

NIGER DELTA EXPLORATION & PRODUCTION PLC
Lagos, Nigeria

UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 31 MARCH 2023

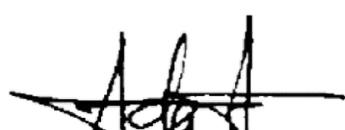
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CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	THE GROUP	
		31-Mar-23 ₹'000	31-Mar-22 ₹'000
Revenue	3	18,655,978	8,693,510
Cost of sales	4	(8,760,763)	(10,386,836)
Gross profit		9,895,215	(1,693,326)
Other income	5	-	415,104
General and administrative expenses	6	(3,372,923)	(2,100,371)
Operating profit		6,522,292	(3,378,593)
Finance income	7	794,771	49,447
Finance costs	7	(1,462,448)	(556,797)
Net Finance (cost)/income		(667,677)	(507,350)
Share of profit of an associate	14	2,687,913	3,858,103
Profit before taxation		8,542,529	(27,840)
Tax credit / (expense)	24	(1,461,519)	-
Profit after taxation		7,081,010	(27,840)
Profit/(Loss) attributable to:			
Equity holders of the parent		6,751,728	18,283
Non-controlling interest		329,282	(46,123)
		7,081,010	-27840
Other comprehensive income:			
<i>Other comprehensive income item that may be reclassified to profit or loss in subsequent years (net of tax):</i>			
Foreign currency translation difference		5,102,385	1,810,451
Share of other comprehensive income of associate accounted for using the equity method	14	6,889,067	773,278
Net gain / (loss) on equity instruments at fair value through other comprehensive income		28,012	-
Other comprehensive income for the year, net of tax		12,019,464	2,583,729
Total comprehensive income for the year		19,100,474	2,555,889
Total comprehensive income attributable to:			
Equity holders of the parent		18,778,415	2,412,462
Non-controlling interest		322,059	143,427
Basic earnings per share	10	₹32.59	₹-0.13

**CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023**

	Notes	THE GROUP	
		31-Mar-23 ₦'000	31-Dec-22 ₦'000
Assets			
Non-current assets			
Property, plant and equipment	11	227,284,317	220,683,175
Intangible assets	12	414,543	467,553
Deferred tax assets	15	17,825,129	16,780,256
Financial assets	13	4,101,603	2,534,756
Investment in associate	14	142,109,460	132,532,480
Total non-current assets		391,735,051	372,998,220
Current assets			
Inventories	16	11,867,729	9,263,903
Trade and other receivables	17	14,280,057	29,035,539
Prepayments	18	27,750	99,578
Cash and Bank	19	68,193,804	60,151,901
Total current assets		94,369,340	98,550,921
Total assets		486,104,391	471,549,140
Equity and liabilities			
Shareholders' equity			
Share capital		2,172,422	2,172,422
Share premium		22,819,670	22,819,670
Translation reserve		130,675,455	118,781,063
Fair value reserve of financial assets at FVOCI		294,934	266,922
Retained earnings		185,636,939	178,885,211
Non-controlling interests		3,340,760	2,914,418
Total shareholders' equity		344,940,180	325,839,706
Non-current liabilities			
Borrowings	21	33,066,002	47,437,302
Decommissioning liabilities	22	66,187,991	63,862,516
Total non-current liabilities		99,253,993	111,299,818
Current liabilities			
Trade and other payables	23	24,590,001	20,701,480
Taxation	24	7,355,481	5,382,151
Borrowings	21	9,964,736	8,325,985
Total current liabilities		41,910,218	34,409,616
Total liabilities		141,164,211	145,709,435
Total equity & liabilities		486,104,391	471,549,140



Mr. Adégbola Adesina
Chief Financial Officer
FRC/2021/001/00000024579



Mr. Gbite Falade
Chief Executive Officer
FRC/2021/003/00000025055

CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY

GROUP

	Issued capital ₦'000	Share premium ₦'000	Translation reserve ₦'000	Fair value reserve of financial assets at FVOCI ₦'000	Retained earnings ₦'000	Non-controlling interests ₦'000	Total equity ₦'000
Balance at 1 January 2022	2,172,422	22,819,670	103,743,694	595,290	160,420,021	1,483,095	291,234,192
Profit / loss for the year	-	-	-	-	18,283	(46,123)	(27,840)
Foreign currency translation difference	-	-	1,800,531	1,122	-	8,798	1,810,451
Share of other comprehensive income of associate accounted for using the equity method	-	-	773,278	-	-	-	773,278
Total comprehensive income for the year	-	-	2,573,809	1,122	18,283	(37,325)	2,555,889
Total contributions by and distributions to owners of the company, recognised directly in equity	-	-	-	-	-	-	-
Balance at 31 March 2022	2,172,422	22,819,670	106,317,503	596,412	160,438,304	1,445,770	293,790,081
Balance at 1 January 2023	2,172,422	22,819,670	118,781,063	266,922	178,885,211	2,914,418	325,839,706
Profit / loss for the year	-	-	-	-	6,751,728	329,282	7,081,010
Foreign currency translation difference	-	-	5,005,325	-	-	97,060	5,102,385
Net gain / (loss) on equity instruments at fair value through other comprehensive income	-	-	-	28,012	-	-	28,012
Share of other comprehensive income of associate accounted for using the equity method	-	-	6,889,067	-	-	-	6,889,067
Total comprehensive income for the year	-	-	11,894,392	28,012	6,751,728	426,342	19,100,474
Dividends to equity holders of the company (note 30)	-	-	-	-	-	-	-
Total contributions by and distributions to owners of the company recognised directly in equity	-	-	-	-	-	-	-
Balance at 31 March 2023	2,172,422	22,819,670	130,675,455	294,934	185,636,939	3,340,760	344,940,180

CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS

	Notes	THE GROUP	
		31-Mar-23 ₹'000	31-Mar-22 ₹'000
Profit before taxation		8,542,529	(27,840)
Adjustments:			
Interest expense	7	1,462,448	556,797
Interest income	7	(794,771)	(49,447)
Exchange (gain)/loss	5	931,314	(415,104)
Share of profit from associate	14	(2,687,913)	(3,858,103)
Depreciation of property, plant and equipment	9	4,932,350	4,040,927
Amortisation of intangible assets	9	80,715	2,083
Stock adjustment	4	(2,197,368)	1,343,792
Operating cash flows before movement in working capital		10,269,304	1,593,105
Movement in working capital:			
Decrease/(Increase) in trade and other receivables		15,460,660	(14,959)
Decrease/(Increase) in prepayments		74,166	227,705
(Decrease)/Increase in inventory		(153,832)	(51,524)
Increase in trade and other payables		2,383,560	2,416,249
Cash generated by operating activities		28,033,858	4,170,576
Tax paid (note 24)	24	(220,982)	-
Net cash flows from operating activities		27,812,877	4,170,576
Investing activities			
Interest received	7	794,771	49,447
Purchase of property, plant and equipment	11	(5,724,683)	(702,229)
Purchase of intangible assets	12	(15,820)	-
Proceeds from (purchase)/disposal of financial assets		(1,466,589)	-
Net cash (used in) / from investing activities		(6,412,320)	(652,782)
Financing activities			
Interest paid		(819,687)	(361,918)
Repayment of borrowing	21	(24,661,868)	(261,362)
Issue of Bond	21	10,516,025	-
Net cash flows used in financing activities		(14,965,530)	(623,280)
Decrease in cash and cash equivalents		6,435,026	2,894,514
Cash and cash equivalents - Beginning of year	19	60,151,901	12,798,147
Exchange rate effects on cash and cash equivalents		1,606,877	85,576
Cash and cash equivalents - End of year	19	68,193,804	15,778,237

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 2022 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 financial statements are drawn up in United States Dollar and Nigerian Naira in accordance with International Financial Reporting Standards (IFRS) Accounting presentation.

The financial statements comprise:

- Consolidated statement of profit and 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

1.3 Financial Period

These consolidated financial statements cover the period from 1 January 2023 to 31 March 2023 with comparative figures for the financial year from 1 January 2022 to 31 March 2022 except for the statement of financial position which has comparative figures as at 31 December 2022.

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

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

NOTES TO THE FINANCIAL STATEMENTS - Continued

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

3 Revenue

1.1 Disaggregated revenue information

Segments	THE GROUP	
	31-Mar-23 ₦'000	31-Mar-22 ₦'000
Crude Oil	3,704,193	-
Refined Products	13,389,650	6,935,860
Gas	1,562,135	1,757,650
Total revenue	18,655,978	8,693,510

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

Geographical markets

Within Nigeria	18,655,978	8,693,510
Outside Nigeria	-	-
Total revenue from contracts with customers	18,655,978	8,693,510

Timing of revenue recognition

Goods transferred at a point in time	18,655,978	8,693,510
Goods transferred over time	-	-
Total revenue from contracts with customers	18,655,978	8,693,510

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 Refined Products

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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

	31-Mar-23	31-Mar-22
	N'000	N'000
Contract balances		
Trade receivables	6,934,740	2,405,149

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

Performance obligation for crude oil, refined products and gas are fulfilled once delivery of the products occurs and payments are generally due on crude oil and gas between 30 to 90 days. Payments on refined products are due between 0 to 30 days.

4 Cost of sales

	THE GROUP	
	31-Mar-23	31-Mar-22
	N'000	N'000
Consultancy fee	251,867	258,038
Crude oil handling charges	2,626,954	808,602
Depreciation and amortisation (Note 9)	4,807,847	3,928,742
Exploration costs	-	-
Flowstation expenses	126,559	92,661
Gas flaring	-	-
Materials, supplies and pollution control	254,348	31,579
Repairs and maintenance	221,803	100,971
Royalties to FGN	1,531,084	2,948,114
Statutory expenses	4,445	-
Staff costs (Note 8)	1,133,225	874,337
Stock adjustment	(2,197,368)	1,343,792
Total	8,760,763	10,386,836

Consultancy fee include provisions for advisory, technical and drilling 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.

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	
	31-Mar-23	31-Mar-22
	N'000	N'000
Unrealised exchange gain	-	415,104
Total	-	415,104

Fee income relates to income from trading activities outside the normal course of business

6 General and administrative expenses

	THE GROUP	
	31-Mar-23	31-Mar-22
	₹'000	₹'000
Auditor's remuneration	-	-
Bank charges	51,411	21,607
Community development expenses	53,433	-
Depreciation and amortisation	205,219	114,268
Directors' fees	25,575	9,557
Exchange loss	948,188	-
Expected credit loss of financial assets	-	-
Fuel and utilities	17,453	22,023
Information technology expenses	51,423	104,296
Insurance	268,989	332,416
Permits, registrations and subscriptions	253,171	49,031
Professional fees	339,620	352,361
Repairs and maintenance	92,359	99,309
Staff costs (Note 8)	755,331	582,892
Training	12,809	1,662
Travelling	74,598	61,081
Catering	137,661	116,346
Other expenses	85,686	233,522
Total	3,372,923	2,100,371

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 registrar management fee.

7 Finance cost and income

	THE GROUP	
	31-Mar-23	31-Mar-22
	₹'000	₹'000
Interest expense:		
Bank borrowings	819,443	556,797
Provisions: unwinding of discount (Note 22)	643,005	
Finance costs	1,462,448	556,797
Finance income:		
Interest income	794,771	49,447
Finance income	794,771	49,447
Net (finance costs)/finance income	(667,677)	(507,350)

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

8 Staff costs

	THE GROUP	
	31-Mar-23 ₹'000	31-Mar-22 ₹'000
Included in cost of sales:		
Salaries and other staff costs	1,133,225	874,337
Included in general admin expenses:		
Salaries and other staff costs	755,331	582,892
Total	1,888,556	1,457,229

9 Depreciation and amortisation

	THE GROUP	
	31-Mar-23 ₹'000	31-Mar-22 ₹'000
Included in cost of sales:		
Depreciation of oil and gas properties	4,807,847	3,928,742
Included in general admin expenses:		
Depreciation of other property, plant and equipment	124,503	112,185
Amortisation of intangible assets	80,927	2,083
Total in general admin expenses	205,431	114,268
Total	5,013,277	4,043,010

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-Mar-23 ₹'000	31-Mar-22 ₹'000
Profit attributable to equity holders of the Group	7,080,938	(27,840)
Total	7,080,938	(27,840)

	31-Mar-23 Number	31-Mar-22 Number
Weighted average number of ordinary shares in issue	217,242,218	217,242,218

	31-Mar-23	31-Mar-22
Basic and diluted earnings per share (₹)	32.59	(0.13)

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

11 Property, plant and equipment

	THE GROUP	
	31-Mar-23	31-Dec-22
	₹'000	₹'000
Oil and gas properties (11a)	198,469,621	196,620,772
Other property, plant and equipment	3,972,953	2,354,348
Asset under development	24,841,742	21,708,055
Total	227,284,317	220,683,175

11a THE GROUP

	OIL AND GAS PROPERTIES	OTHER PROPERTY, PLANT AND EQUIPMENT	ASSETS UNDER DEVELOPMENT	Total
	₹'000	₹'000	₹'000	₹'000
Cost:				
Balance at 1 January 2022	275,412,216	6,776,892	29,755,763	311,944,871
Translation difference	16,952,501	478,634	2,562,294	19,993,429
Reclassifications	16,139,278	-	(21,642,537)	(5,503,259)
Additions	2,144,966	289,765	12,310,006	14,744,737
Write-offs	-	-	(1,277,471)	(1,277,471)
Changes in decommissioning assets	21,542,169	-	-	21,542,169
Disposal	-	(97,335)	-	(97,335)
Balance at 31 December 2022	332,191,130	7,447,956	21,708,055	361,347,141
Balance at 1 January 2023	332,191,130	7,447,956	21,708,055	361,347,141
Translation difference	8,738,419	1,962,144	571,044	11,271,607
Reclassifications	21	-	-	21
Additions	1,502,945	104,598	2,562,644	4,170,187
Balance at 31 March 2023	342,432,515	9,514,699	24,841,742	376,788,956
Depreciation:				
Balance at 1 January 2022	111,773,725	4,362,512	-	116,136,237
Translation difference	10,418,786	354,801	-	10,773,587
Depreciation for the year	13,377,847	437,746	-	13,815,593
Disposal	-	(61,451)	-	(61,451)
Balance at 31 December 2022	135,570,358	5,093,608	-	140,663,966
Balance at 1 January 2023	135,570,358	5,093,608	-	140,663,966
Translation difference	3,584,689	323,634	-	3,908,324
Depreciation for the year	4,807,847	124,503	-	4,932,350
Balance at 31 March 2023	143,962,894	5,541,746	-	149,504,640
	143,962,894	5,541,746		149,504,640
Net book value:				
At 31 March 2023	198,469,621	3,972,953	24,841,742	227,284,317
At 31 December 2022	196,620,772	2,354,348	21,708,055	220,683,175

There are no impairments in Property, Plant, and Equipment during the year. There are no capital commitments in respect of PPE
Write off is included in exploration costs (note 4)

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

12 Intangible assets

	THE GROUP	
	Intangible Assets	
	₹'000	
Cost:		
Balance at 1 January 2022		1,502,688
Translation difference		129,386
Balance at 31 December 2022		1,632,074
Balance at 1 January 2023		1,632,074
Translation difference		43,140
Additions		15,632
Balance at 31 March 2023		1,690,846
Amortisation:		
Balance at 1 January 2022		723,017
Translation difference		83,520
Amortisation charge for the year		357,984
Balance at 31 December 2022		1,164,521
Balance at 1 January 2023		1,164,521
Translation difference		30,855
Amortisation charge for the year		80,927
Balance at 31 March 2023		1,276,303
Net book value:		
At 31 March 2023		414,543
At 31 December 2022		467,553

Intangible assets consists of computer software and licenses 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	
	31-Mar-23	31-Mar-22
	₹'000	₹'000
Fair value through OCI		
<i>Listed securities:</i>		
Consolidated Hallmark Insurance Plc	2,261,520	2,175,916
<i>Unlisted securities:</i>		
PetroData Management Services Ltd	6,280	6,280
Dharmattan Gas and Power Ltd	449	449
Fair value through Profit or Loss		
Hedge	1,833,178	352,112
Total	4,101,426	2,534,756

14 Investment in associate - ND Western Limited

	THE GROUP	
	31-Mar-23	31-Dec-22
	₹'000	₹'000
At 1 January	132,532,480	116,663,243
Share of profit	2,687,913	5,497,494
Translation Difference	6,889,067	10,371,743
Carrying amount	142,109,460	132,532,480

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

15 Deferred taxation

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

Deferred tax assets

	THE GROUP	
	31-Mar-23	31-Dec-22
	₹'000	₹'000
Accelerated depreciation and amortisation	18,373,866	17,495,693
Total	18,373,866	17,495,693

Deferred tax liabilities

Decommissioning liabilities	548,737	715,437
Total	548,737	715,437

Deferred taxation

At start of year	(16,780,256)	(25,416,645)
Income statement credit	(584,281)	10,210,714
Translation difference	(460,592)	(1,574,325)
Net deferred tax assets at end of year	(17,825,129)	(16,780,256)

Reflected in the statement of financial position as:

Deferred tax liabilities	548,737	715,437
Deferred tax assets	(18,373,866)	(17,495,693)
Net deferred tax assets	(17,825,129)	(16,780,256)

Deferred taxes are recoverable in more than one year.

16 Inventories

	THE GROUP	
	31-Mar-23	31-Dec-22
	₹'000	₹'000
Crude Oil	1,533,178	235,489
Refined Products	7,355,859	6,276,560
Materials	2,978,692	2,751,854
Total	11,867,729	9,263,903

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.

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

17 Trade and other receivables

	THE GROUP	
	31-Mar-23	31-Dec-22
	₹'000	₹'000
Trade receivables	6,934,740	15,078,008
Other receivables	190,353	185,700
Related party receivables (Note 31)	7,154,824	13,771,831
Total	14,279,918	29,035,539

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

18 Prepayments

	THE GROUP	
	31-Mar-23	31-Dec-22
	₹'000	₹'000
Prepaid rent	12,745	13,008
Prepaid expenses	15,005	46,201
Prepaid insurance	-	40,370
Total	27,750	99,578

Other prepayments include prepaid internet access.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

19 Cash and Bank

	THE GROUP	
	31-Mar-23	31-Dec-22
	₹'000	₹'000
Cash and bank balances	38,608,241	49,073,613
Short term deposits	14,140,360	1,312,457
Cash and cash equivalents for statement of cashflow purposes	52,748,601	50,386,070
Restricted cash	15,445,203	9,765,831
Total Cash and Bank	68,193,804	60,151,901

Cash and cash equivalents comprise balances with less than three months to maturity, including cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities less than three months. Restricted cash relates to cash used as collateral for the BOI & GTB loans.

20 Share capital and premium

Share capital and premium – THE GROUP

	Number of shares	Ordinary shares (₹'000)
Balance at 1 January 2022	217,242,218	2,172,422
Balance at 31 December 2022	217,242,218	2,172,422
Balance at 31 March 2023	217,242,218	2,172,422

21 Borrowings

	THE GROUP	
	31-Mar-23	31-Dec-22
	₹'000	₹'000
GTB	23,576,352	46,191,679
BOI loan	8,605,085	9,285,882
N10B Series I Bond	10,555,924	-
Petre IPINs	293,378	285,726
Total	43,030,738	55,763,287
Current	9,964,736	8,325,985
Non-current	33,066,002	47,437,302
Total	43,030,738	55,763,287

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

22 Decommissioning liabilities

	THE GROUP
	₹'000
Balance at 1 January 2022	45,148,655
Charged/(credited) to profit or loss:	-
Changes in estimated flows	21,542,169
Translation difference	(3,622,067)
Unwinding of discount due to passage of time	793,759
Balance at 31 December 2022	63,862,516
Balance at 1 January 2023	63,862,516
Charged/(credited) to profit or loss:	-
Changes in estimated flows	-
Translation difference	1,680,031
Unwinding of discount due to passage of time	645,444
Balance at 31 March 2023	66,187,991

23 Trade and other payables

	THE GROUP	
	31-Mar-23	31-Dec-22
	₹'000	₹'000
Statutory payable	9,578,549	8,689,311
Sundry creditors	4,756,868	2,527,579
Trade payables	9,854,111	9,094,351
Unclaimed dividend	400,472	390,239
	24,590,001	20,701,480

- 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	
	31-Mar-23	31-Dec-22
	₹'000	₹'000
Petroleum profit tax	178,757	479,949
Income tax expense	1,640,306	3,728,796
Education tax	226,736	1,003,855
Under/(over) provision of prior year taxes	-	(292,268)
Total current tax	2,045,799	4,920,331
Deferred taxation		
Origination of temporary differences	(584,281)	10,210,714
Total deferred tax	(584,281)	10,210,714
Income tax (credit)/expense	1,461,519	15,131,046

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

	THE GROUP	
	31-Mar-23	31-Dec-22
	₹'000	₹'000
At 1 January	5,382,151	2,705,082
Tax paid	(221,820)	(2,613,225)
Prior period under/(over) provision	-	(292,268)
Income tax charge for the year	2,045,799	5,212,600
Foreign exchange difference	149,350	369,963
At 31 December	7,355,481	5,382,151

NIGER DELTA EXPLORATION & PRODUCTION PLC
Lagos, Nigeria

UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 31 MARCH 2023
(IN US DOLLARS)

NIGER DELTA EXPLORATION & PRODUCTION PLC

**CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**

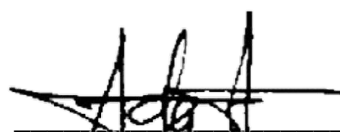
	Notes	THE GROUP	
		31-Mar-23 \$'000	31-Mar-22 \$'000
Revenue	1	40,679	20,922
Cost of sales	2	(19,103)	(24,997)
Gross profit		21,577	(4,075)
Other income	3	-	999
General and administrative expenses	4	(7,355)	(5,055)
Operating profit		14,222	(8,131)
Finance income	5	1,733	119
Finance costs	5	(3,189)	(1,340)
Net Finance (cost)/income		(1,456)	(1,221)
Share of profit of an associate	12	5,861	9,285
Profit before taxation		18,627	(67)
Tax credit/(expense)	21	(3,187)	
Profit after taxation		15,440	(67)
Profit/(Loss) attributable to:			
Equity holders of the parent		14,722	44
Non-controlling interest		718	(111)
		15,440	(67)
Other comprehensive income:			
Net gain/loss on equity instruments at fair value through other comprehensive income		61	
Other comprehensive income for the year, net of tax		61	-
Total comprehensive income for the year		15,501	(67)
Total comprehensive income attributable to:			
Equity holders of the parent		14,783	44
Non-controlling interest		718	(111)
Basic earnings per share	8	\$0.07	(\$0)

NIGER DELTA EXPLORATION & PRODUCTION PLC

CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	Notes	THE GROUP	
		31-Mar-23 \$'000	31-Dec-22 \$'000
Assets			
Non-current assets			
Property, plant and equipment	9	493,721	491,993
Intangible assets	10	900	1,043
Deferred tax assets	13	38,721	37,410
Financial assets	11	8,910	5,651
Investment in associate	12	308,699	295,469
Total non-current assets		850,950	831,566
Current assets			
Inventories	14	25,780	20,653
Trade and other receivables	15	31,020	64,732
Prepayments	16	60	222
Cash and Bank	17	148,135	134,103
Total current assets		204,995	219,710
Total assets		1,055,945	1,051,276
Equity and liabilities			
Shareholders' equity			
Share capital		19,316	19,316
Share premium		78,955	78,955
Fair value reserve of financial assets at FVOCI		(80)	(141)
Retained earnings		643,852	621,761
Non-controlling interest		7,257	6,539
Total shareholders' equity		749,300	726,430
Non-current liabilities			
Borrowings	18	71,828	105,757
Decommissioning liabilities	19	143,778	142,376
Total non-current liabilities		215,606	248,133
Current liabilities			
Trade and other payables	20	53,416	46,152
Taxation	21	15,978	11,999
Borrowings	18	21,646	18,562
Total current liabilities		91,040	76,713
Total liabilities		306,645	324,846
Total equity & liabilities		1,055,945	1,051,276



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



 Mr. Gbite Falade
 Chief Executive Officer
 FRC/2021/003/00000025055

NIGER DELTA EXPLORATION & PRODUCTION PLC

**CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY
THE GROUP**

	Issued capital \$'000	Share premium \$'000	Fair value reserve of financial assets at FVOCI \$'000	Retained earnings \$'000	Non- controlling interests \$'000	Total equity \$'000
Balance at 1 January 2022	19,316	78,955	271	602,850	3,348	704,740
Profit / (Loss) for the year	-	-	-	44	(111)	(67)
Total comprehensive income for the year	-	-	-	44	(111)	(67)
Total contributions by and distributions to owners of the company, recognised directly in equity	-	-	-	-	-	-
Balance at 31 March 2022	19,316	78,955	271	602,894	3,237	704,673
Balance at January 2023	19,316	78,955	(141)	629,130	6,539	733,799
Profit for the year	-	-	-	14,722	718	15,440
Foreign currency translation difference	-	-	-	-	-	-
Net gain on equity instruments at fair value through other comprehensive income	-	-	61	-	-	61
Share of other comprehensive income of associate accounted for using the equity method	-	-	-	-	-	-
Total comprehensive income for the year	-	-	61	14,722	718	15,501
Total contributions by and distributions to owners of the company recognised directly in equity	-	-	-	-	-	-
Balance at 31 March 2023	19,316	78,955	(80)	643,852	7,257	749,300

NIGER DELTA EXPLORATION & PRODUCTION PLC

CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS

	Notes	THE GROUP	
		31-Mar-23 \$'000	31-Mar-22 \$'000
Profit before taxation		18,627	(67)
Adjustments:			
Interest expense	5	3,189	1,340
Interest income	5	(1,733)	(119)
Dividend received	3	-	-
Exchange loss/(gain)	3	2,031	(999)
Share of profit from associate	12	(5,861)	(9,285)
Depreciation of property, plant and equipment	7	10,755	9,725
Amortisation of intangible assets	7	176	5
Stock adjustment	2	(4,791)	3,234
Operating cash flows before movement in working capital		22,392	3,834
Movement in working capital:			
Decrease in trade and other receivables		33,712	(36)
Decrease/(Increase) in prepayments		162	548
(Increase) in inventory		(335)	(124)
Increase in trade and other payables		5,197	5,815
Cash generated by operating activities		61,128	10,037
Tax paid	21	(482)	-
Net cash flows from / (used in) operating activities		60,646	10,037
Investing activities			
Interest received	5	1,733	119
Purchase of property, plant and equipment	9	(12,483)	(1,690)
Purchase of intangible assets	10	(34)	-
Proceeds from (purchase)/disposal of financial assets		(3,198)	-
Net cash (used in) / provided by investing activities		(13,982)	(1,571)
Financing activities			
Interest paid	5	(1,787)	(871)
Repayment of borrowing	18	(53,775)	(629)
Issue of Bond	18	22,930	-
Net cash flows used in from financing activities		(32,632)	(1,500)
Increase/(decrease) in cash and cash equivalents		14,031	6,966
Cash and cash equivalents - Beginning of year	17	134,103	30,988
Cash and cash equivalents - End of year	17	148,134	37,954

NIGER DELTA EXPLORATION & PRODUCTION PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

1 Revenue

1.1 Disaggregated revenue information

Segments	THE GROUP	
	31-Mar-23	31-Mar-22
	\$'000	\$'000
Crude Oil	8,077	-
Refined Products	29,196	16,692
Gas	3,406	4,230
Total revenue	40,679	20,922

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

Geographical markets

Within Nigeria	40,679	20,922
Outside Nigeria	-	-
Total revenue from contracts with customers	40,679	20,922

Timing of revenue recognition

Goods transferred at a point in time	40,679	20,922
Goods transferred over time	-	-
Total revenue from contracts with customers	40,679	20,922

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 Refined Products

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.

Contract balances	31-Mar-23	31-Mar-22
	\$'000	\$'000
Trade receivables	15,064	5,014

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

Performance obligation for crude oil, refined products and gas are fulfilled once delivery of the products occurs and payments are generally due on crude oil and gas between 30 to 90 days. Payments on refined products are due between 0 to 30 days.

NIGER DELTA EXPLORATION & PRODUCTION PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

2 Cost of sales

	THE GROUP	
	31-Mar-23 \$'000	31-Mar-22 \$'000
Consultancy fee	549	621
Crude oil handling charges	5,728	1,946
Depreciation and amortisation (Note 9)	10,484	9,455
Flowstation expenses	276	223
Materials, supplies and pollution control	555	76
Repairs and maintenance	484	243
Royalties to FGN	3,339	7,095
Statutory expenses	10	-
Staff costs (Note 8)	2,471	2,104
Stock Adjustments	(4,791)	3,234
Total	19,103	24,997

Consultancy fee include provisions for advisory, technical and drilling 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. Management considers it prudent to write off these costs as it is not currently probable that these costs will be recovered from the asset.

3 Other income

	THE GROUP	
	31-Mar-23 \$'000	31-Mar-22 \$'000
Unrealised exchange gain	-	999
Total	22,340	999

4 General and administrative expenses

	THE GROUP	
	31-Mar-23 \$'000	31-Mar-22 \$'000
Bank charges	112	52
Community development expenses	117	-
Depreciation and amortisation (Note 9)	447	275
Directors' fees	56	23
Exchange loss	2,068	-
Fuel and Utilities	38	53
Information technology expenses	112	251
Insurance	587	800
Permits, registrations and subscriptions	552	118
Professional fees	741	848
Repairs and maintenance	201	239
Staff costs (Note 8)	1,647	1,403
Training	28	4
Travelling	163	147
Catering	300	280
Other expenses	187	562
Total	7,355	5,055

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 registrar management fee.

NIGER DELTA EXPLORATION & PRODUCTION PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

5 Finance cost and income

	THE GROUP	
	31-Mar-23 \$'000	31-Mar-22 \$'000
Interest expense:		
Bank borrowings	1,787	871
Provisions: unwinding of discount	1,402	469
Finance costs	3,189	1,340
Finance income:		
Interest income	1,733	119
Finance income	1,733	119
Net finance costs	(1,456)	(1,221)

6 Staff costs

	THE GROUP	
	31-Mar-23 \$'000	31-Mar-22 \$'000
Included in cost of sales:		
Salaries and other staff costs	2,471	2,104
Included in general admin expenses:		
Salaries and other staff costs	1,647	1,403
Total in general admin expenses	1,647	1,403
Total	4,118	3,507

7 Depreciation and amortisation

	THE GROUP	
	31-Mar-23 \$'000	31-Mar-22 \$'000
Included in cost of sales:		
Depreciation of oil and gas properties	10,484	9,455
Included in general admin expenses:		
Depreciation of other property, plant and equipment	271	270
Amortisation of intangible assets	176	5
Total in general admin expenses	447	275
Total	10,931	9,730

8 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-Mar-23 \$'000	31-Mar-22 \$'000
Profit attributable to equity holders of the Group	15,440	(67)
Total	15,440	(67)
	31-Mar-23 Number	31-Mar-22 Number
Weighted average number of ordinary shares in issue	217,242,218	217,242,218
	31-Mar-23	31-Mar-22
Basic and diluted earnings per share (\$)	\$0.07	(\$0)

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

11 Property, plant and equipment

	THE GROUP	
	31-Mar-23 \$'000	31-Dec-22 \$'000
Oil and gas properties (11a)	431,128	438,347
Other property, plant and equipment	8,630	5,250
Asset under development	53,963	48,396
Total	493,721	491,993

11a THE GROUP

	OIL AND GAS PROPERTIES \$'000	OTHER PROPERTY, PLANT AND EQUIPMENT \$'000	ASSETS UNDER DEVELOPMENT \$'000	Total \$'000
Cost:				
Balance at 1 January 2022	666,874	16,411	72,050	755,335
Translation difference	-	(296)	-	(296)
Reclassifications	37,754	63	(48,250)	(10,433)
Additions	4,782	646	27,444	32,872
Write-offs	-	-	(2,848)	(2,848)
Changes in decommissioning assets	31,178	-	-	31,178
Disposal	-	(217)	-	(217)
Balance at 31 December 2022	740,588	16,607	48,396	805,591
Balance at 1 January 2023	740,588	16,607	48,396	805,591
Translation difference	-	3,834	-	3,834
Additions	3,265	227	5,567	9,059
Changes in decommissioning assets	(1)	-	-	(1)
Balance at 31 March 2023	743,853	20,668	53,963	818,484
Depreciation:				
Balance at 1 January 2022	270,646	10,563	-	281,209
Translation difference	-	(24)	-	(24)
Depreciation for the year	31,595	1,035	-	32,630
Disposal	-	(217)	-	(217)
Balance at 31 December 2022	302,241	11,357	-	313,598
Balance at 1 January 2023	302,241	11,357	-	313,598
Translation difference	-	411	-	411
Depreciation for the year	10,484	271	-	10,755
Balance at 31 March 2023	312,725	12,039	-	324,764
Net book value:				
At 31 March 2023	431,128	8,629	53,963	493,720
At 31 December 2022	438,347	5,250	48,396	491,993

There are no impairments in Property, Plant, and Equipment during the year. There are no capital commitments in respect of PPE expenditures. Write off is included in exploration costs (note 4)

NIGER DELTA EXPLORATION & PRODUCTION PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

10 Intangible assets

	THE GROUP
	Intangible Asset
	\$'000
Cost:	
Balance at 1 January 2022	3,639
Balance at 31 December 2022	3,639
Balance at 1 January 2023	3,639
Additions	34
Balance at 31 March 2023	3,673
Amortisation:	
Balance at 1 January 2022	1,751
Amortisation charge for the year	845
Balance at 31 December 2022	2,596
Balance at 1 January 2023	2,596
Amortisation charge for the year	176
Balance at 31 March 2023	2,772
Net book value:	
At 31 March 2023	900
At 31 December 2022	1,043

Intangible assets consists of computer software and licenses 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.

11 Financial assets

Financial assets include the following:

	THE GROUP	
	31-Mar-23	31-Dec-22
	\$'000	\$'000
Fair value through OCI		
<i>Listed securities:</i>		
Consolidated Hallmark Insurance Plc	4,913	4,851
<i>Unlisted securities:</i>		
PetroData Management Services Ltd	14	14
Dharmattan Gas and Power Ltd	1	1
Fair value through Profit or Loss		
Hedge	3,982	785
Total	8,910	5,651

12 Investment in associate - ND Western Ltd

	THE GROUP	
	31-Mar-23	31-Dec-22
	\$'000	\$'000
At 1 January	295,469	282,485
Share of profit	5,861	12,984
Share of other comprehensive income(net of tax), may not be reclassified to profit or loss in subsequent periods	-	-
Dividend received	-	-
Carrying amount	308,699	295,469

NIGER DELTA EXPLORATION & PRODUCTION PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

13 Deferred taxation

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

Deferred tax assets

	THE GROUP	
	31-Mar-23	31-Dec-22
	\$'000	\$'000
Accelerated depreciation and amortisation	39,913	39,005
Tax losses	-	-
Total	39,913	39,005

Deferred tax liabilities

Accelerated depreciation and amortisation	-	-
Decommissioning liabilities	1,192	1,595
Total	1,192	1,595

Deferred taxation

At start of year	(37,410)	(61,543)
Income statement charge/(credit)	(1,274)	24,116
Translation difference	(37)	17
Tax (charged)/credited directly to equity	-	-
Net deferred tax assets at end of year	(38,721)	(37,410)

Reflected in the statement of financial position as:

Deferred tax liabilities	1,192	1,595
Deferred tax assets	(39,913)	(39,005)
Net deferred tax assets	(38,721)	(37,410)

Deferred taxes are recoverable in more than one year.

14 Inventories

	THE GROUP	
	31-Mar-23	31-Dec-22
	\$'000	\$'000
Crude Oil	3,330	525
Refined Products	15,979	13,993
Materials	6,470	6,135
Total	25,780	20,653

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.

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

At 31 December 2019, there was no crude overlift (2018 : Nil).

15 Trade and other receivables

	THE GROUP	
	31-Mar-23	31-Dec-22
	\$'000	\$'000
Trade receivables	15,064	33,615
Other receivables	413	414
Related party receivables	15,542	30,703
Total	31,020	64,732

NIGER DELTA EXPLORATION & PRODUCTION PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

16 Prepayments

	THE GROUP	
	31-Mar-23 \$'000	31-Dec-22 \$'000
Prepaid rent	28	29
Prepaid expenses	33	103
Prepaid insurance	-	90
Total	60	222

Other prepayments include prepaid internet access

17 Cash and Bank

	THE GROUP	
	31-Mar-23 \$'000	31-Dec-22 \$'000
Cash and bank balances	83,867	109,405
Short term deposits	30,717	2,926
Cash and cash equivalents for statement of cashflow purposes	114,584	112,331
Restricted cash	33,551	21,772
Total Cash and Bank	148,135	134,103

Cash and cash equivalents comprise balances with less than three months to maturity, including cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities less than three months. Restricted cash relates to cash used as collateral for the BOI loan.

18 Borrowings

	THE GROUP	
	31-Mar-23 \$'000	31-Dec-22 \$'000
GTB	51,214	102,980
BOI loan	18,692	20,702
N10B Series I Bond	22,930	-
Petre IPINs	637	637
Total	93,474	124,319
Current	21,646	18,562
Non-current	71,828	105,757
Total	93,474	124,319

Changes in liabilities arising from financing activities

	THE GROUP	
	31-Mar-23 \$'000	31-Dec-22 \$'000
At 1 January	124,319	51,736
Additional borrowing	22,930	84,000
Repayments	(54,352)	(13,945)
Accrued interest	577	4,218
Remeasurements	-	(1,690)
At 31 December	93,474	124,319

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

19 Decommissioning liabilities

	THE GROUP \$'000
Balance at 1 January 2022	109,322
Charged/(credited) to profit or loss:	-
Changes in estimated flows	31,178
Exchange difference	-
Unwinding of discount due to passage of time	1,876
Balance at 31 December 2022	142,376
Balance at 1 January 2023	142,376
Charged/(credited) to profit or loss:	-
Changes in estimated flows	(1)
Unwinding of discount due to passage of time	1,402
Balance at 31 March 2023	143,778

NIGER DELTA EXPLORATION & PRODUCTION PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

20 Trade and other payables

	THE GROUP	
	31-Mar-23	31-Dec-22
	\$'000	\$'000
Statutory payable	20,807	19,372
Sundry creditors	10,333	5,496
Trade payables	21,406	20,414
Unclaimed dividend	870	870
	53,416	46,152

- 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.

21 Taxation

	THE GROUP	
	31-Mar-23	31-Dec-22
	\$'000	\$'000
Petroleum profit tax	390	1,070
Income tax expense	3,577	8,313
Education tax	494	2,238
Total current tax	4,461	11,621
Deferred taxation		
Origination of temporary differences	(1,274)	24,116
Total deferred tax	(1,274)	24,116
Income tax (credit)/expense	3,187	35,737

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

	THE GROUP	
	31-Mar-23	31-Dec-22
	\$'000	\$'000
At 1 Jan	11,999	6,550
Tax paid	(482)	(6,172)
Prior period under/(over) provision	-	-
Income tax charge for the year	4,461	11,621
At 31 December	15,978	11,999