



Annual reports
Consolidated and separate financial statements
31 December 2020

Oando PLC
Annual Consolidated and Separate Financial Statements
Statement of profit or loss
For the year ended 31 December 2020

| | Notes | Group 2020 N'000 | Group 2019 N'000 | Company 2020 N'000 | Company 2019 N'000 |
|---|-------|------------------------|------------------------|--------------------------|--------------------------|
| Revenue from contract with customers | 8c | 477,070,471 | 576,571,857 | 320,702,465 | 424,734,190 |
| Cost of sales | 10 | (436,626,716) | (504,011,590) | (322,570,279) | (423,956,921) |
| Gross profit/(loss) | | 40,443,755 | 72,560,267 | (1,867,814) | 777,269 |
| Other operating income/(expense) | 9 | 43,598,123 | (2,609,514) | 17,980,156 | 1,051,421 |
| Impairment of non-financial assets | 10c | - | (169,107,318) | - | (27,866,166) |
| (Impairment of assets)/reversal of impairment of financial assets | 10c | (66,083,014) | (147,570,626) | (10,791,522) | 6,598,463 |
| Administrative expenses | 10b | (92,297,483) | (88,153,327) | (29,121,230) | (23,243,098) |
| Operating loss | | (74,338,619) | (334,880,518) | (23,800,410) | (42,682,111) |
| Finance costs | 12a | (69,507,411) | (49,685,371) | (21,928,125) | (21,192,274) |
| Finance income | 12b | 9,250,876 | 8,972,892 | 1,221,072 | 1,784,166 |
| Net finance costs | | (60,256,535) | (40,712,479) | (20,707,053) | (19,408,108) |
| Share of profit/(loss) of associates | 19 | 312,384 | (1,821,974) | - | - |
| Loss before income tax | | (134,282,770) | (377,414,971) | (44,507,463) | (62,090,219) |
| Income tax (expense)/credit | 13a | (6,391,693) | 170,336,677 | (801,756) | (1,061,835) |
| Loss for the year | | (140,674,463) | (207,078,294) | (45,309,219) | (63,152,054) |
| Loss attributable to: | | | | | |
| Equity holders of the parent | | (118,149,391) | (171,821,040) | (45,309,219) | (63,152,054) |
| Non-controlling interest | | (22,525,072) | (35,257,254) | - | - |
| | | (140,674,463) | (207,078,294) | (45,309,219) | (63,152,054) |
| Loss per share attributable to ordinary equity holders of the parent during the year (expressed in Naira per share): | | | | | |
| Basic and diluted loss per share | | | | | |
| From loss for the year | 14 | (10) | (14) | (4) | (5) |

The statement of significant accounting policies and notes on pages 23 to 96 form an integral part of these consolidated and separate financial statements.

Oando PLC
Annual Consolidated and Separate Financial Statements
Statement of other comprehensive income
For the year ended 31 December 2020

| | Notes | Group 2020 N'000 | Group 2019 N'000 | Company 2020 N'000 | Company 2019 N'000 |
|--|-------|------------------------|------------------------|--------------------------|--------------------------|
| Loss for the year | | (140,674,463) | (207,078,294) | (45,309,219) | (63,152,054) |
| Other comprehensive income: | | | | | |
| Items that may be reclassified to profit or loss in subsequent periods: | | | | | |
| *Exchange differences on translation of foreign operations | | 7,626,709 | 6,462,173 | - | - |
| Share of associate's foreign currency translation reserve | 34 | 244,033 | 4,250 | - | - |
| | | 7,870,742 | 6,466,423 | - | - |
| Reclassification to profit or loss | | | | | |
| Reclassification of share of OWDL's foreign currency translation reserve | 34 | - | 49,095 | - | - |
| Items that may not be reclassified to profit or loss in subsequent periods: | | | | | |
| Remeasurement loss on defined benefit plan | 38c | 42,808 | - | - | - |
| Other comprehensive income for the year, net of tax | | | | | |
| | | 7,913,550 | 6,515,518 | - | - |
| Total comprehensive loss for the year, net of tax | | | | | |
| | | (132,760,913) | (200,562,776) | (45,309,219) | (63,152,054) |
| Attributable to: | | | | | |
| - Equity holders of the parent | | (113,717,043) | (164,907,053) | (45,309,219) | (63,152,054) |
| - Non-controlling interests | | (19,043,870) | (35,655,723) | - | - |
| Total comprehensive loss for the year, net of tax | | | | | |
| | | (132,760,913) | (200,562,776) | (45,309,219) | (63,152,054) |

*Exchange differences on translation of foreign operations relates to exchange differences arising on a monetary item that forms part of the net investment in a foreign operation and translation of balances of foreign subsidiaries.

The statement of significant accounting policies and notes on pages 23 to 96 form an integral part of these consolidated and separate financial statements.

Oando PLC
Annual Consolidated Financial Statements
Consolidated statement of financial position
As at 31 December 2020

| | Notes | Group 2020 N'000 | Group 2019 N'000 |
|--|-------|------------------------|------------------------|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 15 | 906,995,130 | 394,228,600 |
| Intangible assets | 16 | 301,877,711 | 270,871,563 |
| Right of use asset | 17 | 14,386,973 | 16,267,406 |
| Investment properties | 18 | 3,138,000 | 2,808,000 |
| Investment in associates | 19 | 2,339,216 | 1,782,799 |
| Deferred income tax assets | 20 | - | 3,595,526 |
| Finance lease receivables | 22 | 82,329,992 | 73,510,965 |
| Prepayments | 27 | 185,280 | 164,568 |
| Restricted cash | 31 | 7,471,350 | 5,863,527 |
| | | <u>1,318,723,652</u> | <u>769,092,954</u> |
| Current assets | | | |
| Inventories | 24 | 5,265,155 | 24,541,679 |
| Derivative financial assets | 21 | 51,285 | 1,252,965 |
| Trade, other receivables and contract assets | 25 | 43,462,076 | 122,864,452 |
| Deposit for shares | 26 | 4,102,500 | 3,098,335 |
| Prepayments | 27 | 2,168,350 | 3,488,315 |
| Financial assets at fair value through profit or loss | 28b | 51,793 | 48,223 |
| Short term investments | 30 | 804,959 | 767,646 |
| Cash and cash equivalents | 31 | 14,566,389 | 32,808,536 |
| | | <u>70,472,507</u> | <u>188,870,151</u> |
| Total assets | | 1,389,196,159 | 957,963,105 |
| Equity and Liabilities | | | |
| Equity attributable to equity holders of the parent | | | |
| Share capital | 33 | 6,215,706 | 6,215,706 |
| Share premium | 33 | 176,588,527 | 176,588,527 |
| Retained loss | | (424,258,964) | (304,753,294) |
| Other reserves | 34 | 155,734,328 | 150,856,601 |
| | | <u>(85,720,403)</u> | <u>28,907,540</u> |
| Non controlling interest | | 18,037,209 | 38,100,179 |
| Total equity | | (67,683,194) | 67,007,719 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Borrowings | 35 | 166,132,553 | 130,635,428 |
| Deferred income tax liabilities | 20 | 3,171,132 | 12,657,924 |
| Decommissioning provisions | 36 | 618,626,627 | 106,393,420 |
| Lease liabilities | 37 | 19,960,715 | 19,617,395 |
| Retirement benefit obligations | 38 | 357,538 | 175,372 |
| | | <u>808,248,565</u> | <u>269,479,539</u> |
| Current liabilities | | | |
| Trade and other payables | 39 | 337,860,095 | 349,868,624 |
| Borrowings | 35 | 253,496,644 | 231,531,048 |
| Lease liabilities | 37 | 5,148,169 | 3,344,733 |
| Current income tax liabilities | 13b | 50,475,603 | 35,081,165 |
| Dividend payable | 40 | 1,650,277 | 1,650,277 |
| | | <u>648,630,788</u> | <u>621,475,847</u> |
| Total liabilities | | 1,456,879,353 | 890,955,386 |
| Total equity and liabilities | | 1,389,196,159 | 957,963,105 |

The financial statements and notes on pages 16 to 99 were approved and authorised for issue by the Board of Directors on 20 February 2023 and were signed on its behalf by:

Group Chief Executive
Mr. Jubril Adewale Tinubu
FRC/2013/NBA/00000003348

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

The statement of significant accounting policies and notes on pages 23 to 96 form an integral part of these consolidated and separate financial statements.

Oando PLC
Annual Separate Financial Statements
Statement of financial position
As at 31 December 2020

| Assets | Notes | Company 2020 N'000 | Company 2019 N'000 |
|---|-------|---------------------------|---------------------------|
| Non-current assets | | | |
| Property, plant and equipment | 15 | 1,508,958 | 1,696,350 |
| Intangible assets | 16 | 435,321 | 613,534 |
| Right of use asset | 17 | 9,375,875 | 13,458,959 |
| Investment properties | 18 | 3,138,000 | 2,808,000 |
| Investment in associates | 19 | 2,716,431 | 2,716,431 |
| Finance lease receivables | 22 | 8,199,931 | 9,202,848 |
| Investment in subsidiaries | 29 | 22,467,109 | 26,638,421 |
| Prepayments | 27 | - | 164,568 |
| | | <u>47,841,625</u> | <u>57,299,111</u> |
| Current assets | | | |
| Inventories | 24 | - | 22,578,799 |
| Trade, other receivables and contract assets | 25 | 132,279,890 | 141,343,373 |
| Prepayments | 27 | 222,083 | 609,113 |
| Financial assets at fair value through profit or loss | 28b | 49,214 | 45,644 |
| Short term investments | 30 | 804,959 | 767,646 |
| Cash and cash equivalents (excluding bank overdrafts) | 31 | 1,072,747 | 498,707 |
| | | <u>134,428,893</u> | <u>165,843,282</u> |
| Total assets | | <u>182,270,518</u> | <u>223,142,393</u> |
| Equity and Liabilities | | | |
| Equity attributable to equity holders | | | |
| Share capital | 33 | 6,215,706 | 6,215,706 |
| Share premium | 33 | 176,588,527 | 176,588,527 |
| Retained earnings | | (356,895,742) | (311,586,523) |
| Other reserves | 34 | - | - |
| Total Equity | | <u>(174,091,509)</u> | <u>(128,782,290)</u> |
| Liabilities | | | |
| Non-current liabilities | | | |
| Decommissioning provisions | 36 | 235,912 | 209,646 |
| Lease liabilities | 37 | 19,274,541 | 22,668,097 |
| | | <u>19,510,453</u> | <u>22,877,743</u> |
| Current liabilities | | | |
| Trade and other payables | 39 | 212,866,586 | 211,754,578 |
| Borrowings | 35 | 109,201,608 | 106,199,440 |
| Current income tax liabilities | 13b | 3,025,030 | 2,223,274 |
| Lease liabilities | 37 | 10,108,073 | 7,219,371 |
| Dividend payable | 40 | 1,650,277 | 1,650,277 |
| | | <u>336,851,574</u> | <u>329,046,940</u> |
| Total liabilities | | <u>356,362,027</u> | <u>351,924,683</u> |
| Total equity and liabilities | | <u>182,270,518</u> | <u>223,142,393</u> |

The financial statements and notes on pages 16 to 99 were approved and authorised for issue by the Board of Directors on 20 February 2023 and were signed on its behalf by:

Group Chief Executive
Mr. Jubril Adewale Tinubu
FRC/2013/NBA/0000003348

Group Chief Financial Officer
Mr. Adeola Ogunsemi
FRC/2016/ICAN/0000014639

The statement of significant accounting policies and notes on pages 23 to 96 form an integral part of these consolidated and separate financial statements.

Oando PLC
Annual Consolidated Financial Statements
Consolidated statement of changes in equity
For the year ended 31 December 2020

| Group | Share capital & Share premium ¹ N'000 | Other reserves ² N'000 | Retained earnings N'000 | Equity holders of parent N'000 | Non controlling interest N'000 | Total equity N'000 |
|--|--|--------------------------------------|----------------------------|--------------------------------------|--------------------------------------|-----------------------|
| Balance as at 1 January 2019 | 182,804,233 | 144,604,935 | (126,534,432) | 200,874,736 | 76,241,975 | 277,116,711 |
| Effect of adoption of IFRS 9 | - | - | (4,730,668) | (4,730,668) | - | (4,730,668) |
| Restated total equity at the beginning of the financial year | 182,804,233 | 144,604,935 | (131,265,100) | 196,144,068 | 76,241,975 | 272,386,043 |
| Loss for the year | - | - | (171,821,040) | (171,821,040) | (35,257,254) | (207,078,294) |
| Other comprehensive income/(loss) for the year | - | 6,913,987 | - | 6,913,987 | (398,469) | 6,515,518 |
| Total comprehensive income/(loss) | - | 6,913,987 | (171,821,040) | (164,907,053) | (35,655,723) | (200,562,776) |
| Non controlling interest arising in business combination | | | | | | |
| Change in ownership interests in subsidiaries that do not result in a loss of control (Note 46c) | - | (662,321) | (1,667,154) | (2,329,475) | (2,486,073) | (4,815,548) |
| Balance as at 31 December 2019 | 182,804,233 | 150,856,601 | (304,753,294) | 28,907,540 | 38,100,179 | 67,007,719 |
| Balance as at 1 January 2020 | 182,804,233 | 150,856,601 | (304,753,294) | 28,907,540 | 38,100,179 | 67,007,719 |
| Loss for the year | - | - | (118,149,391) | (118,149,391) | (22,525,072) | (140,674,463) |
| Other comprehensive income for the year | - | 4,432,348 | - | 4,432,348 | 3,481,202 | 7,913,550 |
| Total comprehensive income/(loss) for the year | - | 4,432,348 | (118,149,391) | (113,717,043) | (19,043,870) | (132,760,913) |
| Non controlling interest arising in business combination | | | | | | |
| Change in ownership interests in subsidiaries that do not result in a loss of control (Note 46c) | - | 445,379 | (1,356,279) | (910,900) | (1,019,100) | (1,930,000) |
| Balance as at 31 December 2020 | 182,804,233 | 155,734,328 | (424,258,964) | (85,720,403) | 18,037,209 | (67,683,194) |

¹ Share capital includes Ordinary Shares and share premium (Note 33)

² Other reserves include currency translation reserves and share based payment reserves (SBPR). See Note 34.

The statement of significant accounting policies and notes on pages 23 to 96 form an integral part of these consolidated and separate financial statements.

Oando PLC
Annual Financial Statements
Separate statement of changes in equity
For the year ended 31 December 2020

| Company | Share Capital & Share premium N'000 | Other reserves ¹ N'000 | Retained earnings N'000 | Equity holders of parent/ Total equity N'000 |
|--|---|--------------------------------------|----------------------------|--|
| Balance as at 1 January 2019 | 182,804,233 | - | (243,703,801) | (60,899,568) |
| Effect of adoption of IFRS 9 | - | - | (4,730,668) | (4,730,668) |
| Restated total equity at the beginning of the financial year | <u>182,804,233</u> | <u>-</u> | <u>(248,434,469)</u> | <u>(65,630,236)</u> |
| Loss for the year | - | - | (63,152,054) | (63,152,054) |
| Total comprehensive loss | <u>-</u> | <u>-</u> | <u>(63,152,054)</u> | <u>(63,152,054)</u> |
| Balance as at 31 December 2019 | <u>182,804,233</u> | <u>-</u> | <u>(311,586,523)</u> | <u>(128,782,290)</u> |
| Balance as at 1 January 2020 | <u>182,804,233</u> | <u>-</u> | <u>(311,586,523)</u> | <u>(128,782,290)</u> |
| Loss for the year | - | - | (45,309,219) | (45,309,219) |
| Total comprehensive loss for the year | <u>-</u> | <u>-</u> | <u>(45,309,219)</u> | <u>(45,309,219)</u> |
| Balance as at 31 December 2019 | <u>182,804,233</u> | <u>-</u> | <u>(356,895,742)</u> | <u>(174,091,509)</u> |

¹ Other reserves comprise financial assets at fair value through profit or loss. See Note 34.

The statement of significant accounting policies and notes on pages 23 to 96 form an integral part of these consolidated and separate financial statements.

Oando PLC
Annual Consolidated and Separate Financial Statements
Consolidated and Separate Statement of Cash flows
For the year ended 31 December 2020

| | Notes | Group 2020 N'000 | Group 2019 N'000 | Company 2020 N'000 | Company 2019 N'000 |
|--|---------|------------------------|------------------------|--------------------------|--------------------------|
| Cash flows from operating activities | | | | | |
| Cash generated from operations | 41 | (19,426,550) | (97,439,499) | 1,502,715 | 1,609,788 |
| Interest paid | | (17,995,707) | (24,298,886) | (156,469) | (6,955,889) |
| Income tax paid | 13b | (2,256,892) | (1,436,642) | - | (381) |
| Net cash (used in)/generated from operating activities | | (39,679,149) | (123,175,027) | 1,346,246 | (5,346,482) |
| Cash flows from investing activities | | | | | |
| Purchases of property plant and equipment | 15 | (34,062,431) | (27,871,027) | (153,788) | (310,110) |
| Proceeds from disposal of investment in associate | 18, 22d | 2,666,625 | 288,578 | - | - |
| Deposit for shares | 26 | (2,666,625) | (4,869,758) | - | - |
| Payment with regards to investment property | 18 | - | (6,650) | - | (6,650) |
| Acquisition of software | 16 | (44,890) | (669,310) | (44,890) | (669,310) |
| Purchase of intangible exploration assets | 16 | (663,989) | (1,189,475) | - | - |
| Proceeds from sale of property, plant and equipment | | 88 | - | - | - |
| Proceeds from early hedge settlement | 21 | 23,765,106 | 5,422,940 | - | - |
| Recoveries on non-current receivables | | - | 8,189,842 | - | - |
| Finance lease received | 22iii | 9,410,851 | 8,157,159 | 5,367,509 | 4,303,157 |
| Interest received | | 27 | 79,985 | - | 79,892 |
| Net cash (used in)/generated from investing activities | | (1,595,238) | (12,467,716) | 5,168,831 | 3,396,979 |
| Cash flows from financing activities | | | | | |
| Proceeds from long term borrowings | 41b | 52,605,000 | 129,160,737 | - | - |
| Repayment of long term borrowings | 41b | (28,820,063) | (803,167) | - | - |
| Proceeds from other short term borrowings | 41b | 22,930,780 | 39,186,536 | 2,738,666 | - |
| Repayment of other short term borrowings | 41b | (23,458,593) | (17,492,181) | (1,435,473) | (2,843,790) |
| Lease payments | 37 | (4,117,249) | (4,765,827) | (7,282,539) | (7,618,855) |
| Proceeds from loan note from Helios with respect to the sale of the gas & power entities | 23d | - | 12,335,222 | - | 12,335,222 |
| Investment in money market funds | | - | (767,646) | - | (767,646) |
| Restricted cash | | (872,047) | 953,074 | - | - |
| Net cash generated from/(used in) financing activities | | 18,267,828 | 157,806,748 | (5,979,346) | 1,104,931 |
| Net change in cash and cash equivalents | | (23,006,559) | 22,164,005 | 535,731 | (844,572) |
| Cash and cash equivalents at the beginning of the year | | 32,808,536 | 10,620,544 | 498,707 | 1,341,437 |
| Exchange gain on cash and cash equivalents | | 4,764,412 | 23,987 | 38,309 | 1,842 |
| Cash and cash equivalents at end of the year | | 14,566,389 | 32,808,536 | 1,072,747 | 498,707 |
| Cash and cash equivalent at year end is analysed as follows: | | | | | |
| Cash and bank balance | 31 | 14,566,389 | 32,808,536 | 1,072,747 | 498,707 |

¹ Purchases of property, plant and equipment exclude capitalised interest (2019: nil)

The statement of significant accounting policies and notes on pages 23 to 96 form an integral part of these consolidated and separate financial statements.