



**ARADEL HOLDINGS PLC
LAGOS, NIGERIA**

**UNAUDITED CONSOLIDATED FINANCIAL
STATEMENTS FOR THE QUARTER ENDED
30 SEPTEMBER 2024**

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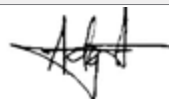
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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

₺ '000	Notes	THE GROUP (3 MONTHS ENDED)		THE GROUP (9 MONTHS ENDED)	
		30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Revenue	4	109,266,121	48,554,143	377,580,576	123,048,490
Cost of sales	5	(59,941,646)	(28,358,677)	(166,802,254)	(53,690,581)
Gross profit		49,324,475	20,195,466	210,778,322	69,357,909
Other income/ (loss)	6	(24,087,941)	(4,096,273)	(16,562,296)	(17,386,389)
General and administrative expenses	7	(6,424,416)	(5,728,855)	(25,134,624)	(11,777,223)
Operating profit		18,812,118	10,370,338	169,081,402	40,194,297
Finance income	8	4,336,419	1,867,754	10,317,533	3,615,895
Finance costs	8	(4,111,256)	(4,726,541)	(11,537,805)	(10,219,667)
Net Finance cost		225,163	(2,858,787)	(1,220,272)	(6,603,772)
Share of profit of an associate	15	10,141,269	1,986,575	23,596,359	3,781,469
Profit before taxation		29,178,550	9,498,126	191,457,489	37,371,994
Tax expense	26	(23,025,387)	(3,482,539)	(80,878,032)	(18,214,258)
Profit after taxation		6,153,163	6,015,587	110,579,457	19,157,736
Profit attributable to:					
Equity holders of the parent		6,241,239	6,387,187	110,371,701	18,744,673
Non-controlling interest		(88,076)	(371,600)	207,756	413,063
		6,153,163	6,015,587	110,579,457	19,157,736
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		102,335,951	(2,767,211)	362,312,934	143,734,999
Share of other comprehensive income of associate accounted for using the equity method	15	40,862,018	(330,271)	213,616,170	95,834,658
Net gain/(loss) on equity instruments at fair value through other comprehensive income		(259,278)	1,471,425	236,522	2,163,997
Other comprehensive income for the year, net of tax		142,938,691	(1,626,057)	576,165,626	241,733,654
Total comprehensive income for the year		149,091,854	4,389,530	686,745,083	260,891,390
Total comprehensive income attributable to:					
Equity holders of the parent		147,926,629	5,104,769	683,161,334	258,319,453
Non-controlling interest		1,165,225	(715,239)	3,583,749	2,571,937
Basic earnings per share	11	₺1.42	₺1.38	₺25.45	₺4.41

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

THE GROUP			
₦ '000	Notes	30-Sep-24	31-Dec-23
Assets			
Non-current assets			
Property, plant and equipment	12	684,882,549	383,427,621
Intangible assets	13	1,419,927	1,211,772
Financial assets	14	7,187,612	4,051,382
Investment in associate	15	507,445,825	270,233,296
Total non-current assets		1,200,935,913	658,924,071
Current assets			
Inventories	17	47,808,299	15,973,244
Trade and other receivables	18	18,402,925	53,523,077
Prepayments	19	279,428	82,606
Financial assets	14	1,554,286	312,802
Cash and Bank	20	479,157,477	194,618,761
Total current assets		547,202,415	264,510,490
Total assets		1,748,138,328	923,434,561
Equity and liabilities			
Shareholders' equity			
Share capital		2,172,422	2,172,422
Share premium		22,819,670	22,819,670
Translation reserve		1,034,902,134	462,349,023
Fair value reserve of financial assets at FVOCI		2,765,309	2,528,787
Retained earnings		282,469,762	209,029,238
Non-controlling interests		9,329,190	5,745,441
Total shareholders' equity		1,354,458,487	704,644,581
Non-current liabilities			
Borrowings	22	47,584,316	44,350,154
Deferred tax liabilities	16	80,235,629	18,386,481
Decommissioning liabilities	23	119,351,402	65,161,229
Total non-current liabilities		247,171,347	127,897,864
Current liabilities			
Trade and other payables	25	63,623,362	57,076,608
Contract liabilities	24	1,033,656	1,771,922
Taxation	26	51,430,343	14,421,838
Borrowings	22	30,421,133	17,621,748
Total current liabilities		146,508,494	90,892,116
Total liabilities		393,679,841	218,789,980
Total equity & liabilities		1,748,138,328	923,434,561



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



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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

THE GROUP

₹ '000	Issued capital	Share premium	Translation reserve	Fair value reserve of financial assets at FVOCI	Retained earnings	Total equity attributable to equity holders of the company	Non - controlling interests	Total equity
Balance at 1 January 2023	2,172,422	22,819,670	129,499,711	266,922	170,402,942	325,161,667	1,603,967	326,765,634
Profit for the year	-	-	-	-	18,744,673	18,744,673	413,063	19,157,736
Foreign currency translation difference	-	-	141,576,125	-	-	141,576,125	2,158,874	143,734,999
Net gain on equity instruments at fair value through other comprehensive income	-	-	-	2,163,997	-	2,163,997	-	2,163,997
Share of other comprehensive income of associate accounted for using the equity method	-	-	95,834,658	-	-	95,834,658	-	95,834,658
Total comprehensive income for the year	-	-	237,410,783	2,163,997	18,744,673	258,319,453	2,571,937	260,891,390
Dividends to equity holders of the company	-	-	-	-	(7,603,477)	(7,603,477)	-	(7,603,477)
Total contributions by and distributions to owners of the company, recognised directly in equity	-	-	-	-	(7,603,477)	(7,603,477)	-	(7,603,477)
Balance at 30 September 2023	2,172,422	22,819,670	366,910,494	2,430,919	181,544,138	575,877,643	4,175,904	580,053,547
Balance at 1 January 2024	2,172,422	22,819,670	462,349,023	2,528,787	209,029,238	698,899,140	5,745,441	704,644,581
Profit / (loss) for the year	-	-	-	-	110,371,701	110,371,701	207,756	110,579,457
Foreign currency translation difference	-	-	358,936,941	-	-	358,936,941	3,375,993	362,312,934
Net gain/(loss) on equity instruments at fair value through other comprehensive income	-	-	-	236,522	-	236,522	-	236,522
Share of other comprehensive income of associate accounted for using the equity method	-	-	213,616,170	-	-	213,616,170	-	213,616,170
Total comprehensive income for the year	-	-	572,553,111	236,522	110,371,701	683,161,334	3,583,749	686,745,083
Dividends to equity holders of the company	-	-	-	-	(36,931,177)	(36,931,177)	-	(36,931,177)
Total contributions by and distributions to owners of the company recognised directly in equity	-	-	-	-	(36,931,177)	(36,931,177)	-	(36,931,177)
Balance at 30 September 2024	2,172,422	22,819,670	1,034,902,134	2,765,309	282,469,762	1,345,129,297	9,329,190	1,354,458,487

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

THE GROUP			
₺ '000	Notes	30-Sep-24	30-Sep-23
Profit before taxation		191,457,489	37,371,994
Adjustments:			
Interest expense	8	11,537,805	10,219,667
Interest income	8	(10,317,533)	(3,615,895)
Dividend received	6	(137,110)	(94,116)
Exchange (gain)/loss	6	25,951,357	17,689,070
Share of profit from associate	15	(23,596,359)	(3,781,469)
Hedge cost in PorL	14.1	1,604,072	2,062,408
Depreciation of property, plant and equipment	10	69,002,180	22,147,358
Provision no longer required	6	(63,883)	-
Stock adjustment	5	(27,323,852)	(454,311)
Asset write-off	12	-	2,271,554
Operating cash flows before movement in working capital		238,114,166	83,816,260
Movement in working capital:			
Decrease in trade and other receivables		35,120,152	39,831,762
(Increase)/Decrease in prepayments		(196,822)	38,438
Increase in inventory		(4,511,203)	(1,146,990)
Increase in restricted cash		(9,809,928)	(5,303,658)
Decrease in trade and other payables		(29,090,662)	(17,938,100)
Decrease in contract liabilities		(738,266)	-
Cash generated by operating activities		228,887,437	99,297,712
Tax paid	26	(15,388,370)	(5,899,649)
Net cash flows from operating activities		213,499,067	93,398,063
Investing activities			
Interest received	8	10,317,533	3,615,895
Dividend received	6	137,110	94,116
Purchase of property, plant and equipment		(78,789,790)	(32,503,942)
Purchase of financial assets		(5,745,532)	(2,457,726)
Net cash flows used in investing activities		(74,080,679)	(31,251,657)
Financing activities			
Dividend paid		(36,931,177)	(7,603,477)
Interest paid	22	(7,224,663)	(4,724,947)
Repayment of borrowing	22	(23,013,857)	(40,380,787)
Additional borrowings	22	-	7,687,600
Issue of Bond	22	-	10,318,000
Net cash flows used in financing activities		(67,169,697)	(34,703,611)
Increase in cash and cash equivalents		72,248,691	27,442,795
Cash and cash equivalents - Beginning of year	20	183,008,535	55,520,654
Exchange rate effects on cash and cash equivalents		202,480,097	48,218,526
Cash and cash equivalents - End of year	20	457,737,323	131,181,975

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. REPORTING ENTITY

Aradel Holdings Plc (“the Company”) was incorporated on 25 March 1992. The company is domiciled in Nigeria. The consolidated financial statements of the Company as at and for the quarter 30 September 2024 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:

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

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

1.3. FINANCIAL PERIOD

These consolidated financial statements cover the period from 1 January 2024 to 30 September 2024 with comparative figures for the financial year from 1 January 2023 to 30 September 2023 except for the statement of financial position which has comparative figures as at 31 December 2023.

1.4. BASIS OF PREPARATION

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

Statement of compliance

The consolidated financial statements of Aradel Holdings 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.

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 (₦1601.03) at the reporting date;
- income and expenses for each profit or loss statement are translated using the exchange rates prevailing on the transaction dates, in which case, income and expenses are translated at the dates of the transactions.
- all resulting exchange differences are recognised in other comprehensive income.

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

The Group has considered the following standards and amendments for the first time in its reporting period commencing 1 January 2024. Their adoption has not had any material impact on the disclosures or amounts reported in these financial statements.

Amendments to IAS 1 – Presentation of Financial Statements – Classification of Liabilities as Current or Non-current. The group has adopted the amendments to IAS 1 for the first time in the current year.

Amendments to IAS 1 Presentation of Financial Statements—Non-current Liabilities with Covenants. The group has adopted the amendments to IAS 1 for the first time in the current year.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures—Supplier Finance Arrangements. The group has adopted the amendments to IAS 7 for the first time in the current year.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

Amendment to IFRS 16 Leases—Lease Liability in a Sale and Leaseback. The group has adopted the amendments to IAS 16 for the first time in the current year.

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

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

Amendments to IFRS 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.

3. SEGMENT REPORTING

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

3.1. SEGMENT REPORTING/(LOSS) DISCLOSURE

₦ '000	Crude Oil	Gas	Refined Products	Investment Properties	Total Reportable Segment	Eliminations	Consolidation
30 September 2024							
Revenue	307,565,882	65,805,562	108,091,417	82,614	481,545,475	(103,964,899)	377,580,576
Cost of sales	(155,752,409)	(32,881,272)	(85,085,108)	(8,989)	(273,727,778)	106,925,524	(166,802,254)
Gross profit	151,813,473	32,924,290	23,006,309	73,625	207,817,697	2,960,625	210,778,322
Other income/(loss)	(2,897,308)	(950,424)	(10,565,480)	-	(14,413,212)	(2,149,084)	(16,562,296)
General and administrative expenses	(22,175,227)	(455,878)	(1,610,634)	(81,344)	(24,323,083)	(811,541)	(25,134,624)
Operating profit	126,740,938	31,517,988	10,830,195	(7,719)	169,081,402	-	169,081,402
Finance income	7,575,677	202	2,741,654	-	10,317,533	-	10,317,533
Finance costs	(9,931,080)	(425,309)	(1,181,416)	-	(11,537,805)	-	(11,537,805)
Share of profit from associate	23,596,359	-	-	-	23,596,359	-	23,596,359
Profit before taxation	147,981,894	31,092,881	12,390,433	(7,719)	191,457,489	-	191,457,489
Tax expense	(61,439,374)	(10,800,616)	(8,203,568)	(434,474)	(80,878,032)	-	(80,878,032)
Profit after taxation	86,542,520	20,292,265	4,186,865	(442,193)	110,579,457	-	110,579,457
30 September 2023							
Revenue	79,651,359	12,559,193	60,833,484	79,011	153,123,047	(30,074,557)	123,048,490
Cost of sales	(44,302,615)	(3,668,646)	(35,130,767)	(31,372)	(83,133,400)	29,442,819	(53,690,581)
Gross profit	35,348,744	8,890,547	25,702,717	47,639	69,989,647	313,484	70,303,131
Other income/(loss)	(3,122,660)	(499,626)	(13,452,129)	1,162	(17,073,253)	(313,136)	(17,386,389)
General and administrative expenses	(11,484,649)	(147,099)	(1,025,278)	(66,810)	(12,723,836)	946,613	(11,777,223)
Operating profit	20,741,435	8,243,822	11,225,310	(18,009)	40,192,558	1,739	40,194,297
Finance income	2,375,545	-	1,240,931	-	3,616,476	(581)	3,615,895
Finance costs	(6,188,967)	(523,445)	(1,310,065)	-	(8,022,477)	(2,197,190)	(10,219,667)
Share of profit from associate	3,781,469	-	-	-	3,781,469	-	3,781,469
Profit before taxation	20,709,482	7,720,377	11,156,176	(18,009)	39,568,026	(2,196,032)	37,371,994
Tax expense	(11,181,156)	(4,030,120)	(2,829,275)	(173,707)	(18,214,258)	-	(18,214,258)
Profit after taxation	9,528,326	3,690,257	8,326,901	(191,716)	21,353,768	(2,196,032)	19,157,736

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

3.2. SEGMENT ASSETS AND LIABILITIES

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

₦ '000	*Crude Oil	Gas	Refined Products	Investment Properties	Total Reportable Segment	Eliminations	Consolidation
30 September 2024							
Total Asset	1,299,675,426	272,094,834	356,705,644	11,451,794	1,939,927,698	(191,789,370)	1,748,138,328
Total Liabilities	355,026,155	53,608,233	159,467,236	1,327,331	569,428,955	(175,749,114)	393,679,841
31 December 2023							
Total Asset	725,306,564	144,861,527	196,284,414	6,170,457	1,072,622,962	(149,188,401)	923,434,561
Total Liabilities	204,769,376	68,992,431	76,947,636	5,488	350,714,931	(131,924,951)	218,789,980

*Crude oil includes the carrying amount of investment in associate.

4. REVENUE

Disaggregated revenue information

₦ '000	THE GROUP (3 MONTHS ENDED)		THE GROUP (9 MONTHS ENDED)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Segments				
Crude Oil	80,513,118	16,343,670	251,651,868	55,941,219
Refined Products	21,427,117	29,606,000	103,126,324	60,833,484
Gas	7,325,886	2,604,473	22,802,384	6,273,787
Total revenue	109,266,121	48,554,143	377,580,576	123,048,490

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

₦ '000	THE GROUP (3 MONTHS ENDED)		THE GROUP (9 MONTHS ENDED)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Geographical markets				
Within Nigeria	21,074,287	32,210,473	98,622,657	65,791,948
Outside Nigeria	88,191,834	16,343,670	278,957,919	57,256,542
Total revenue from contracts with customers	109,266,121	48,554,143	377,580,576	123,048,490
Timing of revenue recognition				
Goods transferred at a point in time	109,266,121	48,554,143	377,580,576	123,048,490
Goods transferred over time	-	-	-	-
Total revenue from contracts with customers	109,266,121	48,554,143	377,580,576	123,048,490

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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

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.

N '000	THE GROUP (3 MONTHS ENDED)		THE GROUP (9 MONTHS ENDED)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Contract balances				
Trade receivables	(33,036,659)	(6,509,445.35)	16,233,027	13,856,899
Contract Liabilities	314,851	-	1,033,656	-

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

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

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

5. COST OF SALES

N '000	THE GROUP (3 MONTHS ENDED)		THE GROUP (9 MONTHS ENDED)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Crude oil handling charges	28,361,546	7,468,774	64,689,819	15,086,950
Crude Feed	4,400,843	-	4,400,843	-
Depreciation and amortisation (Note 10)	29,018,703	11,167,545	67,218,873	21,254,422
Operational and maintenance expenses	7,192,160	2,143,190	13,714,348	5,226,898
Royalties and other Statutory expenses	8,355,491	4,393,981	31,498,522	8,270,546
Staff costs (Note 9)	3,042,840	2,166,567	12,603,701	4,306,076
Stock adjustment	(20,429,937)	1,018,620	(27,323,852)	(454,311)
Total	59,941,646	28,358,677	166,802,254	53,690,581

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

Royalties and other statutory expenses includes Royalties due to FGN and NESS fees.

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

6. OTHER (LOSS)/INCOME

N '000	THE GROUP (3 MONTHS ENDED)		THE GROUP (9 MONTHS ENDED)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Dividend received from Financial Assets	-	16,035.00	137,110	94,116
Fee income	8,662,763	208,083.00	9,188,068	208,565
Exchange loss	(32,814,587)	(4,320,391.00)	(25,951,357)	(17,689,070)
Provision no longer required	63,883	-	63,883	-
Total	(24,087,941)	(4,096,273)	(16,562,296)	(17,386,389)

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

7. GENERAL AND ADMINISTRATIVE EXPENSES

₦ '000	THE GROUP (3 MONTHS ENDED)		THE GROUP (9 MONTHS ENDED)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Depreciation and amortisation	524,742	386,857	1,783,307	892,936
Directors' fees	64,356	64,280	432,602	213,212
Fuel, utilities and travel expenses	507,806	491,438	1,745,124	847,621
Permits, licenses and subscriptions	219,584	422,341	2,044,903	1,545,354
Professional fees	888,178	621,415	2,891,885	1,440,781
Repairs and maintenance	1,354,867	181,906	2,542,262	326,500
Staff costs (Note 9)	2,028,560	1,444,925	8,402,467	2,871,104
Other expenses	836,323	2,115,693	5,292,504	3,639,715
Total	6,424,416	5,728,855	25,134,624	11,777,223

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

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

8. FINANCE COST AND INCOME

₦ '000	THE GROUP (3 MONTHS ENDED)		THE GROUP (9 MONTHS ENDED)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Interest expense:				
Bank borrowings	2,577,384	3,025,251	7,375,903	6,449,237
Coupon on Bond	446,599	590,649	1,314,319	1,285,664
Provisions: unwinding of discount (Note 23)	1,087,273	1,110,641	2,847,583	2,484,766
Total finance cost	4,111,256	4,726,541	11,537,805	10,219,667
Finance income:				
Interest income	4,336,419	1,867,754	10,317,533	3,615,895
Total finance income	4,336,419	1,867,754	10,317,533	3,615,895
Net finance costs	225,163	(2,858,787)	(1,220,272)	(6,603,772)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

9. STAFF COST

N '000	THE GROUP (3 MONTHS ENDED)		THE GROUP (9 MONTHS ENDED)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Included in cost of sales:				
Salaries and other staff costs	3,042,840	2,166,566	12,603,701	4,306,076
Included in general and administrative expenses:				
Salaries and other staff costs	2,028,560	1,444,925	8,402,467	2,871,104
Total	5,071,400	3,611,491	21,006,168	7,177,180

10. DEPRECIATION AND AMORTISATION

N '000	THE GROUP (3 MONTHS ENDED)		THE GROUP (9 MONTHS ENDED)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Included in cost of sales:				
Depreciation of oil and gas properties	29,018,703	11,167,545	67,218,873	21,254,422
Included in general and administrative expenses:				
Depreciation of other property, plant and equipment	341,946	208,902	935,707	544,360
Amortisation of intangible assets	182,796	177,955	847,600	348,576
Total in general and administrative expenses	524,742	386,857	1,783,307	892,936
Total	29,543,445	11,554,402	69,002,180	22,147,358

11. EARNINGS PER SHARE

Basic - GROUP

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

N '000	THE GROUP (3 MONTHS ENDED)		THE GROUP (9 MONTHS ENDED)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Profit attributable to equity holders of the Group	6,153,163	6,015,587	110,579,457	19,157,736
Total	6,153,163	6,015,587	110,579,457	19,157,736
Weighted average number of ordinary shares in issue	4,344,844,360	*4,344,844,360	4,344,844,360	*4,344,844,360
Basic and diluted earnings per share (N)	1.42	*1.38	25.45	* 4.41

On September 30th, 2024 the Company redenominated the nominal value of all the existing ordinary shares from Ten Naira (N10.00) each to Fifty kobo (N0.50) each.

*Prior year was restated for comparability.

12. PROPERTY, PLANT AND EQUIPMENT

N '000	THE GROUP	
	30-Sep-24	31-Dec-23
Oil and gas properties	655,458,143	338,322,294
Other property, plant and equipment	13,511,442	7,459,924
Asset under development	15,912,964	37,645,403
Total	684,882,549	383,427,621

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

12a. PROPERTY, PLANT AND EQUIPMENT (THE GROUP)

₦ '000	OIL AND GAS PROPERTIES	OTHER PROPERTY, PLANT AND EQUIPMENT	ASSETS UNDER DEVELOPMENT	TOTAL
Cost:				
Balance at 1 January 2023	332,818,312	7,447,956	21,708,055	361,974,323
Translation difference	334,517,209	8,419,927	18,884,111	361,821,247
Reclassifications	34,382,779	-	(35,326,240)	(943,461)
Transfer	-	-	(3,978,002)	(3,978,002)
Additions	7,961,402	3,014,184	37,792,368	48,767,954
Write-offs	-	-	(1,434,889)	(1,434,889)
Changes in decommissioning assets	(69,275,515)	-	-	(69,275,515)
Balance at 31 December 2023	640,404,187	18,882,067	37,645,403	696,931,657
Balance at 1 January 2024	640,404,187	18,882,067	37,645,403	696,931,657
Translation difference	499,594,933	14,727,978	29,367,572	543,690,483
Reclassifications	97,990,919	-	(97,990,919)	-
Additions	30,406,724	1,280,822	46,890,908	78,578,454
Balance at 30 September 2024	1,268,396,763	34,890,867	15,912,964	1,319,200,594
Depreciation:				
Balance at 1 January 2023	133,185,421	5,093,608	-	138,279,029
Translation difference	154,255,996	6,065,156	-	160,321,152
Depreciation for the year	14,640,476	263,379	-	14,903,855
Balance at 31 December 2023	302,081,893	11,422,143	-	313,504,036
Balance at 1 January 2024	302,081,893	11,422,143	-	313,504,036
Translation difference	243,637,854	9,021,575	-	252,659,429
Depreciation for the year	67,218,873	935,707	-	68,154,580
Balance at 30 September 2024	612,938,620	21,379,425	-	634,318,045
Net book value:				
At 30 September 2024	655,458,143	13,511,442	15,912,964	684,882,549
At 31 December 2023	338,322,294	7,459,924	37,645,403	383,427,621
At 1 January 2023	199,632,891	2,354,348	21,708,055	223,695,294

There are no impairments in Property, Plant, and Equipment during the quarter. The capital commitments in respect of PPE expenditures amounts to ₦85.2 billion (2023: ₦29.3 billion).

Current year reclassifications relates to settlements of completed drilling projects from Asset under development to Wells under Oil and Gas Properties.

The prior year reclassification relates to movement of some assets from asset under development to intangible asset

The prior year transfer relates to movement of some assets from asset under development to other receivables (note 18). Subsequent reconciliation with the counter party on the Asset under development yielded a recoverable balance which has now been reclassified to other receivables

The prior year write off is included in flowstation expenses.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

13. INTANGIBLE ASSETS

N '000	THE GROUP	
	Intangible Assets	
Cost:		
Balance at 1 January 2023	1,632,074	
Translation difference	1,640,231	
Reclassification	943,460	
Additions	93,537	
Balance at 31 December 2023	4,309,302	
Balance at 1 January 2024	4,309,302	
Translation difference	3,361,457	
Additions	211,336	
Balance at 30 September 2024	7,882,095	
Amortisation:		
Balance at 1 January 2023	1,164,521	
Translation difference	1,550,595	
Amortisation charge for the year	382,414	
Balance at 31 December 2023	3,097,530	
Balance at 1 January 2024	3,097,530	
Translation difference	2,517,038	
Amortisation charge for the year	847,600	
Balance at 30 September 2024	6,462,168	
Net book value:		
At 30 September 2024	1,419,927	
At 31 December 2023	1,211,772	
At 1 January 2023	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.

14. FINANCIAL ASSETS

Financial assets include the following:	THE GROUP	
	30-Sep-24	31-Dec-23
N '000		
Fair value through OCI		
Listed securities	7,178,053	4,045,087
Unlisted securities	9,559	6,295
Fair value through Profit or Loss		
Hedge	1,554,286	312,802
Total	8,741,898	4,364,184

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

14. Financial Assets Cont'd

Financial assets include the following: N '000	THE GROUP	
	30-Sep-24	31-Dec-23
Current	1,554,286	312,802
Non-current	7,187,612	4,051,382
	8,741,898	4,364,184

14.1. HEDGE

N '000	THE GROUP	
	30-Sep-24	31-Dec-23
Balance at 1 January	312,802	352,062
Additions	2,853,032	2,875,350
Hedge cost in PorL	(1,604,072)	(2,237,821)
Foreign exchange difference	(7,476)	(676,789)
Current Value	1,554,286	312,802

15. INVESTMENT IN ASSOCIATE - ND WESTERN LIMITED

N '000	THE GROUP	
	30-Sep-24	31-Dec-23
At 1 January	270,233,296	132,532,480
Share of profit	23,596,359	3,221,500
Share of other comprehensive income (net of tax), may not be reclassified to profit or loss in subsequent periods	213,616,170	134,479,316
Carrying amount	507,445,825	270,233,296

16. DEFERRED TAXATION

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

Deferred Tax Liabilities N '000	THE GROUP	
	30-Sep-24	31-Dec-23
Deferred tax liabilities		
Accelerated depreciation and amortisation	78,954,217	15,383,043
Decommissioning liabilities	1,281,412	3,003,438
Total	80,235,629	18,386,481
Deferred taxation		
At start of year	18,386,481	(12,759,803)
Income statement credit	42,466,564	44,003,555
Translation difference	19,382,584	(12,857,271)
Net deferred tax liabilities at end of year	80,235,629	18,386,481
Reflected in the statement of financial position as:		
Deferred tax liabilities	80,235,629	18,386,481
Net deferred tax liabilities	80,235,629	18,386,481

Deferred taxes are payable in more than one year.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

17. INVENTORIES

N '000	THE GROUP	
	30-Sep-24	31-Dec-23
Crude Oil	23,591,524	3,196,572
Refined Products	7,756,938	5,093,707
Materials	16,459,837	7,682,965
Total	47,808,299	15,973,244

There were no write-downs of inventory during the year and all inventory balances are current in nature

Inventory balances will be turned over within 12 months after the financial year

The inventory charged to Cost of sales during the year amounted to ₦2.7 billion (2023: ₦1.4 billion)

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

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

18. TRADE AND OTHER RECEIVABLES

N '000	THE GROUP	
	30-Sep-24	31-Dec-23
Trade receivables	16,233,027	51,470,892
Other receivables	2,209,145	2,091,432
	18,442,172	53,562,324
Allowance for expected credit losses	(39,247)	(39,247)
	18,402,925	53,523,077

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

19. PREPAYMENTS

N '000	THE GROUP	
	30-Sep-24	31-Dec-23
Prepaid rent	3,867	16,883
Prepaid expenses	7,003	18,294
Prepaid insurance	268,558	47,429
Total	279,428	82,606

20. CASH AND BANK

N '000	THE GROUP	
	30-Sep-24	31-Dec-23
Cash and bank balances	178,665,895	80,763,842
Short term deposits	279,071,428	102,244,693
Cash and cash equivalents for statement of cashflow purposes	457,737,323	183,008,535
Restricted cash	21,420,154	11,610,226
Total Cash and Bank	479,157,477	194,618,761

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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

21. 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 2023	217,242,218	2,172,422	22,819,670	24,992,092
Balance at 31 December 2023	217,242,218	2,172,422	22,819,670	24,992,092
Balance at 30 September 2024	4,344,844,360	2,172,422	22,819,670	24,992,092

On September 30th, 2024 the Company redenominated the nominal value of all the existing ordinary shares from Ten Naira (₦10.00) each to Fifty kobo (₦0.50) each

22. BORROWINGS

₦ '000	THE GROUP	
	30-Sep-24	31-Dec-23
GTB	56,147,115	39,273,624
BOI loan	10,957,387	11,459,657
N10B Series I Bond	10,794,200	11,131,874
Petre IPINs	106,747	106,747
Total	78,005,449	61,971,902
Current	30,421,133	17,621,748
Non-current	47,584,316	44,350,154
Total	78,005,449	61,971,902
At 1 January	61,971,902	53,748,030
Additional borrowings	-	8,993,900
N10B Series I Bond	-	10,318,000
Repayments	(23,013,857)	(49,420,631)
Repayment of interest	(7,224,663)	(5,453,185)
Foreign exchange movement	37,581,845	35,595,194
Accrued interest	8,246,547	6,365,224
Remeasurements	443,675	1,825,370
As at	78,005,449	61,971,902

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

23. DECOMMISSIONING LIABILITIES

₦ '000	THE GROUP
Balance at 1 January 2023	64,489,699
Charged/(credited) to profit or loss:	
Changes in estimated flows	(69,275,515)
Translation difference	66,413,589
Unwinding of discount due to passage of time	3,533,456
Balance at 31 December 2023	65,161,229
Balance at 1 January 2024	65,161,229
Charged/(credited) to profit or loss:	
Translation difference	51,342,590
Unwinding of discount due to passage of time	2,847,583
Balance at 30 September 2024	119,351,402

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

24. CONTRACT LIABILITIES

N '000	THE GROUP	
	30-Sep-24	31-Dec-23
Down payments received	1,033,656	1,771,922
	1,033,656	1,771,922

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

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

25. TRADE AND OTHER PAYABLES

N '000	THE GROUP	
	30-Sep-24	31-Dec-23
Royalty payable	23,267,018	27,719,265
Sundry creditors	17,090,770	9,048,996
Trade payables	22,817,690	19,826,657
Unclaimed dividend	447,884	481,690
	63,623,362	57,076,608

- Trade payables are non-interest bearing and are normally settled on 30-day terms. Sundry creditors include IPIN note due and other statutory creditors.

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

26. TAXATION

N '000	THE GROUP	
	30-Sep-24	30-Sep-23
Hydrocarbon tax	8,735,785	744,210
Income tax expense	23,440,498	4,496,630
Education tax	6,235,185	1,365,837
Total current tax	38,411,468	6,606,677
Deferred taxation		
Origination of temporary differences	42,466,564	11,607,581
Total deferred tax	42,466,564	11,607,581
Income tax expense	80,878,032	18,214,258

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

N '000	THE GROUP	
	30-Sep-24	31-Dec-23
At 1 January	14,421,838	4,509,948
Tax paid	(15,388,370)	(6,487,142)
Prior period under/(over) provision	-	998
Income tax charge for the year	38,411,468	14,421,399
Foreign exchange difference	13,985,407	1,976,635
As at	51,430,343	14,421,838

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

27. COMMITMENTS

As at 30 September 2024, the capital commitments in respect of PPE expenditures amounts to ₦85.2 billion (2023: ₦29.3 billion).

28. CONTINGENCIES

The Group has contingent liabilities in respect of legal suits against Aradel Energy Limited as the operator of the Ogbale oil field. The possible liabilities from these cases amount to ₦2,142 billion (2023: ₦1,204 billion). These have not been incorporated in these financial statements. The directors on the advise of the Group's solicitors are of the opinion that the Group will not suffer any loss from these claims.



**ARADEL HOLDINGS PLC
LAGOS, NIGERIA**

**UNAUDITED CONSOLIDATED
FINANCIAL STATEMENTS FOR THE
QUARTER ENDED 30 SEPTEMBER
2024
(IN US DOLLARS)**

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

\$'000	Notes	THE GROUP (3 MONTHS ENDED)		THE GROUP (9 MONTHS ENDED)	
		30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Revenue	2	68,195	57,243	274,407	211,802
Cost of sales	3	(33,679)	(39,859)	(114,743)	(92,417)
Gross profit		34,516	17,384	159,664	119,385
Other Income/(Loss)	4	2,608	(2,353)	(11,607)	(29,927)
General and administrative expenses	5	(4,050)	(7,723)	(18,385)	(20,272)
Operating profit		33,074	7,308	129,672	69,186
Finance income	6	2,779	2,597	7,617	6,224
Finance costs	6	(2,632)	(6,194)	(8,440)	(17,591)
Net Finance cost		147	(3,597)	(823)	(11,367)
Share of profit of an associate	13	6,485	2,785	16,487	6,509
Profit before taxation		39,706	6,496	145,336	64,328
Tax (expense)/credit	24	(13,505)	(787)	(56,511)	(31,352)
Profit after taxation		26,201	5,709	88,825	32,976
Profit attributable to:					
Equity holders of the parent		25,927	6,626	88,579	32,265
Non-controlling interest		274	(917)	246	711
		26,201	5,709	88,825	32,976
Other comprehensive income:					
Net gain / (loss) on equity instruments at fair value through other comprehensive income		(204)	1,910	27	2,809
Other comprehensive income for the year, net of tax		(204)	1,910	27	2,809
Total comprehensive income for the year		25,997	7,619	88,852	35,785
Total comprehensive income attributable to:					
Equity holders of the parent		25,723	8,536	88,606	35,074
Non-controlling interest		274	(917)	246	711
Basic earnings per share	9	\$0.01	\$0.00	\$0.02	\$0.01

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

\$'000	Notes	THE GROUP	
		30-Sep-24	31-Dec-23
Assets			
Non-current assets			
Property, plant and equipment	10	427,779	426,318
Intangible assets	11	888	1,348
Financial assets	12	4,525	4,505
Investment in associate	13	316,950	300,463
Total non-current assets		750,142	732,634
Current assets			
Inventories	15	29,860	17,759
Trade and other receivables	16	11,494	59,511
Prepayments	17	174	92
Financial assets	12	971	348
Cash and Bank	18	299,282	216,402
Total current assets		341,781	294,112
Total assets		1,091,923	1,026,746
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		2,568	2,541
Retained earnings		738,793	676,571
Non-controlling interest		5,827	5,581
Total shareholders' equity		845,459	782,964
Non-current liabilities			
Borrowings	20	30,292	49,830
Deferred tax liabilities	14	50,115	20,442
Decommissioning liabilities	21	74,547	72,451
Total non-current liabilities		154,954	142,723
Current liabilities			
Trade and other payables	23	39,740	63,461
Contract Liabilities	22	646	1,970
Taxation	24	32,123	16,035
Borrowings	20	19,001	19,593
Total current liabilities		91,510	101,059
Total liabilities		246,464	243,782
Total equity & liabilities		1,091,923	1,026,746



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



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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

THE GROUP

\$'000	Issued capital	Share premium	Fair value reserve of financial assets at FVOCI	Retained earnings	Total equity attributable to equity holders of the company	Non - controlling interests	Total equity
Balance at 1 January 2023	19,316	78,955	(878)	625,976	723,369	4,721	728,090
Profit / (Loss) for the year	-	-	-	32,265	32,265	711	32,976
Net gain on equity instruments at fair value through other comprehensive income	-	-	2,809	-	2,809	-	2,809
Total comprehensive income for the year	-	-	2,809	32,265	35,074	711	35,785
Dividends to equity holders of the company	-	-	-	(10,044)	(10,044)	-	(10,044)
Total contributions by and distributions to owners of the company, recognised directly in equity	-	-	-	(10,044)	(10,044)	-	(10,044)
Balance at 30 September 2023	19,316	78,955	1,931	648,197	748,399	5,432	753,831
Balance at January 2024	19,316	78,955	2,541	676,571	777,383	5,581	782,964
Profit for the year	-	-	-	88,579	88,579	246	88,825
Net gain on equity instruments at fair value through other comprehensive income	-	-	27	-	27	-	27
Total comprehensive income for the year	-	-	27	88,579	88,606	246	88,852
Dividends to equity holders of the company	-	-	-	(26,357)	(26,357)	-	(26,357)
Total contributions by and distributions to owners of the company recognised directly in equity	-	-	-	(26,357)	(26,357)	-	(26,357)
Balance at 30 September 2024	19,316	78,955	2,568	738,793	839,632	5,827	845,459

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

THE GROUP			
\$'000	Notes	30-Sep-24	30-Sep-23
Profit before taxation		145,336	64,328
Adjustments:			
Interest expense	6	8,440	17,591
Interest income	6	(7,617)	(6,224)
Dividend received	4	(98)	(162)
Exchange loss/(gain)	4	18,133	30,448
Share of profit from associate	13	(16,487)	(6,509)
Hedge cost in PorL	12	1,159	3,550
Depreciation of property, plant and equipment	8	48,213	38,122
Provision no longer required	4	(40)	-
Stock adjustment	3	(18,970)	(782)
Asset write-off	10	-	3,910
Operating cash flows before movement in working capital		178,069	144,272
Movement in working capital:			
Decrease in trade and other receivables		48,017	51,813
(Increase)/Decrease in prepayments		(82)	50
Decrease/(Increase) in inventory		6,869	(1,492)
Increase in restricted cash		(470)	(2,081)
Decrease in trade and other payables		(25,779)	(6,618)
Decrease in contract liabilities		(1,324)	-
Cash generated by operating activities		205,300	185,944
Tax paid	24	(10,752)	(10,155)
Net cash flows from operating activities		194,548	175,789
Investing activities			
Interest received	6	7,617	6,224
Dividend received	4	98	162
Purchase of property, plant and equipment		(49,212)	(45,690)
Purchase of financial assets		(3,595)	(3,197)
Net cash used in investing activities		(45,092)	(42,501)
Financing activities			
Dividend paid		(26,357)	(10,044)
Interest paid	6	(5,320)	(8,133)
Repayment of borrowing	20	(16,080)	(59,643)
Additional borrowings	20	-	10,000
Issue of Bond	20	-	13,393
Net cash flows used in from financing activities		(47,757)	(54,427)
Increase in cash and cash equivalents		101,699	78,861
Cash and cash equivalents - Beginning of year	18	203,493	123,776
Exchange rate effects on cash and cash equivalents		(19,289)	(31,996)
Cash and cash equivalents - End of year	18	285,903	170,641

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. SEGMENT REPORTING

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

1.1. SEGMENT REPORTING/(LOSS) DISCLOSURE

\$'000	Crude Oil	Gas	Refined Products	Investment Properties	Total Reportable Segment	Eliminations	Consolidation
30 September 2024							
Revenue	222,409	48,041	85,079	61	355,590	(81,183)	274,407
Cost of sales	(102,499)	(24,489)	(67,056)	(6)	(194,050)	79,307	(114,743)
Gross profit	119,910	23,552	18,023	55	161,540	(1,876)	159,664
Other Loss	(1,907)	(664)	(7,387)	-	(9,958)	(1,649)	(11,607)
General and administrative expenses	(20,326)	(415)	(1,114)	(55)	(21,910)	3,525	(18,385)
Operating profit	97,677	22,473	9,522	-	129,672	-	129,672
Finance income	5,579	-	2,038	-	7,617	-	7,617
Finance costs	(7,249)	(313)	(878)	-	(8,440)	-	(8,440)
Share of profit from associate	16,487	-	-	-	16,487	-	16,487
Profit before taxation	112,494	22,160	10,682	-	145,336	-	145,336
Tax expense	(42,929)	(7,547)	(5,732)	(303)	(56,511)	-	(56,511)
Profit after taxation	69,565	14,613	4,950	(303)	88,825	-	88,825
30 September 2023							
Revenue	137,103	21,618	104,712	136	263,569	(51,767)	211,802
Cost of sales	(76,258)	(6,315)	(60,470)	(54)	(143,097)	50,680	(92,417)
Gross profit	60,845	15,303	44,242	82	120,472	(1,087)	119,385
Other Loss	(5,375)	(860)	(23,155)	2	(29,388)	(539)	(29,927)
General and administrative expenses	(19,768)	(253)	(1,765)	(115)	(21,901)	1,629	(20,272)
Operating profit	35,702	14,190	19,322	(31)	69,183	3	69,186
Finance income	4,089	-	2,136	-	6,225	(1)	6,224
Finance costs	(10,653)	(901)	(2,255)	-	(13,809)	(3,782)	(17,591)
Share of profit from associate	6,509	-	-	-	6,509	-	6,509
Profit before taxation	35,647	13,289	19,203	(31)	68,108	(3,780)	64,328
Tax expense	(19,246)	(6,937)	(4,870)	(299)	(31,352)	-	(31,352)
Profit after taxation	16,401	6,352	14,333	(330)	36,756	(3,780)	32,976

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

1.2. SEGMENT ASSETS AND LIABILITIES

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

\$'000	*Crude Oil	Gas	Refined Products	Investment Properties	Total Reportable Segment	Eliminations	Consolidation
30 September 2024							
Total Asset	857,690	169,654	222,799	7,151	1,257,294	(165,372)	1,091,923
Total Liabilities	222,320	33,484	99,604	4,043	359,451	(112,982)	246,464
31 December 2023							
Total Asset	875,375	162,119	218,236	7,389	1,263,119	(236,373)	1,026,746
Total Liabilities	283,243	40,556	99,993	6	423,798	(180,016)	243,782

*Crude oil includes the carrying amount of investment in associate

2. REVENUE

Disaggregated revenue information

\$'000	THE GROUP (3 MONTHS ENDED)		THE GROUP (9 MONTHS ENDED)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Segments				
Crude Oil	50,463	14,135	177,768	96,291
Refined Products	13,629	39,922	81,591	104,712
Gas	4,103	3,186	15,048	10,799
Total revenue	68,195	57,243	274,407	211,802

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

\$'000	THE GROUP (3 MONTHS ENDED)		THE GROUP (9 MONTHS ENDED)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Geographical markets				
Within Nigeria	12,773	30,301	76,254	99,975
Outside Nigeria	55,422	26,942	198,153	111,827
Total revenue from contracts with customers	68,195	57,243	274,407	211,802
Timing of revenue recognition				
Goods transferred at a point in time	68,195	57,243	274,407	211,802
Goods transferred over time	-	-	-	-
Total revenue from contracts with customers	68,195	57,243	274,407	211,802

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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

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.

\$'000	THE GROUP (3 MONTHS ENDED)		THE GROUP (9 MONTHS ENDED)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Contract balances				
Trade receivables	(23,372)	(26,216)	10,158	18,025
Contract Liabilities	157	-	646	-

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.

3. COST OF SALES

\$'000	THE GROUP (3 MONTHS ENDED)		THE GROUP (9 MONTHS ENDED)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Crude feed	2,770	-	2,770	-
Crude oil handling charges	15,188	10,163	42,061	25,969
Depreciation and amortisation	18,571	15,657	46,967	36,585
Operational and maintenance expenses	4,593	2,599	9,705	8,997
Royalties and other statutory expenses	4,391	6,193	22,873	14,236
Staff costs (Note 7)	1,961	2,973	9,337	7,412
Stock Adjustments	(13,795)	2,274	(18,970)	(782)
Total	33,679	39,859	114,743	92,417

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

Royalties and other statutory expenses includes Royalties due to FGN and NESS fees.

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

4. OTHER (LOSS)/INCOME

\$'000	THE GROUP (3 MONTHS ENDED)		THE GROUP (9 MONTHS ENDED)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Dividend received from Financial assets	-	-	98	162
Fee income	6,050	358	6,388	359
Exchange Loss/gain	(3,482)	(2,711)	(18,133)	(30,448)
Provision no longer required	40	-	40	-
Total	2,608	(2,353)	(11,607)	(29,927)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

5. GENERAL AND ADMINISTRATIVE EXPENSES

\$'000	THE GROUP (3 MONTHS ENDED)		THE GROUP (9 MONTHS ENDED)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Depreciation and amortisation	309	487	1,246	1,537
Directors' fees	40	58	338	367
Fuel, utilities and travel expenses	311	720	1,250	1,459
Permits, licenses and subscriptions	145	330	1,524	2,660
Professional fees	575	780	2,132	2,480
Repairs and maintenance	854	262	1,810	562
Staff costs (Note 7)	1,306	1,983	6,224	4,942
Other expenses	510	3,103	3,861	6,265
Total	4,050	7,723	18,385	20,272

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

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

6. FINANCE COST AND INCOME

\$'000	THE GROUP (3 MONTHS ENDED)		THE GROUP (9 MONTHS ENDED)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Interest expense:				
Bank borrowings	1,648	3,997	5,343	11,101
Coupon on Bond	286	771	1,001	2,213
Provisions: unwinding of discount	698	1,426	2,096	4,277
Finance costs	2,632	6,194	8,440	17,591
Total finance cost	2,632	6,194	8,440	17,591
Finance income:				
Interest income	2,779	2,597	7,617	6,224
Finance income	2,779	2,597	7,617	6,224
Net finance costs	147	(3,597)	(823)	(11,367)

7. STAFF COST

\$'000	THE GROUP (3 MONTHS ENDED)		THE GROUP (9 MONTHS ENDED)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Included in cost of sales:				
Salaries and other staff costs	1,961	2,973	9,337	7,412
Included in general and administrative expenses:				
Salaries and other staff costs	1,306	1,983	6,224	4,942
Total	3,267	4,956	15,561	12,354

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

8. DEPRECIATION AND AMORTISATION

\$'000	THE GROUP (3 MONTHS ENDED)		THE GROUP (9 MONTHS ENDED)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Included in cost of sales:				
Depreciation of oil and gas properties	18,571	15,657	46,967	36,585
Included in general and administrative expenses:				
Depreciation of other property, plant and equipment	211	241	654	937
Amortisation of intangible assets	98	246	592	600
Total in general and administrative expenses	309	487	1,246	1,537
Total	18,880	16,144	48,213	38,122

9. EARNINGS PER SHARE

Basic - GROUP

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

\$'000	THE GROUP (3 MONTHS ENDED)		THE GROUP (9 MONTHS ENDED)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Profit attributable to equity holders of the Group	26,201	5,709	88,825	32,976
Total	26,201	5,709	88,825	32,976
Weighted average number of ordinary shares in issue	4,344,844,360	*4,344,844,360	4,344,844,360	*4,344,844,360
Basic and diluted earnings per share	\$0.01	*\$0.00	\$0.02	*\$0.01

On September 30th, 2024 the Company redenominated the nominal value of all the existing ordinary shares from Ten Naira (₦10.00) each to Fifty kobo (₦0.50) each.

*Prior year was restated for comparability.

10. PROPERTY, PLANT AND EQUIPMENT

\$'000	THE GROUP	
	30-Sep-24	31-Dec-23
Oil and gas properties	409,395	376,168
Other property, plant and equipment	8,439	8,293
Asset under development	9,940	41,857
Total	427,774	426,318

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

10a. PROPERTY, PLANT AND EQUIPMENT (THE GROUP)

\$'000	OIL AND GAS PROPERTIES	OTHER PROPERTY, PLANT AND EQUIPMENT	ASSETS UNDER DEVELOPMENT	TOTAL
Cost:				
Balance at 1 January 2023	741,987	16,607	48,396	806,990
Translation difference	-	3,758	-	3,758
Reclassifications	38,229	-	(39,278)	(1,049)
Additions	8,852	629	42,020	51,501
Write-offs	-	-	(4,858)	(4,858)
Changes in decommissioning assets	(77,025)	-	-	(77,025)
Transfer	-	-	(4,423)	(4,423)
Balance at 31 December 2023	712,040	20,994	41,857	774,891
Balance at 1 January 2024	712,040	20,994	41,857	774,891
Reclassifications	61,205	-	(61,205)	-
Additions	18,992	800	29,288	49,080
Balance at 30 September 2024	792,237	21,794	9,940	823,971
Depreciation:				
Balance at 1 January 2023	296,924	11,358	-	308,282
Translation difference	3	410	-	413
Depreciation for the year	38,948	933	-	39,881
Balance at 31 December 2023	335,875	12,701	-	348,576
Balance at 1 January 2024	335,875	12,701	-	348,576
Depreciation for the year	46,967	654	-	47,621
Balance at 30 September 2024	382,842	13,355	-	396,197
Net book value:				
At 30 September 2024	409,395	8,439	9,940	427,774
At 31 December 2023	376,170	8,293	41,857	426,320
At 1 January 2023	445,063	5,249	48,396	498,708

There are no impairments in Property, Plant, and Equipment during the year. The capital commitments in respect of PPE expenditures amounts to \$53.2 million (2023: \$32.5 million).

Current year reclassifications relates to settlements of completed drilling projects from Assets under development to Wells under Oil and Gas Properties.

The prior year reclassification relates to movement of some assets from asset under development to intangible asset.

The prior year transfer relates to movement of some assets from asset under development to other receivables (note 16). Subsequent reconciliation with the counter party on the Asset under development yielded a recoverable balance which has now been reclassified to other receivables.

The prior year write off is included in flowstation expenses.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

11. INTANGIBLE ASSETS

\$'000	THE GROUP	
	Intangible Assets	
Cost:		
Balance at 1 January 2023		3,639
Reclassifications		1,049
Additions		104
Balance at 31 December 2023		4,792
Balance at 1 January 2024		4,792
Reclassifications		-
Additions		132
Balance at 30 September 2024		4,924
Amortisation:		
Balance at 1 January 2023		2,596
Amortisation charge for the year		848
Balance at 31 December 2023		3,444
Balance at 1 January 2024		3,444
Amortisation charge for the year		592
Balance at 30 September 2024		4,036
Net book value:		
At 30 September 2024		888
At 31 December 2023		1,348
At 1 January 2023		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.

12. FINANCIAL ASSETS

Financial assets include the following:	THE GROUP	
	30-Sep-24	31-Dec-23
\$'000		
Fair value through OCI		
Listed securities	4,518	4,498
Unlisted securities	7	7
Fair value through Profit or Loss		
Hedge	971	348
Total	5,496	4,853
Current	971	348
Non Current	4,525	4,505
Total	5,496	4,853

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

12.1. HEDGE

Financial assets include the following:	THE GROUP	
	30-Sep-24	31-Dec-23
\$'000		
At 1 January	348	785
Additions	1,782	3,197
Hedge cost in PorL	(1,159)	(3,634)
Current Value	971	348

13. INVESTMENT IN ASSOCIATE - ND WESTERN LIMITED

	THE GROUP	
\$'000	30-Sep-24	31-Dec-23
At 1 January	300,463	295,469
Share of profit	16,487	4,994
Carrying amount	316,950	300,463

14. DEFERRED TAXATION

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

Deferred Tax Liabilities	THE GROUP	
\$'000	30-Sep-24	31-Dec-23
Accelerated depreciation and amortisation	49,172	15,594
Decommissioning liabilities	943	4,848
Total	50,115	20,442
Deferred taxation		
At start of year	20,442	(28,447)
Income statement charge	29,671	48,926
Translation difference	2	(37)
Net deferred tax liabilities at end of year	50,115	20,442
Reflected in the statement of financial position as:		
Deferred tax liabilities	50,115	20,442
Net deferred tax liabilities	50,115	20,442

Deferred taxes are payable in more than one year.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

15. INVENTORIES

\$'000	THE GROUP	
	30-Sep-24	31-Dec-23
Crude Oil	14,736	3,554
Refined Products	4,844	5,663
Materials	10,280	8,542
Total	29,860	17,759

There were no write-downs of inventory during the year and all inventory balances are current in nature. Inventory balances will be turned over within 12 months after the financial year.

The inventory charged to Cost of sales during the year amounted to \$1.9 million (2023: \$2.5 million).

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

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

16. TRADE AND OTHER RECEIVABLES

\$'000	THE GROUP	
	30-Sep-24	31-Dec-23
Trade receivables	10,158	57,230
Other receivables	1,380	2,325
	11,538	59,555
Allowance for expected credit losses	(44)	(44)
	11,494	59,511

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

17. PREPAYMENTS

\$'000	THE GROUP	
	30-Sep-24	31-Dec-23
Prepaid rent	2	19
Prepaid expenses	4	20
Prepaid insurance	168	53
Total	174	92

18. CASH AND BANK

\$'000	THE GROUP	
	30-Sep-24	31-Dec-23
Cash and bank balances	111,595	89,810
Short term deposits	174,308	113,683
Cash and cash equivalents for statement of cashflow purposes	285,903	203,493
Restricted cash	13,379	12,909
Total Cash and Bank	299,282	216,402

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 and GT Bank loan.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

19. SHARE CAPITAL AND PREMIUM

	NUMBER OF SHARES	ORDINARY SHARES (\$'000)	SHARE PREMIUM (\$'000)	SHARE TOTAL (\$'000)
Balance at 1 January 2023	217,242,218	19,316	78,955	98,271
Balance at 31 December 2023	217,242,218	19,316	78,955	98,271
Balance at 30 September 2024	4,344,844,360	19,316	78,955	98,271

On September 30th, 2024 the Company redenominated the nominal value of all the existing ordinary shares from Ten Naira (₦10.00) each to Fifty kobo (₦0.50) each.

20. BORROWINGS

	THE GROUP	
\$'000	30-Sep-24	31-Dec-23
GTB	35,070	43,667
BOI loan	6,844	12,742
N10B Series I Bond	6,742	12,377
Petre IPINs	637	637
Total	49,293	69,423
Current	19,001	19,593
Non-current	30,292	49,830
Total	49,293	69,423
Changes in liabilities arising from financing activities		
At 1 January	69,423	120,225
Additional borrowings	-	10,000
N10B Series I Bond	-	11,472
Repayment of principal	(16,080)	(76,512)
Repayment of interest	(5,320)	(12,295)
Foreign exchange movement	(5,074)	-
Accrued interest	6,034	13,707
Remeasurements	310	2,826
As at	49,293	69,423

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

21. DECOMMISSIONING LIABILITIES

\$'000	THE GROUP
Balance at 1 January 2023	143,773
Charged/(credited) to profit or loss:	
Changes in estimated flows	(77,025)
Unwinding of discount due to passage of time	5,703
Balance at 31 December 2023	72,451
Balance at 1 January 2024	72,451
Charged/(credited) to profit or loss:	
Unwinding of discount due to passage of time	2,096
Balance at 30 September 2024	74,547

22. CONTRACT LIABILITIES

\$'000	THE GROUP	
	30-Sep-24	31-Dec-23
Down payments received	646	1,970
	646	1,970

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

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

23. TRADE AND OTHER PAYABLES

\$'000	THE GROUP	
	30-Sep-24	31-Dec-23
Royalty payable	14,532	30,822
Sundry creditors	10,675	10,059
Trade payables	14,253	22,044
Unclaimed dividend	280	536
	39,740	63,461

- Trade payables are non-interest bearing and are normally settled on 30-day terms . Sundry creditors include IPIN note due and other statutory creditors.

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONT'D.

24. TAXATION

	THE GROUP	
\$'000	30-Sep-24	30-Sep-23
Hydrocarbon tax	6,104	1,281
Income tax expense	16,379	7,740
Education tax	4,357	2,351
Total current tax	26,840	11,372
Deferred taxation		
Origination of temporary differences	29,671	19,980
Total deferred tax	29,671	19,980
Income tax (credit)/expense	56,511	31,352

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

	THE GROUP	
\$'000	30-Sep-24	31-Dec-23
At 1 Jan	16,035	10,055
Tax paid	(10,752)	(10,054)
Income tax charge for the year	26,840	16,034
As at	32,123	16,035

