,625** | **-** | **-** |

The carrying amounts and fair value of the borrowings are as follows:

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
| | **$'000** | **$'000** | **$'000** | **$'000** |
| **Carrying amount:** | | | | |
| Borrowings | 75,198 | 39,625 | - | - |
| **Total** | **75,198** | **39,625** | - | - |
| **Fair value:** | | | | |
| Borrowings | 74,711 | 40,023 | - | - |
| **Total** | **74,711** | **40,023** | **-** | **-** |

The fair values are based on cash flows discounted using a rate based on the current borrowing rate of 11% for GTB, 21% for FCMB, and 9% for BOI. They are classified as level 2 fair values in the fair value hierarchy.

Changes in liabilities arising from financing activities

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | **31-Dec-19** | **31-Dec-18** | **31-Dec-19** | **31-Dec-18** |
| | **$'000** | **$'000** | **$'000** | **$'000** |
| Beginning balance | 39,625 | 103,238 | - | 84,718 |
| Additional borrowing | 45,000 | 39,869 | - | - |
| Repayments | (10,717) | (18,849) | - | (1,095) |
| Repayment of interest | - | - | - | - |
| Foreign exchange movement | - | - | - | - |
| Reclassed to equity (note 28) | - | (75,581) | - | (75,581) |
| Reclassed to accrued interest (note 23) | - | (8,042) | - | (8,042) |
| Accrued interest | 889 | - | - | - |
| Remeasurements | 401 | (1,010) | - | - |
| **Closing balance** | **75,198** | **39,625** | - | - |

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

## 22 Decommissioning liabilities

| | THE GROUP $'000 | THE COMPANY $'000 |
|---|---|---|
| **Balance at 1 January 2018** | **16,718** | **-** |
| **Charged/(credited) to profit or loss:** | | |
| Changes in estimated flows | 2,208 | - |
| Unwinding of discount due to passage of time | 431 | - |
| **Balance at 31 December 2018** | **19,357** | - |
| **Balance at 1 January 2019** | **19,357** | - |
| **Charged/(credited) to profit or loss:** | | |
| Changes in estimated flows | 36,713 | - |
| Unwinding of discount due to passage of time | 377 | - |
| **Balance at 31 December 2019** | **56,447** | - |

The Group makes full provision for the future cost of decommissioning oil production facilities and pipelines on a discounted basis on the installation of those facilities. The decommissioning provision represents the present value of decommissioning costs relating to oil and gas properties, which are expected to be incurred up to 2035 (revised in 2015 from the initial 10 years' life of the asset). These provisions have been created based on the Group's internal estimates. Assumptions based on the current economic environment have been made which Management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to take into account any material changes to the assumptions. However, actual decommissioning costs will ultimately depend upon future market prices for the necessary decommissioning works required which will reflect market conditions at the relevant time. Furthermore, the timing of decommissioning is likely to depend on when the fields cease to produce at economically viable rates. This, in turn, will depend upon future oil and gas prices, which are inherently uncertain.The discount rate used in the calculation of the provision as at 31 December 2019 is 2.25% (31 December 2018 : 2.87%).

## 23 Trade and other payables

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | $'000 | $'000 | $'000 | $'000 |
| Accruals | - | 16,333 | - | 8,044 |
| Royalty payable | 11,707 | 9,942 | - | - |
| Sundry creditors | 6,444 | 4,143 | 2,849 | 677 |
| Trade payables | 15,078 | 37,040 | 3,256 | 1,291 |
| Unclaimed dividend | 542 | 656 | 542 | 656 |
| | **33,771** | **68,114** | **6,647** | **10,668** |

- Trade payables are non-interest bearing and are normally settled on 30-day terms . Sundry creditors include accrued IPIN note dues, and staff payables
- The Directors consider that the carrying amount of trade payables approximates to their fair value.

## 24 Taxation

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | $'000 | $'000 | $'000 | $'000 |
| Petroleum profit tax | - | - | - | - |
| Income tax expense | 3,676 | 2,539 | - | 46 |
| Education tax | 735 | 780 | - | 3 |
| Under/(Over) provision of prior year taxes | 344 | (286) | (8) | 45 |
| **Total current tax** | **4,755** | **3,033** | **(8)** | **94** |
| **Deferred taxation** | | | | |
| Origination of temporary differences | (1,184) | (29,431) | - | - |
| **Total deferred tax** | **(1,184)** | **(29,431)** | **-** | **-** |
| **Income tax expense/(credit)** | **3,571** | **(26,398)** | **(8)** | **94** |

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

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 31-Dec-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 |
| | $'000 | $'000 | $'000 | $'000 |
| At 1 January | 3,194 | 3,820 | 49 | - |
| Tax paid | (3,661) | (3,659) | (41) | (45) |
| Prior period under/(over) provision | 344 | (286) | (8) | 45 |
| Income tax charge for the year | 4,411 | 3,319 | - | 49 |
| **At 31 December** | **4,288** | **3,194** | - | **49** |

| **Reconciliation of effective tax rate** | **THE GROUP** | | **THE COMPANY** | |
|---|---|---|---|---|
| | **31-Dec-19 $'000** | **31-Dec-18 $'000** | **31-Dec-19 $'000** | **31-Dec-18 $'000** |
| **Profit before income tax** | **89,412** | **96,122** | **24,114** | **9,858** |
| Income tax using the weighted average | | | | |
| domestic corporation tax rate | 28,218 | 49,847 | 7,272 | 2,944 |
| Net origination of temporary differences | (1,184) | (29,479) | - | - |
| Education tax levy | 737 | 781 | - | 3 |
| Non-taxable income | (12,576) | (31,359) | (7,272) | - |
| Disallowed expenses | 17,615 | 39,571 | - | - |
| Recognition of previously unrecognised tax incentives | (17,243) | (29,525) | - | (2,898) |
| Recognition of previously unrecognised tax losses | - | (9,987) | - | - |
| Share of profit from associate taxed at source | (12,338) | (15,962) | - | - |
| Under/(over) provided in prior years | 342 | (287) | (8) | 45 |
| **Total income tax expense/(credit) in income statement** | **3,571** | **(26,398)** | **(8)** | **94** |

## 25. Subsidiaries

The Niger Delta Exploration & Production Plc ('the parent') controls the following subsidiaries:

| | **Ownership interest** | **31-Dec-19 $ '000** | **31-Dec-18 $'000** |
|---|---|---|---|
| Niger Delta Petroleum Resources Limited (NDPR) | 100% | 500 | 500 |
| Niger Delta Exploration & Production - Uganda Limited (NDEP Uganda) | 100% | - | 160 |
| ND Properties Limited (ND Properties) | 100% | 3,681 | 200 |
| ND Refineries Limited | 94.0345% | 46,392 | 10 |
| ND Gas Limited (ND Gas) | 100% | 100 | 100 |
| | | **50,673** | **970** |

## 26 Deposit for shares

This represents the $80m (₦23.165Bn) investment by African Capital Alliance(ACA) in the Company for 35,833,768 units of shares of ₦10 Naira each at $2.23/share. Ministerial Consent was received from the Federal Government in December 2018 for conversion to equity. All 35,833,768 units of shares have been converted to ordinary shares with equal voting rights and are issued at par value of ₦10 per share.

## 27 Fair value reserve

This represents the fair value changes in financial assets measured at fair value through other comprehensive income.

## 28 Non-Controlling Interest

Non-Controlling Interests represent the 5.9655% ownership stake in ND Refineries Ltd held outside the Group. The investment was received as part of the fund-raising efforts for Train 2 & 3 of the refinery which are expected to be commissioned in 2020. This stake was admitted into the business at close of business of 31 December 2019 and do not have a share of profit or loss and other comprehensive income nor any share of the post acquisition reserves as at 31 December 2019.

# Unclaimed Dividends

## NDEP DIV 3

| S/N | BENEFICIARIES |
|---|---|
| 1 | ABDUL-AZIZ ABDULLAHI |
| 2 | ADEWUYA O. |
| 3 | ADEYANJU MICHAEL ABIODUN |
| 4 | ADEYEMI TEMITOPE, ABIMBOLA |
| 5 | AGHAHOWA FELIX, |
| 6 | ASHIRU HASSAN, KABIRU |
| 7 | CHUKUEZI ANELECHI BARNABAS |
| 8 | DADDO MARITIME SERVICES LIMITE |
| 9 | ESSIEN BASSEY, MFON |
| 10 | EYEE NWOBUDE Evelyn |
| 11 | FOUNTAIN INSURANCE BROKERS LTD - |
| 12 | GEAROUGE ELIE, |
| 13 | GIWA RUFUS |
| 14 | IGBONEKWU OKEY, M. |
| 15 | INSURANCE INVESTMENT FUND |
| 16 | INTERGLOBAL PROC. ENG. SER LTD |
| 17 | JOHNSON OLUFUNMI, L. |
| 18 | KAREEM WAIDI Alamu |
| 19 | KUFEJI SIMPLICIO ABIODUN |
| 20 | LARMUST INTERNATIONAL COMPANY - |
| 21 | MUSTAPHER DAHIRU SABUWA |
| 22 | ODELEYE OLAWALE |
| 23 | ODOI OIL PALM PROCESSING CO. L |
| 24 | ODUSANYA OLUSOLA, & GBOLAHAN |
| 25 | OHOCHUKWU IHEANACHO |
| 26 | OJOGWU NNEKA, |
| 27 | OKAKWU CHARLES, |
| 28 | OLAYEMI OLAYINKA, HELEN |
| 29 | OSEVWE OMONIGHO |
| 30 | OYELEYE OLUWOLE |
| 31 | RIVITUS INVESTMENT LTD. - |
| 32 | SALAMI OLAKUNLE IDOWU |
| 33 | USIFOH AYEMENRE R. |
| 34 | WOODWORTH AL |

## NDEP DIV 4

| S/N | BENEFICIARIES |
|---|---|
| 1 | ABDUL-AZIZ ABDULLAHI |
| 2 | ADEWUYA O. |
| 3 | ADEYANJU MICHAEL ABIODUN |
| 4 | ADEYEMI TEMITOPE, ABIMBOLA |
| 5 | AGHAHOWA FELIX, |
| 6 | ASHIRU HASSAN, KABIRU |
| 7 | CHUKUEZI ANELECHI BARNABAS |
| 8 | CONSOLIDATED RISK INSURERS LTD |
| 9 | DADDO MARITIME SERVICES LIMITE |
| 10 | DOVE-EDWIN GEORGE |
| 11 | ESSIEN BASSEY, MFON |
| 12 | EYEE NWOBUDE Evelyn |
| 13 | FRONTIER MARKETS FUND LIMITED |
| 14 | GEAROUGE ELIE, |
| 15 | GIWA RUFUS |
| 16 | IGBONEKWU OKEY, M. |
| 17 | INSURANCE INVESTMENT FUND |
| 18 | INTERGLOBAL PROC. ENG. SER LTD |
| 19 | JACK MACDONALD NENGI, PEGGY |
| 20 | KABON SARAH, |
| 21 | KAREEM WAIDI Alamu |
| 22 | KUFEJI SIMPLICIO ABIODUN |
| 23 | LARMUST INTERNATIONAL COMPANY - |
| 24 | MOFE-DAMIJO TEGA, |
| 25 | MUSTAPHER DAHIRU SABUWA |
| 26 | ODELEYE OLAWALE |
| 27 | ODOI OIL PALM PROCESSING CO. L |
| 28 | ODUSANYA OLUSOLA, & GBOLAHAN |
| 29 | OHOCHUKWU IHEANACHO |
| 30 | OJOGWU NNEKA, |
| 31 | OKAKWU CHARLES, |
| 32 | OLAYEMI OLAYINKA, HELEN |
| 33 | OME OBIOHA, OGBAJIOGU |
| 34 | OWOSINA Francis Adedoyin |
| 35 | OYELEYE OLUWOLE |
| 36 | SALAMI OLAKUNLE IDOWU |
| 37 | USIFOH AYEMENRE R. |
| 38 | UWAIFO JONES INVESTMENTS LTD |
| 39 | WALAKU IPEGHAN & OBUGE OKALKE M, |
| 40 | WOODWORTH AL |

## NDEP DIV 5

| S/N | BENEFICIARIES |
|---|---|
| 1 | ABDUL-AZIZ ABDULLAHI |
| 2 | ADEWUYA O. |
| 3 | ADEYANJU MICHAEL ABIODUN |
| 4 | ADEYEMI TEMITOPE, ABIMBOLA |
| 5 | ALIU PETER OSHOMA |
| 6 | ASHIRU HASSAN, KABIRU |
| 7 | BADEJO BASHIRU OLUWATOYIN |
| 8 | CHUKUEZI ANELECHI BARNABAS |
| 9 | DOVE-EDWIN GEORGE |
| 10 | ESSIEN BASSEY, MFON |
| 11 | EYEE NWOBUDE Evelyn |
| 12 | FOUNTAIN INSURANCE BROKERS LTD - |
| 13 | GEAROUGE ELIE, |
| 14 | GIWA RUFUS |
| 15 | HARRY-UDOH ALICE, |
| 16 | IGBONEKWU OKEY, M. |
| 17 | INTERGLOBAL PROC. ENG. SER LTD |
| 18 | KABON SARAH, |
| 19 | KAREEM WAIDI Alamu |
| 20 | KUFEJI SIMPLICIO ABIODUN |
| 21 | LARMUST INTERNATIONAL COMPANY - |
| 22 | MARTYNS-YELLOWE IBIAPUYE, SOALA |
| 23 | MOFE-DAMIJO TEGA, |
| 24 | MUSTAPHER DAHIRU SABUWA |
| 25 | OBAJE WADA ANDREW |
| 26 | ODEBODE OLANIYI, M.OLADIMEJI |
| 27 | ODELEYE OLAWALE |
| 28 | ODOI OIL PALM PROCESSING CO. L |
| 29 | ODUSANYA OLUSOLA, & GBOLAHAN |
| 30 | OHOCHUKWU IHEANACHO |
| 31 | OJOGWU NNEKA, |
| 32 | OKAKWU CHARLES, |
| 33 | OKPANA IGAZUMA, CONSTANCE |
| 34 | OLAYEMI OLAYINKA, HELEN |
| 35 | OME OBIOHA, OGBAJIOGU |
| 36 | OYELEYE OLUWOLE |
| 37 | RIVITUS INVESTMENT LTD. - |
| 38 | SALAMI OLAKUNLE IDOWU |
| 39 | SMARTT FUTURES RESOURCES LTD |
| 40 | USIFOH AYEMENRE R. |
| 41 | WOODWORTH AL |

Unclaimed Dividends

## NDEP DIV 6

| S/N | BENEFICIARIES |
|---|---|
| 1 | ABDUL-AZIZ ABDULLAHI |
| 2 | ADEKUNLE A., ADESIDA |
| 3 | ADEWUYA O. |
| 4 | ADEYANJU MICHAEL ABIODUN |
| 5 | ADEYEMI TEMITOPE, ABIMBOLA |
| 6 | ASHIRU HASSAN, KABIRU |
| 7 | CHUKUEZI ANELECHI BARNABAS |
| 8 | DOVE-EDWIN GEORGE |
| 9 | ESSIEN BASSEY, MFON |
| 10 | EYEE NWOBUDE Evelyn |
| 11 | EZEONWUMELU CLETUS, EMEKA |
| 12 | FOUNTAIN INSURANCE BROKERS LTD - |
| 13 | GEAROUGE ELIE, |
| 14 | GIWA RUFUS |
| 15 | HARRY-UDOH ALICE, |
| 16 | HARVEST INVESTMENT LIMITED |
| 17 | IGBONEKWU OKEY, M. |
| 18 | INTERGLOBAL PROC. ENG. SER LTD |
| 19 | JACK MACDONALD NENGI, PEGGY |
| 20 | KABON SARAH, |
| 21 | KAREEM WAIDI Alamu |
| 22 | KUFEJI SIMPLICIO ABIODUN |
| 23 | LARMUST INTERNATIONAL COMPANY - |
| 24 | MARTYNS-YELLOWE IBIAPUYE, SOALA |
| 25 | MOFE-DAMIJO TEGA, |
| 26 | MUSTAPHER DAHIRU SABUWA |
| 27 | NNADI JULIE, UZOR |
| 28 | ODELEYE OLAWALE |
| 29 | ODOI OIL PALM PROCESSING CO. L |
| 30 | ODUSANYA OLUSOLA, & GBOLAHAN |
| 31 | OHOCHUKWU IHEANACHO |
| 32 | OJOGWU NNEKA, |
| 33 | OKAKWU CHARLES, |
| 34 | OKOLO S. A. |
| 35 | OKPANA IGAZUMA, CONSTANCE |
| 36 | OLAYEMI OLAYINKA, HELEN |
| 37 | OME OBIOHA, OGBAJIOGU |
| 38 | OYELEYE OLUWOLE |
| 39 | RIVITUS INVESTMENT LTD. - |
| 40 | SALAMI OLAKUNLE IDOWU |
| 41 | SALAU KAYODE |
| 42 | SMARTT FUTURES RESOURCES LTD |
| 43 | UMAR MUSA ADNAN, |
| 44 | USIFOH AYEMENRE R. |
| 45 | UWAIFO JONES INVESTMENTS LTD |
| 46 | WOODWORTH AL |

## NDEP DIV 7

| S/N | BENEFICIARIES |
|---|---|
| 1 | ABDUL-AZIZ ABDULLAHI |
| 2 | ABIODUN AKINBOLANLE, OWOLABI |
| 3 | ADEKUNLE A., ADESIDA |
| 4 | ADEWUYA O. |
| 5 | ADEYANJU MICHAEL ABIODUN |
| 6 | ADEYEMI TEMITOPE, ABIMBOLA |
| 7 | AJAYI ESTHER, IYABO |
| 8 | AKANBI ADENIKE EVELYN, |
| 9 | ASHIRU HASSAN, KABIRU |
| 10 | CHUKUEZI ANELECHI BARNABAS |
| 11 | DAWHA JOSEPH THLAMA |
| 12 | DOVE-EDWIN GEORGE |
| 13 | EKWUNIFE JOE BILLY, |
| 14 | ENLIL INVESTMENT LIMITED |
| 15 | ESSIEN BASSEY, MFON |
| 16 | EYEE NWOBUDE Evelyn |
| 17 | EZENWAJI PETER, ONYECHI |
| 18 | EZEONWUMELU CLETUS, EMEKA |
| 19 | FOUNTAIN INSURANCE BROKERS LTD - |
| 20 | GEAROUGE ELIE, |
| 21 | GIWA RUFUS |
| 22 | HARVEST INVESTMENT LIMITED - |
| 23 | IBIYEMI ESTHER, OMOYENI |
| 24 | IBIYEMI SAMUEL, OLUWOLE KOLAWOLE |
| 25 | INTERGLOBAL PROC. ENG. SER LTD |
| 26 | JOHNSON OLUFUNMI, L. |
| 27 | KABON SARAH, |
| 28 | KAREEM WAIDI Alamu |
| 29 | KOYEJO OLUBUNMI, AYOKUNLE |
| 30 | KUFEJI SIMPLICIO ABIODUN |
| 31 | KUKU S. B |
| 32 | LARMUST INTERNATIONAL COMPANY - |
| 33 | MARTYNS-YELLOWE IBIAPUYE, SOALA |
| 34 | MATTI MURI OLAJIDE, |
| 35 | MOFE-DAMIJO TEGA, |
| 36 | MUSTAPHER DAHIRU SABUWA |
| 37 | NNADI JULIE, UZOR |
| 38 | OASIS PETROLEUM COMPANY - |
| 39 | ODELEYE OLAWALE |
| 40 | ODOI OIL PALM PROCESSING CO. L |
| 41 | ODUSANYA OLUSOLA, & GBOLAHAN |
| 42 | OGINNI JOSHUA, OLUWOLE |
| 43 | OHOCHUKWU IHEANACHO |
| 44 | OJOGWU NNEKA, |
| 45 | OKAKWU CHARLES, |
| 46 | OKOLO S. A. |
| 47 | OKPANA IGAZUMA, CONSTANCE |
| 48 | OLAIYA ADELODUN, |
| 49 | OLAYEMI OLAYINKA, HELEN |
| 50 | OME OBIOHA, OGBAJIOGU |
| 51 | ORIOLA ABDULSALAMI, AJIBOLA |
| 52 | OYELEYE OLUWOLE |
| 53 | RIVITUS INVESTMENT LTD. - |
| 54 | SALAMI OLAKUNLE IDOWU |
| 55 | SALAU KAYODE |
| 56 | SMARTT FUTURES RESOURCES LTD |
| 57 | SYNERGY ASSET MANAGEMENT CO. LTD |
| 58 | UKPEBOR RICHARD AILEGBEZE, |
| 59 | UMAR MUSA ADNAN, |
| 60 | USIFOH AYEMENRE R. |
| 61 | UWAIFO JONES INVESTMENTS LTD |
| 62 | WOODWORTH AL |

# Unclaimed Dividends

## NDEP DIV 8

| S/N | BENEFICIARIES |
|---|---|
| 1 | ABIODUN AKINBOLANLE OWOLABI |
| 2 | ADEKUNLE A ADESIDA |
| 3 | ADENAGBE OLORUNWA |
| 4 | ADESHINA OLALEKAN OLADEPO |
| 5 | ADESINA RASHIDAT OLUWATOYIN |
| 6 | ADEWUYA O |
| 7 | ADEYANJU MICHAEL ABIODUN |
| 8 | ADEYEMI TEMITOPE ABIMBOLA |
| 9 | AGHAHOWA FELIX |
| 10 | AJAKPOVI OROMENA |
| 11 | AJAYI ESTHER IYABO |
| 12 | AJIBADE OLUWAGBEMILEKE DANIEL |
| 13 | AKANBI ADENIKE EVELYN |
| 14 | AKINLOYE YETUNDE OLAJUMOKE |
| 15 | ASHIRU HASSAN KABIRU |
| 16 | CHUKUEZI ANELECHI BARNABAS |
| 17 | DADDO MARITIME SERVICES LIMITE |
| 18 | DAWHA JOSEPH THLAMA |
| 19 | DOVEEDWIN GEORGE |
| 20 | ESSIEN BASSEY MFON |
| 21 | ETIM EMMANUEL EDET |
| 22 | EYEE NWOBUDE Evelyn |
| 23 | FOUNTAIN INSURANCE BROKERS LTD |
| 24 | GEAROUGE ELIE |
| 25 | GIWA RUFUS |
| 26 | IBIYEMI ESTHER OMOYENI |
| 27 | IBIYEMI SAMUEL OLUWOLE KOLAWOLE |
| 28 | IGBONEKWU OKEY M |
| 29 | IGBRUDE MILLER EFE |
| 30 | INTERGLOBAL PROC ENG SER LTD |
| 31 | JOHNSON OLUFUNMI L |
| 32 | JONES JOHN |
| 33 | KABON SARAH |
| 34 | KAREEM WAIDI Alamu |
| 35 | KOYEJO OLUBUNMI AYOKUNLE |
| 36 | KUKU S B |
| 37 | LARMUST INTERNATIONAL COMPANY |
| 38 | MARTYNSYELLOWE IBIAPUYE SOALA |
| 39 | MATTI MURI OLAJIDE |
| 40 | MOFEDAMIJO TEGA |
| 41 | MUSA ABDULLAH O |
| 42 | MUSA ABDURRAHMAN O |
| 43 | MUSTAPHER DAHIRU SABUWA |
| 44 | OBIDIEGWU JOEL UCHE |
| 45 | OBIEFUNA JULIUS CHIEDOZIE |
| 46 | ODEBODE OLANIYI MOLADIMEJI |
| 47 | ODELEYE OLAWALE |
| 48 | ODOFFIN MAROOF ADEMOLA |
| 49 | ODUSANYA OLUSOLA GBOLAHAN |
| 50 | OHOCHUKWU IHEANACHO |
| 51 | OJOGWU NNEKA |
| 52 | OKAKWU CHARLES |
| 53 | OKOLO S A |
| 54 | OKPANA IGAZUMA CONSTANCE |
| 55 | OLAYEMI OLAYINKA HELEN |
| 56 | OYELEYE OLUWOLE |
| 57 | SALAU KAYODE |
| 58 | SMARTT FUTURES RESOURCES LTD |
| 59 | UMAR MUSA ADNAN |
| 60 | USIFOH AYEMENRE R |
| 61 | UWAIFO JONES INVESTMENTS LTD |
| 62 | WOODWORTH AL |

## NDEP DIV 9

| S/N | BENEFICIARIES |
|---|---|
| 1 | ABDUL-AZIZ ABDULLAHI |
| 2 | ADEBAYO ADEKOLA, MUHAIMEEN |
| 3 | ADEWUYA O. |
| 4 | ADEYANJU MICHAEL ABIODUN |
| 5 | ADEYEMI TEMITOPE, ABIMBOLA |
| 6 | AFOLABI EMMANUEL, CARDOSO |
| 7 | AGHAHOWA FELIX, |
| 8 | AIKEN BECK RESOURCES LIMITED |
| 9 | AJIBADE OLUWAGBEMILEKE, DANIEL |
| 10 | AKINLOYE OLAJUMOKE, YETUNDE |
| 11 | AKINLOYE OLUWAPONMILE, |
| 12 | DARIA FRANK, EGONIWARE |
| 13 | DOVE-EDWIN GEORGE |
| 14 | EKWUNIFE JOE BILLY, |
| 15 | ESSIEN BASSEY, MFON |
| 16 | EYEE NWOBUDE Evelyn |
| 17 | GEAROUGE ELIE, |
| 18 | GEORGE FAITH, E. |
| 19 | GIWA RUFUS |
| 20 | GUERRERO MIGUEL |
| 21 | HARRY-UDOH ALICE, |
| 22 | IBIYEMI ESTHER, OMOYENI |
| 23 | IBIYEMI SAMUEL, OLUWOLE KOLAWOLE |
| 24 | IBRAHIM GALADIMA G., |
| 25 | IGBONEKWU OKEY, M. |
| 26 | IGBRUDE MILLER, EFE |
| 27 | INTERGLOBAL PROC. ENG. SER LTD |
| 28 | JOHNSON OLUFUNMI, L. |
| 29 | KABON SARAH, |
| 30 | KAREEM WAIDI Alamu |
| 31 | KUFEJI SIMPLICIO ABIODUN |
| 32 | KUKU S. B |
| 33 | LARMUST INTERNATIONAL COMPANY - |
| 34 | MARTYNS-YELLOWE IBIAPUYE, SOALA |
| 35 | MATTI MURI OLAJIDE, |
| 36 | MOFE-DAMIJO TEGA, |
| 37 | MUSA ABDULLAH, O |
| 38 | MUSA ABDURRAHMAN, O |
| 39 | MUSTAPHER DAHIRU SABUWA |
| 40 | NUGA SAMUEL, ABIOLA |
| 41 | NWOSU KENNETH, NNABIKE |
| 42 | OBIDIEGWU JOEL, UCHE |
| 43 | OBIEFUNA NNEKA, |
| 44 | ODOFFIN MAROOF ADEMOLA |
| 45 | ODOI OIL PALM PROCESSING CO. L |
| 46 | ODUSANYA OLUSOLA, & GBOLAHAN |
| 47 | OGEDENGBE IDOWU PETERS, |
| 48 | OJOGWU NNEKA, |

Unclaimed Dividends

| | |
|---|---|
| 49 | OKAKWU CHARLES, |
| 50 | OKOLO S. A. |
| 51 | OKPANA IGAZUMA, CONSTANCE |
| 52 | OLAYEMI OLAYINKA, HELEN |
| 53 | ORIBAMISE ISAAC, IFEOLUWA |
| 54 | ORIOLA ABDULSALAMI, AJIBOLA |
| 55 | OYELEYE OLUWOLE |
| 56 | SMARTT FUTURES RESOURCES LTD |
| 57 | SMITH ABIMBOLA, |
| 58 | SYNERGY ASSET MANAGEMENT CO. LTD |
| 59 | UDOMA MICHAELS, OSAMUYI |
| 60 | UMAR MUSA ADNAN, |
| 61 | USIFOH AYEMENRE R. |
| 62 | UWAIFO JONES INVESTMENTS LTD |
| 63 | WALAKU IPEGHAN & OBUGE OKALKE M, |
| 64 | WOODWORTH AL |

## NDEP DIV 10

| S/N | BENEFICIARIES |
|---|---|
| 1 | ABDUL-AZIZ ABDULLAHI |
| 2 | ABIODUN AKINBOLANLE, OWOLABI |
| 3 | ADAJI OKPANACHI, |
| 4 | ADAMA FOLAKE, |
| 5 | ADEKUNLE A., ADESIDA |
| 6 | ADELEKE ADESINA, |
| 7 | ADENUSI OLUWATOSIN, |
| 8 | ADERINTO MERCY O. & ADEBIYI |
| 9 | ADEWUYA O. |
| 10 | ADEYANJU MICHAEL ABIODUN |
| 11 | ADEYEMI TEMITOPE, ABIMBOLA |
| 12 | AFUNDU EDITH IFEYINWA, |
| 13 | AGBONJARU SUNDAY, OKAH |
| 14 | AGHAHOWA FELIX, |
| 15 | AJAKPOVI OROMENA . |
| 16 | AJAYI ESTHER, IYABO |
| 17 | AJIBADE OLUWAGBEMILEKE, DANIEL |
| 18 | AKHARUME IGBAFE, |
| 19 | AKINLOYE OLAJUMOKE, YETUNDE |
| 20 | AKINLOYE OLUWAPONMILE, |
| 21 | AKINLOYE YETUNDE OLAJUMOKE, |
| 22 | AKINPELU ADEBAYO, OLADELE |
| 23 | ALEYIDENO YVONNE, |
| 24 | ANIMASAHUN GABRIEL, ABIMBOLA |
| 25 | ANYANWU IKECHUKWU, MCKAY CHRISTIAN |
| 26 | ARIYO AYODELE, AKOLADE |
| 27 | ASHIRU HASSAN, KABIRU |
| 28 | BELLO AYUBA, BDLIYA |
| 29 | CHUKUEZI ANELECHI BARNABAS |
| 30 | COKER FEMI, S. |
| 31 | DAFUR MATHIAS, |
| 32 | DARE KOLLINS JOSHUA & DAMILOLA (MR&MRS), |
| 33 | DARIA FRANK, EGONIWARE |
| 34 | DAWHA JOSEPH THLAMA |
| 35 | DOVE-EDWIN GEORGE |
| 36 | EKWUNIFE JOE BILLY, |
| 37 | ESSIEN BASSEY, MFON |
| 38 | ESTATE OF UMOH DAVID, EDEM |
| 39 | ETIM EMMANUEL, EDET |
| 40 | EYEE NWOBUDE Evelyn |
| 41 | EZEONWUMELU CLETUS, EMEKA |
| 42 | FAMUYIDE OLUWASANMI, |
| 43 | FAPOHUNDA ADEOLA, |
| 44 | FOUNTAIN INSURANCE BROKERS LTD - |
| 45 | GEAROUGE ELIE, |
| 46 | GEORGE FAITH, E. |
| 47 | GIWA RUFUS |
| 48 | GUERRERO MIGUEL |
| 49 | GUSTAV NIGERIA, LIMITED |
| 50 | IBRAHIM GALADIMA G., |
| 51 | IGBONEKWU OKEY, M. |
| 52 | IGBRUDE MILLER, EFE |
| 53 | INTERGLOBAL PROC. ENG. SER LTD |
| 54 | INVESTMENT ONE, STOCKBROKERS INT L LTD |
| 55 | JOHNSON OLUFUNMI, L. |
| 56 | KABON SARAH, |
| 57 | KALEGHA ESE |
| 58 | KAREEM WAIDI Alamu |
| 59 | KOYEJO OLUBUNMI, AYOKUNLE |
| 60 | KUFEJI SIMPLICIO ABIODUN |
| 61 | KUKU S. B |
| 62 | LARMUST INTERNATIONAL COMPANY - |
| 63 | MARTYNS-YELLOWE IBIAPUYE, SOALA |
| 64 | MATTI MURI OLAJIDE, |
| 65 | MAYDAV MULTI, RESOURCES LIMITED |
| 66 | MBA ULU, UKA |
| 67 | MOFE-DAMIJO TEGA, |
| 68 | MOMODU KHALID, OSCAR |
| 69 | MUSA ABDULLAH, O |
| 70 | MUSA ABDURRAHMAN, O |
| 71 | MUSTAPHER DAHIRU SABUWA |
| 72 | NATHAN MARSH, OYINADE |
| 73 | NNADI JULIE, UZOR |
| 74 | NUGA SAMUEL, ABIOLA |
| 75 | NWAZOTA WILLIAM, M. |
| 76 | NWAZOTA WILLIAMS, |
| 77 | OBAKIN FLORENCE, OLAJUMOKE |
| 78 | OBAKIN IDOWU ISAAC, |
| 79 | OBASOHAN GODWIN OSARHIUYIMEN |
| 80 | OBIDIEGWU JOEL, UCHE |
| 81 | OBIEFUNA CHIBUEZE, |
| 82 | OBIEFUNA IFEYINWA, |
| 83 | OBIEFUNA JULIUS, CHIEDOZIE |
| 84 | OBIEFUNA MATTHEW |
| 85 | OBIEFUNA NNEKA, |
| 86 | OBIEFUNA OBIANUJU, |
| 87 | OBIEFUNA V, C. |
| 88 | ODEBODE OLANIYI, M.OLADIMEJI |
| 89 | ODELEYE OLAWALE |
| 90 | ODOFFIN MAROOF, ADEMOLA |
| 91 | ODOFIN TAJUDEEN, ADEDAPO |
| 92 | ODOI OIL PALM PROCESSING CO. L |
| 93 | ODUSANYA OLUSOLA, & GBOLAHAN |
| 94 | ODUWAIYE AKINTUNDE, OLALEKAN |
| 95 | OGEDENGBE IDOWU PETERS, |
| 96 | OGUNLEYE TEMITOPE, ANU |
| 97 | OGUNSANYA KOLAWOLE& MARY, |
| 98 | OHOCHUKWU IHEANACHO |
| 99 | OJOGWU NNEKA, |
| 100 | OKAKWU CHARLES, |
| 101 | OKOLO S. A. |
| 102 | OKONKWO CHUKWUFUMNANYA, FELICIA |

# Unclaimed Dividends

| | |
|---|---|
| 103 | OKPANA IGAZUMA, CONSTANCE |
| 104 | OLAYEMI OLAYINKA, HELEN |
| 105 | OLAYINKA SUNDAY AYODEJI, & VICTORIA ADEWUNMI |
| 106 | OLORUNFEMI MICHAEL, ANDREW |
| 107 | OLUKOYA OLUWASEUN, BABAJIDE |
| 108 | OME OBIOHA, OGBAJIOGU |
| 109 | ONABANJO OLUROTIMI OLUGBUYI |
| 110 | ORIBAMISE ISAAC, IFEOLUWA |
| 111 | ORIOLA ABDULSALAMI, AJIBOLA |
| 112 | OSILAJA OLADIPUPO, STEPHEN |
| 113 | OWOLABI OLAMIDE, |
| 114 | OWOSINA Francis Adedoyin |
| 115 | OYELEYE OLUWOLE |
| 116 | RIVITUS INVESTMENT LTD. - |
| 117 | SALAMI OLAKUNLE IDOWU |
| 118 | SALAU KAYODE |
| 119 | SHORINWA GBADUNOLA, GRACE |
| 120 | SMARTT FUTURES RESOURCES LTD |
| 121 | SMITH ABIMBOLA, |
| 122 | SOKUNBI AGBARAOLURUNKIIBATI, ABIMIFOLUWA |
| 123 | SOKUNBI ITEOLUWAKIISHI, AFIMIFOLUWA |
| 124 | SONUGA FUNMILAYO, |
| 125 | TEBI CAPITAL, INVESTMENT LTD |
| 126 | UDOMA MICHAELS, OSAMUYI |
| 127 | UMAR MUSA ADNAN, |
| 128 | USIFO JOHN, EHIMEN FRANK |
| 129 | USIFOH AYEMENRE R. |
| 130 | UWAIFO JONES INVESTMENTS LTD |
| 131 | WALAKU IPEGHAN & OBUGE OKALKE M, |
| 132 | WINSTON F., DUBLIN-GREEN ESTATE OF LATE |
| 133 | WOODWORTH AL |

## NDEP DIV 11

| S/N | BENEFICIARIES |
|---|---|
| 1 | ABDULLAHI UNEKWU, NOEL |
| 2 | ADAMA FOLAKE, |
| 3 | ADEBAYO ADEKOLA, MUHAIMEEN |
| 4 | ADEGBOYE OLUBUNMI, |
| 5 | ADEKUNLE A., ADESIDA |
| 6 | ADELEKE ADESINA, |
| 7 | ADEMOLA ADEBOYA, |
| 8 | ADENAGBE OLORUNWA, |
| 9 | ADEWUYA O. |
| 10 | ADEYANJU MICHAEL ABIODUN |
| 11 | ADEYEMI TEMITOPE, ABIMBOLA |
| 12 | ADU AYODELE, ABRAHAM |
| 13 | AFOLABI EMMANUEL, CARDOSO |
| 14 | AGBONJARU SUNDAY, OKAH |
| 15 | AGHAHOWA FELIX, |
| 16 | AIKEN BECK RESOURCES LIMITED |
| 17 | AJAYI ESTHER, IYABO |
| 18 | AJIBADE OLUWAGBEMILEKE, DANIEL |
| 19 | AJIE KINGSLEY, OLISA |
| 20 | AKANBI ADENIKE EVELYN, |
| 21 | AKANBI FELIX, ADEOLA |
| 22 | AKHARUME IGBAFE, |
| 23 | AKINLOYE OLAJUMOKE, YETUNDE |
| 24 | ALEYIDENO YVONNE, |
| 25 | ASHIRU HASSAN, KABIRU |
| 26 | ASUNMO AKINWUNMI, AKINTOLA |
| 27 | BAREEK GENERAL, ENTERPRISES NIG LTD |
| 28 | CORPORATE &, STRATEGIC OPTIONS LTD |
| 29 | DADDO MARITIME SERVICES LIMITE |
| 30 | DAFUR MATHIAS, |
| 31 | DARE KOLLINS JOSHUA & DAMILOLA (MR&MRS), |
| 32 | DARIA FRANK, EGONIWARE |
| 33 | DAWHA JOSEPH THLAMA |
| 34 | DOVE-EDWIN GEORGE |
| 35 | EKWUNIFE JOE BILLY, |
| 36 | ESSIEN BASSEY, MFON |
| 37 | ESTATE OF UMOH DAVID, EDEM |
| 38 | ETIM EMMANUEL, EDET |
| 39 | EYEE NWOBUDE Evelyn |
| 40 | FAPOHUNDA ADEOLA, |
| 41 | FEMBOL INTERNATIONAL COMPANY LTD |
| 42 | FOUNTAIN INSURANCE BROKERS LTD - |
| 43 | GEAROUGE ELIE, |
| 44 | GEORGE FAITH, E. |
| 45 | GIWA RUFUS |
| 46 | GUERRERO MIGUEL |
| 47 | GUSTAV NIGERIA, LIMITED |
| 48 | HUMPHREY VICTORIA, |
| 49 | IBRAHIM GALADIMA G., |
| 50 | IDOWU ABIMBOLA, ABIOLA |
| 51 | IGBONEKWU OKEY, M. |
| 52 | IGBRUDE MILLER, EFE |
| 53 | INTERGLOBAL PROC. ENG. SER LTD |
| 54 | INVESTMENT SHARK AND ASSET MANAGEMENT LTD |
| 55 | JOHNSON OLUFUNMI, L. |
| 56 | KABON SARAH, |
| 57 | KAREEM WAIDI Alamu |
| 58 | KUFEJI SIMPLICIO ABIODUN |
| 59 | KUKU S. B |
| 60 | LEKE-AKINROWO MODUPE, MARGARET |
| 61 | MARTYNS-YELLOWE IBIAPUYE, SOALA |
| 62 | MATTI MURI OLAJIDE, |
| 63 | MBA ULU, UKA |
| 64 | MEDAHUNSI CHRISTOPHER, OLAJIDE |
| 65 | MOFE-DAMIJO TEGA, |
| 66 | MOMODU KHALID, OSCAR |
| 67 | MUSA ABDULLAH, O |
| 68 | MUSA ABDURRAHMAN, O |
| 69 | MUSTAPHER DAHIRU SABUWA |
| 70 | NDEP BONUS FRACTIONAL SHARES ACCOUNT- ALL |
| 71 | NDEP BONUS 2008 FRACTIONAL SHARES ACCOUNT |
| 72 | NDEP BONUS 2010 FRACTIONAL SHARES ACCOUNT |
| 73 | NOBLE FAITH CATERERS |
| 74 | NUGA SAMUEL, ABIOLA |
| 75 | NWAZOTA WILLIAM, M. |
| 76 | NWAZOTA WILLIAMS, |
| 77 | NWOSU KENNETH, NNABIKE |
| 78 | OBASOHAN GODWIN OSARHIUYIMEN |
| 79 | OBIDIEGWU JOEL, UCHE |
| 80 | OBIEFUNA IFEYINWA, |
| 81 | OBIEFUNA JULIUS, CHIEDOZIE |
| 82 | OBIEFUNA NNEKA, |
| 83 | ODOFFIN MAROOF, ADEMOLA |
| 84 | ODOI OIL PALM PROCESSING CO. L |
| 85 | ODUKOYA KAYODE, ADESANYA |
| 86 | ODUSANYA OLUSOLA, & GBOLAHAN |
| 87 | ODUWAIYE AKINTUNDE, OLALEKAN |
| 88 | OGBA CHRISTOPHER, CHINONYE |
| 89 | OGUNSANYA KOLAWOLE& MARY, |
| 90 | OHOCHUKWU IHEANACHO |
| 91 | OILSCAN NIGERIA LIMITED |
| 92 | OJOGWU NNEKA, |
| 93 | OKAKWU CHARLES, |
| 94 | OKELEYE ELIZABETH, ADENIKE |
| 95 | OKOLO S. A. |
| 96 | OKONKWO CHUKWUFUMNANYA, FELICIA |
| 97 | OKPANA IGAZUMA, CONSTANCE |
| 98 | OLAYEMI OLAYINKA, HELEN |
| 99 | OLORUNFEMI MICHAEL, ANDREW |
| 100 | OLORUNFUNMI YINUSA, ADEKUNLE |
| 101 | ONABANJO OLUROTIMI OLUGBUYI |
| 102 | ORIOLA ABDULSALAMI, AJIBOLA |
| 103 | OSILAJA OLADIPUPO, STEPHEN |

Unclaimed Dividends

104 OSINOWO RONKE,
105 OWOLABI OLAMIDE,
106 OYELEYE OLUWOLE
107 OZIKO INVESTMENTS LIMITED
108 Q-TRIANGLE
109 SHORINWA GBADUNOLA, GRACE
110 SMARTT FUTURES RESOURCES LTD
111 SMITH ABIMBOLA,
112 SOARES OMOTIDOLO,
113 SOETAN RALIAT, ESTATE OF
114 SOKUNBI AGBARAOLURUNKIIBATI, ABIMIFOLUWA
115 SOKUNBI ITEOLUWAKIISHI, AFIMIFOLUWA
116 SONUGA FUNMILAYO,
117 SYNERGY ASSET MANAGEMENT CO. LTD
118 UDOMA MICHAELS, OSAMUYI
119 UMAR MUSA ADNAN,
120 USIFOH AYEMENRE R.
121 UWAIFO JONES INVESTMENTS LTD
122 WALAKU IPEGHAN & OBUGE OKALKE M,
123 WOODWORTH AL

## NDEP DIV 12

| S/N | BENEFICIARIES |
|---|---|
| 1 | ABDULLAHI UNEKWU, NOEL |
| 2 | ABIDAKUN OYEBODE, MICHAEL |
| 3 | ADAJI OKPANACHI, |
| 4 | ADAMA FOLAKE, |
| 5 | ADEBAYO ADEKOLA, MUHAIMEEN |
| 6 | ADEGBOYE OLUBUNMI, |
| 7 | ADEKUNLE A., ADESIDA |
| 8 | ADELEKE ADESINA, |
| 9 | ADEMOLA ADEBOYA, |
| 10 | ADENAGBE OLORUNWA, |
| 11 | ADERINTO MERCY O. & ADEBIYI |
| 12 | ADESINA RASHIDAT, OLUWATOYIN |
| 13 | ADEWUYA O. |
| 14 | ADEYANJU MICHAEL ABIODUN |
| 15 | ADEYEMI TEMITOPE, ABIMBOLA |
| 16 | ADU AYODELE, ABRAHAM |
| 17 | AFOLABI EMMANUEL, CARDOSO |
| 18 | AGBONJARU SUNDAY, OKAH |
| 19 | AGHAHOWA FELIX, |
| 20 | AIKEN BECK RESOURCES LIMITED |
| 21 | AJAKPOVI OROMENA . |
| 22 | AJAYI ESTHER, IYABO |
| 23 | AJIBADE OLUWAGBEMILEKE, DANIEL |
| 24 | AJIE KINGSLEY, OLISA |
| 25 | AJUMOBI GRACE, OMONIYI |
| 26 | AKANBI ADENIKE EVELYN, |
| 27 | AKHARUME IGBAFE, |
| 28 | AKINDOLIRE BENSON, OLANIJI |
| 29 | AKINLOYE OLAJUMOKE, YETUNDE |
| 30 | AKINPELU ADEBAYO, OLADELE |
| 31 | ALP ASSETS LTD |
| 32 | ANYANWU LEONARD, CHUKWUMA |
| 33 | ASUNMO AKINWUNMI, AKINTOLA |
| 34 | BINUYO SHARAFA, TEJU |
| 35 | COKER FEMI, S. |
| 36 | CORPORATE &, STRATEGIC OPTIONS LTD |
| 37 | DANKARO DAVID, |
| 38 | DARE KOLLINS JOSHUA & DAMILOLA (MR&MRS), |
| 39 | DARIA FRANK, EGONIWARE |
| 40 | DAWHA JOSEPH THLAMA |
| 41 | DELANO AKIN |
| 42 | DOVE-EDWIN GEORGE |
| 43 | DUROJAIYE ANTHONIA, O. |
| 44 | EKWUNIFE JOE BILLY, |
| 45 | EMUCHI JONATHAN, |
| 46 | ERINFOLAMI BOSERECALEB, IJAODOLATIOLUWA |
| 47 | ESTATE OF UMOH DAVID, EDEM |
| 48 | ETIM EMMANUEL, EDET |
| 49 | EYEE NWOBUDE Evelyn |
| 50 | FABIYI EBENEZER, ADEYEMI |
| 51 | FAMUYIDE OLUWASANMI, |
| 52 | FAPOHUNDA ADEOLA, |
| 53 | FISHBACK INVESTMENT, CHIEF NOMINEE |
| 54 | FOUNTAIN INSURANCE BROKERS LTD - |
| 55 | GEAROUGE ELIE, |
| 56 | GEORGE FAITH, E. |
| 57 | GIWA RUFUS |
| 58 | GLOBAL RESOURCE MANAGEMENT LTD |
| 59 | GUERRERO MIGUEL |
| 60 | IBRAHIM GALADIMA G., |
| 61 | IGBONEKWU OKEY, M. |
| 62 | IMPERIAL EQUITY, INV. CO. LTD |
| 63 | INTERGLOBAL PROC. ENG. SER LTD |
| 64 | INVESTMENT SHARK AND ASSET MANAGEMENT LTD |
| 65 | JABEL BEN, |
| 66 | JOHNSON OLUFUNMI, L. |
| 67 | JONES JOHN |
| 68 | KABON SARAH, |
| 69 | KALEGHA ESE |
| 70 | KAREEM WAIDI Alamu |
| 71 | KUKU S. B |
| 72 | LARMUST INTERNATIONAL COMPANY - |
| 73 | MARTYNS-YELLOWE IBIAPUYE, SOALA |
| 74 | MATTI MURI OLAJIDE, |
| 75 | MEDAHUNSI CHRISTOPHER, OLAJIDE |
| 76 | MOFE-DAMIJO TEGA, |
| 77 | MOMODU KHALID, OSCAR |
| 78 | MOMOH MUSA, ONOME |
| 79 | MUSA ABDULLAH, O |
| 80 | MUSA ABDURRAHMAN, O |
| 81 | MUSTAPHER DAHIRU SABUWA |
| 82 | NOBLE FAITH CATERERS |
| 83 | NUGA SAMUEL, ABIOLA |
| 84 | NWABUEZE OBI-AZUKAEGO, HENRY |
| 85 | NWAZOTA WILLIAM, M. |
| 86 | NWAZOTA WILLIAMS, |
| 87 | NWOSU KENNETH, NNABIKE |
| 88 | OBASOHAN GODWIN OSARHIUYIMEN |
| 89 | OBAYEMI FEYISARA, JANET |
| 90 | OBIANWU EMMANUEL, N. |
| 91 | OBIDIEGWU JOEL, UCHE |
| 92 | OBIEFUNA CHIBUEZE, |
| 93 | OBIEFUNA IFEYINWA, |
| 94 | OBIEFUNA JULIUS, CHIEDOZIE |
| 95 | OBIEFUNA NNEKA, |
| 96 | OBIEFUNA OBIANUJU, |
| 97 | OBIEFUNA V, C. |
| 98 | ODEBODE OLANIYI, M.OLADIMEJI |
| 99 | ODELEYE OLAWALE |
| 100 | ODOFFIN MAROOF, ADEMOLA |
| 101 | ODOI OIL PALM PROCESSING CO. L |
| 102 | ODUNUGA SAMIAT, ADEBANKE |
| 103 | ODUSANYA OLUSOLA, & GBOLAHAN |

# Unclaimed Dividends

104 ODUWAIYE AKINTUNDE, OLALEKAN
105 OGINNI JOSHUA, OLUWOLE
106 OGUNDEJI MOSES, AYODELE
107 OGUNLEYE OLORUNFEMI,
108 OGUNLEYE TEMITOPE, ANU
109 OGUNSANYA KOLAWOLE& MARY,
110 OHOCHUKWU IHEANACHO
111 OILSCAN NIGERIA LIMITED
112 OJOGWU NNEKA,
113 OKAKWU CHARLES,
114 OKELEYE ELIZABETH, ADENIKE
115 OKOLO S. A.
116 OKONKWO CHUKWUFUMNANYA, FELICIA
117 OKORO UREH
118 OKPANA IGAZUMA, CONSTANCE
119 OKUNTOLA BABAJIDE,
120 OKUSI MUTAIRU, BABATUNDE
121 OLAYEMI OLAYINKA, HELEN
122 OLAYINKA SUNDAY AYODEJI, & VICTORIA ADEWUNMI
123 OMORAGBON HENRY, I.E
124 OPAOGUN TEMITOPE, JANET
125 ORIOLA ABDULSALAMI, AJIBOLA
126 OSINOWO RONKE,
127 OTEH ARUNMA
128 OTEH EGBICHI U
129 OWOLABI OLAMIDE,
130 OYELEYE OLUWOLE
131 OYEWOLE ISAIAH, OLUWATOSIN
132 OZIKO INVESTMENTS LIMITED
133 Q-TRIANGLE
134 SMARTT FUTURES RESOURCES LTD
135 SMITH ABIMBOLA,
136 SOARES OMOTIDOLO,
137 SOETAN RALIAT, ESTATE OF
138 SOKUNBI AGBARAOLURUNKIIBATI, ABIMIFOLUWA
139 SOKUNBI ITEOLUWAKIISHI, AFIMIFOLUWA
140 SONUGA FUNMILAYO,
141 STEPHEN DESTINA, OGHENEYONLEME
142 TIJANI OLUWANISOLA, M
143 UDOMA MICHAELS, OSAMUYI
144 UMAR MUSA ADNAN,
145 USIFOH AYEMENRE R.
146 UWAIFO JONES INVESTMENTS LTD
147 WALAKU IPEGHAN & OBUGE OKALKE M,
148 WOODWORTH AL
149 YUSUF YAKUBU,
150 ZHAWA ABOKI,

## NDEP DIV 13

S/N BENEFICIARIES
1 ABDUL-AZIZ ABDULLAHI
2 ABDULLAHI UNEKWU, NOEL
3 ABIDAKUN OYEBODE, MICHAEL
4 ABIMBOLA KASIM,
5 ABIODUN AKINBOLANLE, OWOLABI
6 ADAJI NUHU,
7 ADAJI OKPANACHI,
8 ADAMA FOLAKE,
9 ADEGBOYE OLUBUNMI,
10 ADEGOROYE MONISADE, OLUKEMI
11 ADEJUMO OLUFEMI,
12 ADEKUNLE A., ADESIDA
13 ADELEKE ADESINA,
14 ADEMOLA ADEBOYA,
15 ADENAGBE OLORUNWA,
16 ADERINTO MERCY O. & ADEBIYI
17 ADESHINA OLALEKAN, OLADEPO
18 ADESINA RASHIDAT, OLUWATOYIN
19 ADEWUYA O.
20 ADEYANJU MICHAEL ABIODUN
21 ADEYEMI TEMITOPE, ABIMBOLA
22 ADU AYODELE, ABRAHAM
23 AFINJU BOLUWATIFE, OLADIPUPO
24 AFINJU OMOTAYO, KOFOWOROLA
25 AGBONJARU SUNDAY, OKAH
26 AGHAHOWA FELIX,
27 AIKEN BECK RESOURCES LIMITED
28 AJAKPOVI OROMENA .
29 AJAYI ESTHER, IYABO
30 AJIBADE OLUWAGBEMILEKE, DANIEL
31 AJIE KINGSLEY, OLISA
32 AJUMOBI GRACE, OMONIYI
33 AKANBI ADENIKE EVELYN,
34 AKANBI FELIX, ADEOLA
35 AKHARUME IGBAFE,
36 AKINLOYE OLAJUMOKE, YETUNDE
37 AKINLOYE OLUWAPONMILE,
38 AKINLOYE YETUNDE OLAJUMOKE,
39 AKINMADE OLUFEMI,
40 AKINPELU ADEBAYO, OLADELE
41 AKINTILO FRANKLIN, ADEDEJI
42 ALAKE OLUSESAN,
43 ALEYIDENO YVONNE,
44 ALIU GABRIEL, TOBA
45 ALP ASSETS LTD
46 ANIMASAHUN ABIMBOLA, EBUN-OLUWA
47 ANIMASAHUN GABRIEL, ABIMBOLA
48 ANKA YUSHAU Mohammed
49 ANYANWU IKECHUKWU, MCKAY
50 ANYANWU IKECHUKWU, MCKAY CHRISTIAN
51 ANYANWU LEONARD, CHUKWUMA
52 ARIYO AYODELE, AKOLADE
53 ASHIRU HASSAN, KABIRU
54 ASUNMO AKINWUNMI, AKINTOLA
55 AWOYOMI ADEDAYO, SUNDAY JAGUNMOLU
56 AYEDUN FUNMILAYO, ABIODUN
57 AZEEZ RIDWAN, OKIKIOLA
58 BAREEK GENERAL, ENTERPRISES NIG LTD
59 BELLO AYUBA, BDLIYA
60 BENSON OPRAL,
61 BIANGULAR REALTIES, LIMITED
62 BINUYO SHARAFA, TEJU
63 CHAPEL HILL ADVISORY PARTNERS LTD
64 CHUKUEZI ANELECHI BARNABAS
65 COKER FEMI, S.
66 CORPORATE &, STRATEGIC OPTIONS LTD
67 DADDO MARITIME SERVICES LIMITE
68 DAFUR MATHIAS,
69 DANKARO DAVID
70 DANKARO DAVID,
71 DARE KOLLINS JOSHUA & DAMILOLA (MR&MRS),
72 DARIA FRANK, EGONIWARE
73 DAWHA JOSEPH THLAMA
74 DELANO AKIN
75 DOVE-EDWIN GEORGE
76 DUROJAIYE ANTHONIA, O.
77 EFEKOHA EDDIE, AGBERIA
78 EKWUNIFE JOE BILLY,
79 EKWUNIFE JOE, BILLY
80 EMUCHI JONATHAN,
81 ERINFOLAMI BOSERECALEB, IJAODOLATIOLUWA
82 ESSIEN BASSEY, MFON
83 ESTATE OF UMOH DAVID, EDEM
84 EZEONWUMELU CLETUS, EMEKA
85 FABIYI EBENEZER, ADEYEMI
86 FAMUYIDE OLUWASANMI,
87 FAPOHUNDA ADEOLA,
88 FEMBOL INTERNATIONAL COMPANY LTD
89 FOLAMI &, ASSOCIATES
90 FOUNTAIN INSURANCE BROKERS LTD -
91 GEAROUGE ELIE,
92 GEORGE FAITH, E.
93 GIWA RUFUS
94 GLOBAL CAPITAL, RESOURCES LTD
95 GLOBAL CAPITAL RESOURCES LTD
96 GUERRERO MIGUEL
97 GUSTAV NIGERIA, LIMITED
98 HARRY-UDOH ALICE,
99 HUMPHREY VICTORIA,
100 IBIYEMI ESTHER, OMOYENI
101 IBIYEMI SAMUEL, OLUWOLE KOLAWOLE
102 IBRAHIM GALADIMA G.,
103 IDOWU ABIMBOLA, ABIOLA

## Unclaimed Dividends

104 IDOWU OLATOKUNBO&CATHERINE,
105 IDOWU OLUWASOLAPE, OLAIDE
106 IFEANYI OKEY, FESTUS
107 IGBONEKWU OKEY, M.
108 IGBRUDE MILLER, EFE
109 IJOMA FIDELIS, OPIA ODILI
110 IMPERIAL EQUITY, INV. CO. LTD
111 INDEPENDENT SHAREHOLDERS ASSOCIATION OF NIGERIA
112 INTERGLOBAL PROC. ENG. SER LTD
113 JABEL BEN,
114 JAJI BABATUNDE, RAHMAN
115 JOHNSON OLUFUNMI, L.
116 JONES JOHN
117 KABON SARAH,
118 KALEGHA ESE
119 KAREEM WAIDI Alamu
120 KOYEJO OLUBUNMI, AYOKUNLE
121 KUFEJI SIMPLICIO ABIODUN
122 KUKU S. B
123 LARMUST INTERNATIONAL COMPANY -
124 LEGUNSEN TOLULOPE,
125 LEKE-AKINROWO MODUPE, MARGARET
126 MAJIYAGBE MOFOLORUNSHO,
127 MARTYNS-YELLOWE IBIAPUYE, SOALA
128 MATTI MURI OLAJIDE,
129 MAYDAV MULTI, RESOURCES LIMITED
130 MBA ULU, UKA
131 MBC SECURITIES, LTD
132 MEDAHUNSI CHRISTOPHER, OLAJIDE
133 MENE-EJEGI ROLAND, ORITSEBEMIWO
134 MOFE-DAMIJO TEGA,
135 MOMODU KHALID, OSCAR
136 MOMOH MUSA, ONOME
137 MONEKE GABRIEL O.
138 MOT OLAYIWOLA, TOBUN
139 MUSA ABDULLAH, O
140 MUSA ABDURRAHMAN, O
141 MUSTAPHER DAHIRU SABUWA
142 NATHAN MARSH, OYINADE
143 NDEP BONUS FRACTIONAL SHARES ACCOUNT- ALL
144 NDEP BONUS 2008 FRACTIONAL SHARES ACCOUNT
145 NDEP BONUS 2010 FRACTIONAL SHARES ACCOUNT
146 NNADI JULIE, UZOR
147 NOBLE FAITH CATERERS
148 NUGA SAMUEL, ABIOLA
149 NWAOZOR LAZARUS, ADIKAIBE UZOMA
150 NWAZOTA WILLIAM, M.
151 NWAZOTA WILLIAMS,
152 NWOSU KENNETH, NNABIKE
153 OBAJE WADA, ANDREW
154 OBAKIN FLORENCE, OLAJUMOKE
155 OBAKIN IDOWU ISAAC,
156 OBASOHAN GODWIN OSARHIUYIMEN
157 OBAYEMI FEYISARA, JANET
158 OBIANWU EMMANUEL, N.
159 OBIDIEGWU JOEL, UCHE
160 OBIEFUNA CHIBUEZE,
161 OBIEFUNA IFEYINWA,
162 OBIEFUNA JULIUS, CHIEDOZIE
163 OBIEFUNA MATTHEW
164 OBIEFUNA NNEKA,
165 OBIEFUNA OBIANUJU,
166 OBIEFUNA V, C.
167 ODEBODE OLANIYI, M.OLADIMEJI
168 ODELEYE OLAWALE
169 ODOFFIN MAROOF, ADEMOLA
170 ODOFIN TAJUDEEN, ADEDAPO
171 ODOI OIL PALM PROCESSING CO. L
172 ODUNUGA SAMIAT, ADEBANKE
173 ODUSANYA OLUSOLA, & GBOLAHAN
174 ODUWAIYE AKINTUNDE, OLALEKAN
175 OGINNI JOSHUA, OLUWOLE
176 OGUNBIYI ALEXANDER, AKIN
177 OGUNDEJI MOSES, AYODELE
178 OGUNLEYE OLORUNFEMI,
179 OGUNLEYE TEMITOPE, ANU
180 OGUNSANYA KOLAWOLE& MARY,
181 OGUNYINKA ABRAHAM,
182 OHOCHUKWU IHEANACHO
183 OILSCAN NIGERIA LIMITED
184 OJOGWU NNEKA,
185 OKAFOR EMMANUEL, NKWACHUKWU
186 OKAKWU CHARLES,
187 OKELEYE ELIZABETH, ADENIKE
188 OKOLO S. A.
189 OKONKWO CHUKWUFUMNANYA, FELICIA
190 OKORO UREH
191 OKPANA IGAZUMA, CONSTANCE
192 OKUNTOLA BABAJIDE,
193 OKUSI MUTAIRU, BABATUNDE
194 OLAGBAJU O. SAMMY
195 OLAYEMI OLATUNDE,
196 OLAYEMI OLAYINKA, HELEN
197 OLAYINKA SUNDAY AYODEJI, & VICTORIA ADEWUNMI
198 OLORUNFEMI MICHAEL, ANDREW
199 OLORUNFUNMI YINUSA, ADEKUNLE
200 OLUKOYA OLUWASEUN, BABAJIDE
201 OME OBIOHA, OGBAJIOGU
202 OMORAGBON HENRY, I.E
203 ONABANJO OLUROTIMI OLUGBUYI
204 ONYIA UCHENNA, CHINYERE
205 OPAOGUN TEMITOPE, JANET
206 OPUTU EVELYN, NDALI
207 ORIBAMISE ISAAC, IFEOLUWA

# Unclaimed Dividends

208 ORIOLA ABDULSALAMI, AJIBOLA
209 OSILAJA OLADIPUPO, STEPHEN
210 OSINOWO RONKE,
211 OSIVWEMU OGHENERUEMU, SAMUEL
212 OTEH ARUNMA
213 OTEH EGBICHI U
214 OWOLABI OLAMIDE,
215 OWOPETU OLUFEMI,
216 OWOSINA Francis Adedoyin
217 OYEDELE NURAT, ADENIKE
218 OYELEYE OLUWOLE
219 OYEWOLE ISAIAH, OLUWATOSIN
220 OZIKO INVESTMENTS LIMITED
221 PATRICK UGOCHUKWU, NNAMDI
222 PITAN ABOSEDE, ABIODUN
223 Q-TRIANGLE
224 READINGS INVESTMENTS, LTD
225 RIVITUS INVESTMENT LTD. -
226 SALAMI OLAKUNLE IDOWU
227 SALAU KAYODE
228 SALEMSON SHAREHOLDERS, ASS OF NIGERIA
229 SHOBANDE COMFORT, OLUSHOLA
230 SHOBOWALE BABATUNDE,
231 SHOFOLAHAN SUNDAY, OLUSANJO
232 SHOPEJU SHOTUNDE,
233 SHORINWA GBADUNOLA, GRACE
234 SMARTT FUTURES RESOURCES LTD
235 SMITH ABIMBOLA,
236 SOARES OMOTIDOLO,
237 SOKUNBI AGBARAOLURUNKIIBATI, ABIMIFOLUWA
238 SOKUNBI ITEOLUWAKIISHI, AFIMIFOLUWA
239 SONUGA FUNMILAYO,
240 STEPHEN DESTINA, OGHENEYONLEME
241 SUNMONI DAVID, OLABANJI ADEWALE
242 TIJANI OLUWANISOLA, M
243 TRANQUIL ESTATES, LIMITED
244 UKPEBOR RICHARD AILEGBEZE,
245 UMAR MUSA ADNAN,
246 UMEOKORO PAULINUS,
247 URHO JAMES,
248 USIFO JOHN, EHIMEN FRANK
249 USIFOH AYEMENRE R.
250 UWAIFO JONES INVESTMENTS LTD
251 WALAKU IPEGHAN & OBUGE OKALKE M,
252 WILLIAMS OLUKOGA, ABAYOMI
253 WINSTON F., DUBLIN-GREEN ESTATE OF LATE
254 WOODWORTH AL
255 YUSUF YAKUBU,

## NDEP DIV 14

| S/N | BENEFICIARIES |
|---|---|
| 1 | ABDUL-AZIZ ABDULLAHI |
| 3 | ABDULLAHI UNEKWU, NOEL |
| 4 | ABIDAKUN OYEBODE, MICHAEL |
| 5 | ABIMBOLA KASIM, |
| 6 | ABIODUN AKINBOLANLE, OWOLABI |
| 7 | ADAJI NUHU, |
| 8.333333333 | ADAJI OKPANACHI, |
| 9.476190476 | ADAMA FOLAKE, |
| 10.61904762 | ADEBAYO ADEKOLA, MUHAIMEEN |
| 11.76190476 | ADEDUNMOLA ADEWOLE DANIEL |
| 12.9047619 | ADEGBOYE OLUBUNMI, |
| 14.04761905 | ADEGOROYE MONISADE, OLUKEMI |
| 15.19047619 | ADEJUMO OLUFEMI, |
| 16.33333333 | ADEKUNLE A., ADESIDA |
| 17.47619048 | ADEMOLA ADEBOYA, |
| 18.61904762 | ADENAGBE OLORUNWA, |
| 19.76190476 | ADERINTO MERCY O. & ADEBIYI |
| 20.9047619 | ADESHINA OLALEKAN, OLADEPO |
| 22.04761905 | ADESINA RASHIDAT, OLUWATOYIN |
| 23.19047619 | ADEWUYA O. |
| 24.33333333 | ADEYANJU MICHAEL ABIODUN |
| 25.47619048 | ADEYEMI TEMITOPE, ABIMBOLA |
| 26.61904762 | ADEYEMO FUNMILAYO DORCAS |
| 27.76190476 | ADU AYODELE, ABRAHAM |
| 28.9047619 | AFINJU BOLUWATIFE, OLADIPUPO |
| 30.04761905 | AFINJU OMOTAYO, KOFOWOROLA |
| 31.19047619 | AGBONJARU SUNDAY, OKAH |
| 32.33333333 | AGHAHOWA FELIX, |
| 33.47619048 | AIG IMOUKHUEDE, OFOVWE KOKO |
| 34.61904762 | AIKEN BECK RESOURCES LIMITED |
| 35.76190476 | AJAKPOVI OROMENA . |
| 36.9047619 | AJAYI ESTHER, IYABO |
| 38.04761905 | AJIBADE OLUWAGBEMILEKE, DANIEL |
| 39.19047619 | AJIE KINGSLEY, OLISA |
| 40.33333333 | AJUMOBI GRACE, OMONIYI |
| 41.47619048 | AJUMOBI JOSEPH OLUYEMI ESTATE OF |
| 42.61904762 | AJUMOBI OLUGBENGA EZEKIEL |
| 43.76190476 | AKANBI ADENIKE EVELYN, |
| 44.9047619 | AKANBI FELIX, ADEOLA |
| 46.04761905 | AKHARUME IGBAFE, |
| 47.19047619 | AKINDOLIRE BENSON, OLANIJI |
| 48.33333333 | AKINLOYE OLAJUMOKE, YETUNDE |
| 49.47619048 | AKINLOYE OLUWAPONMILE, |
| 50.61904762 | AKINLOYE YETUNDE OLAJUMOKE, |
| 51.76190476 | AKINMADE OLUFEMI, |
| 52.9047619 | AKINPELU ADEBAYO, OLADELE |
| 54.04761905 | AKINTAN TAYO JAYEOLA |
| 55.19047619 | AKINTILO FRANKLIN, ADEDEJI |
| 56.33333333 | ALAKE OLUSESAN, |
| 57.47619048 | ALEYIDENO YVONNE, |
| 58.61904762 | ALIU GABRIEL, TOBA |
| 59.76190476 | ALP ASSETS LTD |

## Unclaimed Dividends

| | |
|---|---|
| 60.9047619 | ANIMASAHUN ABIMBOLA, EBUN-OLUWA |
| 62.04761905 | ANIMASAHUN GABRIEL, ABIMBOLA |
| 63.19047619 | ANKA YUSHAU Mohammed |
| 64.33333333 | ANYANWU IKECHUKWU, MCKAY |
| 65.47619048 | ANYANWU IKECHUKWU, MCKAY CHRISTIAN |
| 66.61904762 | ANYANWU LEONARD, CHUKWUMA |
| 67.76190476 | ARIYO AYODELE, AKOLADE |
| 68.9047619 | ASHIRU HASSAN, KABIRU |
| 70.04761905 | ASUNMO AKINWUNMI, AKINTOLA |
| 71.19047619 | AWOYOMI ADEDAYO, SUNDAY JAGUNMOLU |
| 72.33333333 | AYEDUN FUNMILAYO, ABIODUN |
| 73.47619048 | AZEEZ RIDWAN, OKIKIOLA |
| 74.61904762 | BAREEK GENERAL, ENTERPRISES NIG LTD |
| 75.76190476 | BELLO AYUBA, BDLIYA |
| 76.9047619 | BESTWORTH ASSETS & TRUST LTD |
| 78.04761905 | BIANGULAR REALTIES, LIMITED |
| 79.19047619 | BINUYO SHARAFA, TEJU |
| 80.33333333 | BRUME JITE, |
| 81.47619048 | CHAPEL HILL ADVISORY PARTNERS LTD |
| 82.61904762 | CHUKUEZI ANELECHI BARNABAS |
| 83.76190476 | COKER FEMI, S. |
| 84.9047619 | CORPORATE &, STRATEGIC OPTIONS LTD |
| 86.04761905 | CORPORATE &, STRATEGIC OPTIONS LTD. |
| 87.19047619 | DADDO MARITIME SERVICES LIMITE |
| 88.33333333 | DAFUR MATHIAS, |
| 89.47619048 | DANKARO DAVID |
| 90.61904762 | DANKARO DAVID, |
| 91.76190476 | DARE KOLLINS JOSHUA & DAMILOLA (MR&MRS), |
| 92.9047619 | DARIA FRANK, EGONIWARE |
| 94.04761905 | DAWHA JOSEPH THLAMA |
| 95.19047619 | DELANO AKIN |
| 96.33333333 | DOVE-EDWIN GEORGE |
| 97.47619048 | DUROJAIYE ANTHONIA, O. |
| 98.61904762 | EFEKOHA EDDIE, AGBERIA |
| 99.76190476 | EGBEBI FOLUKE OMOBONIKE |
| 100.9047619 | EGHELE PAUL ORITSEJE |
| 102.047619 | EKWUNIFE JOE BILLY, |
| 103.1904762 | EKWUNIFE JOE, BILLY |
| 104.3333333 | EMUCHI JONATHAN, |
| 105.4761905 | ERINFOLAMI BOSERECALEB, IJAODOLATIOLUWA |
| 106.6190476 | ESSIEN BASSEY, MFON |
| 107.7619048 | ESTATE OF UMOH DAVID, EDEM |
| 108.9047619 | EYEE NWOBUDE Evelyn |
| 110.047619 | EZEONWUMELU CLETUS, EMEKA |
| 111.1904762 | FABIYI EBENEZER, ADEYEMI |
| 112.3333333 | FAMUYIDE OLUWASANMI, |
| 113.4761905 | FAPOHUNDA ADEOLA, |
| 114.6190476 | FEMBOL INTERNATIONAL COMPANY LTD |
| 115.7619048 | FOLAMI &, ASSOCIATES |
| 116.9047619 | FOUNTAIN INSURANCE BROKERS LTD - |
| 118.047619 | GEAROUGE ELIE, |
| 119.1904762 | GEORGE FAITH, E. |
| 120.3333333 | GIWA RUFUS |
| 121.4761905 | GLOBAL CAPITAL RESOURCES LTD |
| 122.6190476 | GLOBAL CAPITAL RESOURCES LTD |
| 123.7619048 | GLOBAL CAPITAL, RESOURCES LTD |
| 124.9047619 | GUERRERO MIGUEL |
| 126.047619 | GUSTAV NIGERIA, LIMITED |
| 127.1904762 | HARRY-UDOH ALICE, |
| 128.3333333 | HUMPHREY VICTORIA, |
| 129.4761905 | IBIYEMI ESTHER, OMOYENI |
| 130.6190476 | IBIYEMI SAMUEL, OLUWOLE KOLAWOLE |
| 131.7619048 | IBRAHIM GALADIMA G., |
| 132.9047619 | IDOWU ABIMBOLA, ABIOLA |
| 134.047619 | IDOWU OLATOKUNBO&CATHERINE, |
| 135.1904762 | IDOWU OLUWASOLAPE, OLAIDE |
| 136.3333333 | IFEANYI OKEY, FESTUS |
| 137.4761905 | IGBONEKWU OKEY, M. |
| 138.6190476 | IGBRUDE MILLER, EFE |
| 139.7619048 | IJOMA FIDELIS, OPIA ODILI |
| 140.9047619 | IMPERIAL EQUITY, INV. CO. LTD |
| 142.047619 | INDEPENDENT SHAREHOLDERS ASSOCIATION OF NIGERIA |
| 143.1904762 | INTERGLOBAL PROC. ENG. SER LTD |
| 144.3333333 | ISEMEDE OLUWATOYIN OMOBOLA |
| 145.4761905 | ISEMEDE SAMUEL IGEIN |
| 146.6190476 | ISIOMA OSHIOLUAMHE LIMITED |
| 147.7619048 | JABEL BEN, |
| 148.9047619 | JAJI BABATUNDE, RAHMAN |
| 150.047619 | JOHNSON OLUFUNMI, L. |
| 151.1904762 | JONES JOHN |
| 152.3333333 | KABON SARAH, |
| 153.4761905 | KALEGHA ESE |
| 154.6190476 | KAREEM WAIDI Alamu |
| 155.7619048 | KOMOLAFE ABIMBOLA ADETOKUNBO |
| 156.9047619 | KOYEJO EBENEZER OLATUNJI |
| 158.047619 | KOYEJO OLUBUNMI, AYOKUNLE |
| 159.1904762 | KUFEJI SIMPLICIO ABIODUN |
| 160.3333333 | KUKU S. B |
| 161.4761905 | LARMUST INTERNATIONAL COMPANY - |
| 162.6190476 | LEGUNSEN TOLULOPE, |
| 163.7619048 | LEKE-AKINROWO MODUPE, MARGARET |
| 164.9047619 | MAJIYAGBE MOFOLORUNSHO, |
| 166.047619 | MANTU ZUWAIRATU IBRAHIM |
| 167.1904762 | MANUWA OLUWASEUN DORCAS |
| 168.3333333 | MARTYNS-YELLOWE IBIAPUYE, SOALA |
| 169.4761905 | MATTI MURI OLAJIDE, |
| 170.6190476 | MAYDAV MULTI, RESOURCES LIMITED |
| 171.7619048 | MBA NGUEME, ESEOGHENE JIRUVBE |
| 172.9047619 | MBA ULU, UKA |
| 174.047619 | MBC SECURITIES, LTD |
| 175.1904762 | MEDAHUNSI CHRISTOPHER, OLAJIDE |
| 176.3333333 | MENE-EJEGI ROLAND, ORITSEBEMIWO |
| 177.4761905 | MOFE-DAMIJO TEGA, |
| 178.6190476 | MOMODU KHALID, OSCAR |
| 179.7619048 | MOMOH MUSA, ONOME |
| 180.9047619 | MONEKE GABRIEL O. |

# Unclaimed Dividends

| | |
|---|---|
| 182.047619 | MOT OLAYIWOLA, TOBUN |
| 183.1904762 | MUSA ABDULLAH, O |
| 184.3333333 | MUSA ABDURRAHMAN, O |
| 185.4761905 | MUSTAPHER DAHIRU SABUWA |
| 186.6190476 | NDEP BONUS FRACTIONAL SHARES ACCOUNT- ALL |
| 187.7619048 | NDEP BONUS 2008 FRACTIONAL SHARES ACCOUNT |
| 188.9047619 | NDEP BONUS 2010 FRACTIONAL SHARES ACCOUNT |
| 190.047619 | NEXT POINT LIMITED |
| 191.1904762 | NISL VENTURES LTD |
| 192.3333333 | NNADI JULIE, UZOR |
| 193.4761905 | NOBLE FAITH CATERERS |
| 194.6190476 | NUGA SAMUEL, ABIOLA |
| 195.7619048 | NWAOZOR LAZARUS, ADIKAIBE UZOMA |
| 196.9047619 | NWAZOTA WILLIAM, M. |
| 198.047619 | NWAZOTA WILLIAMS, |
| 199.1904762 | NWOSU KENNETH, NNABIKE |
| 200.3333333 | OBAJE WADA, ANDREW |
| 201.4761905 | OBAKIN FLORENCE, OLAJUMOKE |
| 202.6190476 | OBAKIN IDOWU ISAAC, |
| 203.7619048 | OBASOHAN GODWIN OSARHIUYIMEN |
| 204.9047619 | OBAYEMI FEYISARA, JANET |
| 206.047619 | OBIANWU EMMANUEL, N. |
| 207.1904762 | OBIDEYI ASEPENISEOLUWA VINCENT |
| 208.3333333 | OBIDEYI EFUNYEMI OLATUNDE |
| 209.4761905 | OBIDEYI ITEOLUWAKIISHI JOAN MORENIKE |
| 210.6190476 | OBIDIEGWU JOEL, UCHE |
| 211.7619048 | OBIEFUNA CHIBUEZE, |
| 212.9047619 | OBIEFUNA IFEYINWA, |
| 214.047619 | OBIEFUNA JULIUS, CHIEDOZIE |
| 215.1904762 | OBIEFUNA MATTHEW |
| 216.3333333 | OBIEFUNA NNEKA, |
| 217.4761905 | OBIEFUNA OBIANUJU, |
| 218.6190476 | OBIEFUNA V, C. |
| 219.7619048 | ODEBODE OLANIYI, M.OLADIMEJI |
| 220.9047619 | ODELEYE OLAWALE |
| 222.047619 | ODOFFIN MAROOF, ADEMOLA |
| 223.1904762 | ODOFIN TAJUDEEN, ADEDAPO |
| 224.3333333 | ODOI OIL PALM PROCESSING CO. L |
| 225.4761905 | ODUGUWA AYOTUNDE OLATOKUNBO |
| 226.6190476 | ODUNUGA SAMIAT, ADEBANKE |
| 227.7619048 | ODUSANYA OLUSOLA, & GBOLAHAN |
| 228.9047619 | ODUSANYA OPE ANIKE |
| 230.047619 | ODUWAIYE AKINTUNDE, OLALEKAN |
| 231.1904762 | OGINNI JOSHUA, OLUWOLE |
| 232.3333333 | OGUNBIYI ALEXANDER, AKIN |
| 233.4761905 | OGUNDEJI MOSES, AYODELE |
| 234.6190476 | OGUNLEYE OLORUNFEMI, |
| 235.7619048 | OGUNLEYE TEMITOPE, ANU |
| 236.9047619 | OGUNSANYA KOLAWOLE& MARY, |
| 238.047619 | OGUNYINKA ABRAHAM, |
| 239.1904762 | OHOCHUKWU IHEANACHO |
| 240.3333333 | OILSCAN NIGERIA LIMITED |
| 241.4761905 | OJOGWU NNEKA, |
| 242.6190476 | OKAFOR EMMANUEL, NKWACHUKWU |
| 243.7619048 | OKAKWU CHARLES, |
| 244.9047619 | OKELEYE ELIZABETH, ADENIKE |
| 246.047619 | OKOH EMMANUEL, ODE |
| 247.1904762 | OKOLO S. A. |
| 248.3333333 | OKONKWO CHUKWUFUMNANYA, FELICIA |
| 249.4761905 | OKORO UREH |
| 250.6190476 | OKPANA IGAZUMA, CONSTANCE |
| 251.7619048 | OKUNTOLA BABAJIDE, |
| 252.9047619 | OKUSI MUTAIRU, BABATUNDE |
| 254.047619 | OLAGBAJU O. SAMMY |
| 255.1904762 | OLAJOSAGBE JOHN OLUBUNMI |
| 256.3333333 | OLALEYE ADEYEMI ELIJAH |
| 257.4761905 | OLAYEMI OLATUNDE, |
| 258.6190476 | OLAYEMI OLAYINKA, HELEN |
| 259.7619048 | OLAYINKA SUNDAY AYODEJI, & VICTORIA ADEWUNMI |
| 260.9047619 | OLORUNFEMI MICHAEL, ANDREW |
| 262.047619 | OLORUNFUNMI YINUSA, ADEKUNLE |
| 263.1904762 | OLUKOYA OLUWASEUN, BABAJIDE |
| 264.3333333 | OME OBIOHA, OGBAJIOGU |
| 265.4761905 | OMORAGBON HENRY, I.E |
| 266.6190476 | ONABANJO OLUROTIMI OLUGBUYI |
| 267.7619048 | ONABANJO OLUROTIMI OLUGBUYI |
| 268.9047619 | ONIME JOY ESHIEMA |
| 270.047619 | ONYIA UCHENNA, CHINYERE |

| | |
|---|---|
| 271.1904762 | OPAOGUN TEMITOPE, JANET |
| 272.3333333 | OPUTU EVELYN, NDALI |
| 273.4761905 | ORIBAMISE ABIGAIL IBUKUNOLUWA |
| 274.6190476 | ORIBAMISE ISAAC, IFEOLUWA |
| 275.7619048 | ORIOLA ABDULSALAMI, AJIBOLA |
| 276.9047619 | OSILAJA OLADIPUPO, STEPHEN |
| 278.047619 | OSINOWO RONKE, |
| 279.1904762 | OTEH ARUNMA |
| 280.3333333 | OTEH EGBICHI U |
| 281.4761905 | OWOLABI OLAMIDE, |
| 282.6190476 | OWOPETU OLUFEMI, |
| 283.7619048 | OWOSINA Francis Adedoyin |
| 284.9047619 | OYEDELE NURAT, ADENIKE |
| 286.047619 | OYELEYE OLUWOLE |
| 287.1904762 | OYEWOLE ISAIAH, OLUWATOSIN |
| 288.3333333 | OZIKO INVESTMENTS LIMITED |
| 289.4761905 | PITAN ABOSEDE, ABIODUN |
| 290.6190476 | Q-TRIANGLE |
| 291.7619048 | READINGS INVESTMENTS, LTD |
| 292.9047619 | RIVITUS INVESTMENT LTD. - |
| 294.047619 | SABA TAIWO MOYOSORE |
| 295.1904762 | SALAMI OLAKUNLE IDOWU |
| 296.3333333 | SALAU KAYODE |
| 297.4761905 | SALEMSON SHAREHOLDERS, ASS OF NIGERIA |
| 298.6190476 | SANUSI SHALOM |
| 299.7619048 | SHOBANDE COMFORT, OLUSHOLA |
| 300.9047619 | SHOBOWALE BABATUNDE, |
| 302.047619 | SHOFOLAHAN SUNDAY, OLUSANJO |
| 303.1904762 | SHOPEJU SHOTUNDE, |
| 304.3333333 | SHORINWA GBADUNOLA, GRACE |
| 305.4761905 | SITL/THE OCHILIGWE BLIND TRUST |
| 306.6190476 | SMARTT FUTURES RESOURCES LTD |
| 307.7619048 | SMITH ABIMBOLA, |
| 308.9047619 | SOARES OMOTIDOLO, |
| 310.047619 | SOKUNBI AGBARAOLURUNKIIBATI, ABIMIFOLUWA |
| 311.1904762 | SOKUNBI ITEOLUWAKIISHI, AFIMIFOLUWA |
| 312.3333333 | SONUGA FUNMILAYO, |
| 313.4761905 | STEPHEN DESTINA, OGHENEYONLEME |
| 314.6190476 | SUNMONI DAVID, OLABANJI ADEWALE |
| 315.7619048 | TIJANI OLUWANISOLA, M |
| 316.9047619 | TRANQUIL ESTATES, LIMITED |
| 318.047619 | UDOMA MICHAELS, OSAMUYI |
| 319.1904762 | UKPEBOR RICHARD AILEGBEZE, |
| 320.3333333 | UMAR MUSA ADNAN, |
| 321.4761905 | UMEOKORO PAULINUS, |
| 322.6190476 | USIFO JOHN, EHIMEN FRANK |
| 323.7619048 | USIFOH AYEMENRE R. |
| 324.9047619 | UWAIFO JONES INVESTMENTS LTD |
| 326.047619 | WALAKU IPEGHAN & OBUGE OKALKE M, |
| 327.1904762 | WILLIAMS OLUKOGA, ABAYOMI |
| 328.3333333 | WINSTON F., DUBLIN-GREEN ESTATE OF LATE |
| 329.4761905 | WOODWORTH AL |
| 330.6190476 | YUSUF YAKUBU, |
| 331.7619048 | ZHAWA ABOKI, |

# Proxy Form

NIGER DELTA
Exploration & Production Plc

The Twenty-Fifth (25th) Annual General Meeting of the members of NIGER DELTA EXPLORATION & PRODUCTION PLC will hold on Wednesday the 17th day of June 2020, at the Board Room of the Company situate at No. 15, Babatunde Jose Road, Victoria Island, Lagos at 11 :00 a.m. to transact the following ordinary business

I/We ..........................................................................................................................

Being members of Niger Delta Exploration & Production Plc. hereby appoint Mr. 'Ladi Jadesimi/Dr. 'Layi Fatona/Ms. Titilola Omisore as my/our proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on 17th June 2020, at 11.00 a.m. and any adjournment thereof.

| RESOLUTION | FOR | AGAINST | ABSTAIN |
|---|---|---|---|
| To lay before the members the Audited Financial Statements for the year ended 31st December 2019 for approval and the Report of the Directors, Auditors and Audit Committee. | | | |
| To declare a dividend. | | | |
| To re-elect Directors retiring by rotation.<br>The Directors up for re-election are: | | | |
| Mr. 'Ladi Jadesimi | | | |
| Mr. Thierry Georger | | | |
| Mr. Osten Olorunsola | | | |
| To re-appoint Auditors. | | | |
| To authorise the Directors to determine the remuneration of the Auditors. | | | |
| To re-elect members of the Company Audit Committee. | | | |
| Members can vote for only three (3) of the nominees. Votes of members who vote for more than three (3) nominees will be considered invalid. | | | |
| Nominees are: | | | |
| Mr. Femi Akinsanya<br>Mr. Eddie Efekoha<br>Mr. Gbola Akinola<br>Mr. Erinfolami Gafar | | | |

| SHAREHOLDER'S NAME |
|---|
| |

Dated this ............ day of .........2020

**IMPORTANT**

1. Before posting the above proxy, please tear this part off and retain it. A person attending the Annual General Meeting of the Company or his proxy should produce this card to secure admission to the meeting. However, considering that these are unusual times and in compliance with the restrictions imposed by the Lagos State Government resulting from the pandemic (COVID-19), there shall be no physical attendance of members at the 2019 Annual General Meeting.
2. A member of the Company is entitled to attend and vote at the Annual General Meeting of the Company. He/she is also entitled to appoint a proxy to attend and vote instead of him/her, and in this case the above card may be used to appoint a proxy. However, considering that these are unusual times and in compliance with the restrictions imposed by the Lagos State Government resulting from the pandemic (COVID-19), there shall be no physical attendance of members at the 2019 Annual General Meeting. The Company has gone to great lengths to ensure that members may dial-in **https://www.youtube.com/watch?v=s3La_S8oCu8** or **https://bit.ly/2Tr8we4** to **observe** the proceedings; voting will be conducted through the use of proxy forms returned as at when due.
3. All questions by members of the Company should be in writing and should be directed to the Company Secretary and submitted at the registered address of the Company not later than one week before the Annual General Meeting. Questions may also be forwarded via email to *25thagmquestions@ngdelta.com*
4. In line with best practice during the COVID-19 era, the names of two (2) directors and the Company Secretary have been entered on the proxy form to ensure that someone will be at the meeting to act as your proxy. Cross out the names of those proxies whom you have not picked leaving only the name of your preferred proxy.
5. The above proxy form, when completed, must be deposited at the registered address of the Company being 15, Babatunde Jose Road, Victoria Island, Lagos, not less than 48 hours before the fixed time for the meeting. Alternatively, executed proxy forms may be deposited with the Registrars, United Securities Limited, 9 Amodu Ojikutu Street, Victoria Island, Lagos or sent via email to 25thagmproxy@ngdelta.com and/or *Customercare@unitedsecuritieslimited.com*, not later than 48 hours before the time of holding the meeting.
6. It is a requirement of the law under the Stamp Duties Act, Cap 58, Laws of the Federation of Nigeria, 2004, that any instrument of proxy to be used for the purpose of voting by any person entitled to vote at any meeting of shareholders must bear a stamp duty. However, in line with the Guidelines provided by the Corporate Affairs Commission (CAC) for holding an Annual General Meeting in this pandemic, the Company shall bear the cost of all stamp duties in this regard accordingly.
7. If a proxy form is executed by a Company, it should be sealed under its common seal or under the hand of an attorney.

*Signature of person attending*

**Admission Card**

Annual General Meeting to be held on Wednesday the 17th June 2020, at Niger Delta Exploration & Production, No. 15, Babatunde Jose Road, Victoria Island, at 11.00 a.m.

I/We ........................................................................... ...own ....................... units of shares

united securities

Affix Current Passport
(To be stamped by bankers)

Please write your name at the back of your passport photograph

# E-MANDATE ACTIVATION FORM

## Instruction

Only Clearing Banks are acceptable

Please complete all sections of this form to make it eligible for processing and return to the address below

**The Registrar,**
**UNITED SECURITIES LIMITED** RC 126257
Plot 009, Amodu Ojikutu Street, Off Saka Tinubu,
Victoria Island, P.M.B 12753 Lagos, Nigeria.

I\We hereby request that henceforth, all my\our Dividend Payment(s) due to me\us from my\our holdings in all the companies at the right hand column be credited directly to my\our bank detailed below:

**Bank Verification Number**

**Bank Name**

**Bank Account Number**

**Account Opening Date**

## Shareholder Account Information

Surname / Company's Name    First Name    Other Names

Address:

City    State    Country

Previous Address (If any)

CHN (If any)

Mobile Telephone 1    Mobile Telephone 2

Email Address

Signature(s)

Company Seal (If applicable)

Joint\Company's Signatories

**Kindly tick & quote your shareholder account no in the box below**

| Tick | Name of Company | Shareholder Number |
|---|---|---|
| | Access Bank PLC | |
| | Access Bank Bond | |
| | Access Bank Green Bond | |
| | Afrinvest WA Ltd | |
| | AIICO Insurance PLC | |
| | AIICO Money Market Fund | |
| | Airtel Africa PLC | |
| | Air Liquide Nigeria PLC | |
| | Caverton Offshore Support group | |
| | ChapelHill Denham - NIDF | |
| | Coronation Asset Management Limited | |
| | Dangote Cement PLC | |
| | FirstTrust Mortgage Bank Plc | |
| | FSDH Asset Management Limited | |
| | Food Emporium Int`l Limited | |
| | Gombe State Government | |
| | IHS Nigeria PLC | |
| | Lagos State Government | |
| | Lead Asset Mgt Limited | |
| | McNichols Consolidated PLC | |
| | Mixta Real Estate Bond | |
| | MTN Nigeria Communication PLC | |
| | NASD PLC | |
| | NDEP PLC | |
| | NIPCO PLC | |
| | Red Star Express PLC | |
| | SFS Capital Nig. Ltd | |
| | STACO Insurance PLC | |
| | Three Points Industries Ltd | |
| | WAPIC Insurance PLC | |

For inquiries, please call 01-2714566-7 or send e-mail to customerscare@unitedsecuritieslimited.com

# Shareholder Information Update Form

I/ We wish to request that my / our details as a shareholder(s) for Niger Delta Exploration & Production Plc be amended to reflect the following information:

Date DD MM YYYY

Surname / Company's Name

Other Names (for individual Shareholder)

Present Postal Address

City

Email Address 1:

Email Address 2:

Mobile (GSM) Phone Number

Tax ID

Shareholder's Signature or Thumbprint

Shareholder's Signature or Thumbprint

Shareholder's Signature or Thumbprint

Incorporation Number with Company Seal

The completed Form should be returned by post, e-mail or fax to: Investor Relations Department, Niger Delta Exploration & Production Plc.

15, Babatunde Jose Road, Victoria Island, Lagos. Fax 01-461926. E-mail: investorrelations@ngdelta.com or United Securities Limited,

10, Amodu Ojikitu Street, Victoria Island, Lagos. E-mail: info@unitedsecuritieslimted.com

# Ogbele Integrated Facilities

Day shot

# Ogbele Integrated Facilities

At night