Conoil

2022
Annual Report & Accounts


FOR A BETTER
ALL-ROUND
PERFORMANCE
Conoil
GOLDEN SUPER
Motor Oil
Huile à moteur
زيت المحركات الزائد
NEW IMPROVED
SAE 40
Conoil
GOLDEN SUPER
Multi-grade
Motor Oil
Huile à moteur
NEW IMPROVED
SAE 20W-50
Conoil
...we go the extra mile.

Inside...

COMPANY PROFILE

OUR HISTORY

Conoil Plc is the first and largest indigenous oil marketing company in Nigeria. It began operations in 1927 under the name Shell Company of Nigeria (SCN) and later Shell Company of West Africa. It was incorporated as a private limited liability company in 1960 and registered with the Nigerian Stock Exchange (NSE) as a public liability company in 1989. Earlier in April 1975, the Federal Government of Nigeria acquired 60 percent share of the company through the Nigerian National Petroleum Corporations (NNPC) and the company become known as National Oil Chemical Marketing Company (NOLCHEM).

In the year 2000, the Federal Government, through the Bureau of Public Enterprises (BPE), bought 40 percent issued ordinary shares of the company held by Shell Company of Nigeria (UK) Limited. Following the privatization of the company, Conpetro Limited acquired 60 percent of the issued shares and as a result of a rights issue made by the company in 2002, Conpetro now holds 74.4 percent of the issued capital; while the Nigerian public holds the remaining 25.6 percent.

THE Conoil BRAND

The Company's name and logo were adopted in December 2000, as part of efforts to rebrand and reposition the Company as a world-class organization committed to excellence and best practices.

Our identity is the symbol of everything we value and everything we represent. Our wreaths like logo, made of oil droplets, represents prosperity, flexibility, development and growth, while also alluding to environmental factors of which we remain conscious. It indicate dynamism and represents a brand with a positive attitude as well as a fresh and energetic approach to innovation. It reflects the solidarity and stability of the company, and communicates our basic principles of vision, focus and unity.

Our identity is warm, welcoming and unified. It is progressive and traditional. It is African and world-class. It is uniquely **Conoil**.

VISION

As a marketer of first choice, **Conoil** is focused on attaining the greatest height in the downstream sector for the benefit of individual stakeholder and the society in general.

Vision: To be Africa's leading petroleum marketing company.

Mission: To remain the industry's flagship, offering world-class produces.

WHAT WE DO

The core business of **Conoil Plc** is marketing of redefined petroleum products and manufacturing and marketing of lubricants.

Its operations revolve around a number of strategic units, including Retail, Congas, Aviation, Lubricants, Depot Operations and Specialized products.

OUR BUSINESS

RETAIL

Fostering the nation's advancement and prosperity

Conoil has about 400 fuel stations scattered across the urban and rural hinterlands in Nigeria which has helped to meet with the nation's energy needs in a responsible way.

The company's network spread, propelled by its value of innovation, care and reliability, touches the lives of a board spectrum of the populace by providing automotive fuels and lubricant for vehicles and other industrial uses and Jet-A1 fuel for aircraft. At our retail outlets, we have well equipped lube bays and well-stocked convenience store for everyday needs.

The company's world-class stations reflect its commitment to quality and premium service delivery that is uniquely positioned to guaranteeing superior customer satisfaction.

At **Conoil** station, the customer is king, thus Company always goes the extra mile to offering excellent services to its teeming customers in a courteous way, and within clean and safe environment. The ambiance and aesthetics are top notch guaranteeing fulfilling fueling experience, repeat purchase, value for money and adequate return to our stakeholders.

Conoil retail network, undisputedly ranks among the fastest growing in the industry – and is still raring to go. To retain its competitive edge, the Company has embarked on an aggressive acquisition and expansion drive that aims at increasing, substantially, the number of its fuel station across the nation. This is in addition to its ongoing project of having additional depots, and Lube warehouses across the country.

At our retail outlets, we not only deal on white products such as Premium Motor Spirit (PMS), Automotive Gas Oil (AGO), Liquefied Petroleum Gas (LPG) but also various grades of lubricants products for both automotive and industrial use. Some of the lubricants are; Quatro Ultra, Golden Super Motor Oil, Golden Super Diesel, Transmission Fluids (ATF), Gen set lubricants etc.

AVIATION

Nigerian skies with the world

Day after day, **Conoil** Aviation provides fuel for hundreds of aircrafts in the various airports across the country in stringent compliance with international regulations. It's widespread presence in airfields across the country, superior quality control system and teeming local and international customers, who desire world-class service delivery, give it a commanding share in the nation's aviation fuel market.

Determined to maintain its leadership position, the Company constantly sharpens its competitive edge, upgrading its infrastructure at regular intervals while reactivating promising airfields in any part of the country that lack aviation presence.

Conoil Aviation is reputed for unequalled commitment to quality, safety and efficient service delivery, while constantly investing in modern equipment with a capacity that meets international standards.

LUBRICANTS

Driving performance and efficiency to new heights

Conoil is one of the largest lubricant manufacturers in Nigeria with an enviable share of the market space. It offers some of the most recognized lubricant brands in the country, known for performance and innovation. It markets both automotive and industrial lubricants through its regional warehouses located in the six geo-political zones in the country and in key commercial hubs of Lagos, Ibadan, Benin, Warri, Port Harcourt, Abuja and Kano, as well as hundreds of distributors across the country. Its state of the art blending plant produces lubricant brands that guarantee peak engine performance, fuel efficiency and a smooth driving experience.

Conoil's top of the class products, Quatro and Golden Super Motor Oil are among Nigeria's top three lubricant brands in terms of brand recall.

Focused on its vision to be the preferred lubricant manufacturer and supplier of automotive and industrial grades in the sub-continent, its brands are formulated in line with international specifications – From Quatro Ultra to Quarto Gerol to Golden Super Motor Oil to Golden Super Multigrade, **Conoil**'s automotive lubricants meet and exceed the latest standards of the oil industry and vehicle manufacturers. **Conoil** lubricants continuously keep millions of vehicles and machines performing at their best.

DEPOTS

Strategic Storage for Safe Delivery

Conoil's state of the art facilities at its depots in Lagos and Port Harcourt give it unparalleled leverage in storage and blending of products, in conformity with the world's best industry practices. The depots ensure availability and prompt delivery of products and services to customers nationwide.

In Port Harcourt, the company regularly augments its storage capacity for different products to meet the demands of customers in the south-south, south-east and the northern regional markets. This has improved throughput at Port Harcourt and also saved transportation time and cost of moving product from Lagos to these areas. Similarly, a new full-fledged depot in Calabar is on the drawing board, which would have storage tanks for Aviation Turbine Fuel, Automotive Gas Oil and Premium Motor Spirit. The depot would also have hi-tech loading gantries with allied facilities of international standard.

SPECIALIZED PRODUCTS

Energizing industries for buoyant economy

Specialized Products segment of **Conoil**'s business deals in bulk delivery of all petroleum products to industries including breweries, cement companies, textile firms, banks, hotels, transport companies, cosmetic manufacturers, vegetable oil producers, among others.

Its huge investment in storage facilities and modern infrastructure in all its locations guarantees seamless distribution of products to its teeming clients. Business in this segment has witnessed astronomical growth over time based on the Company's sterling reputation for reliability and quality, with prospect of further growth. To consolidate its high profile clientele and further attract more strategic patronage, **Conoil** is continually launching aggressive marketing drive which builds on its competitive selling proposition, product security and world-class services delivery. Already, it is breaking new grounds across the country and the efforts are yielding positive results.

CONGAS

Providing safe cooking to homes

Congas is **Conoil**'s brand of liquefied petroleum gas (LGP), popularly called cooking gas. It adds more flavor to family lives, guaranteeing safety, quality, quantity, reliability and convenience to millions of homes across the country.

Drawing on its vast experience of marketing and trading in petroleum products, the Company efficiently offers gas to its customers at a price they can afford. Its supply chain covers the entire country. In addition to distributing through its filling stations, it is supported by a network of independent distributor who ensure constant availability of the product. The Company is committed to promoting the safest possible use of LPG at all times and ensuring that safety standards are maintained for the benefit of customers and the environment. Against this background, its cylinders are protected against corrosion and subjected to strict safety check at each refill.

The high-tech equipment in its multi-million naira LPG bottling plant and storage terminal, conforms to industry regulations and international safety guidelines.

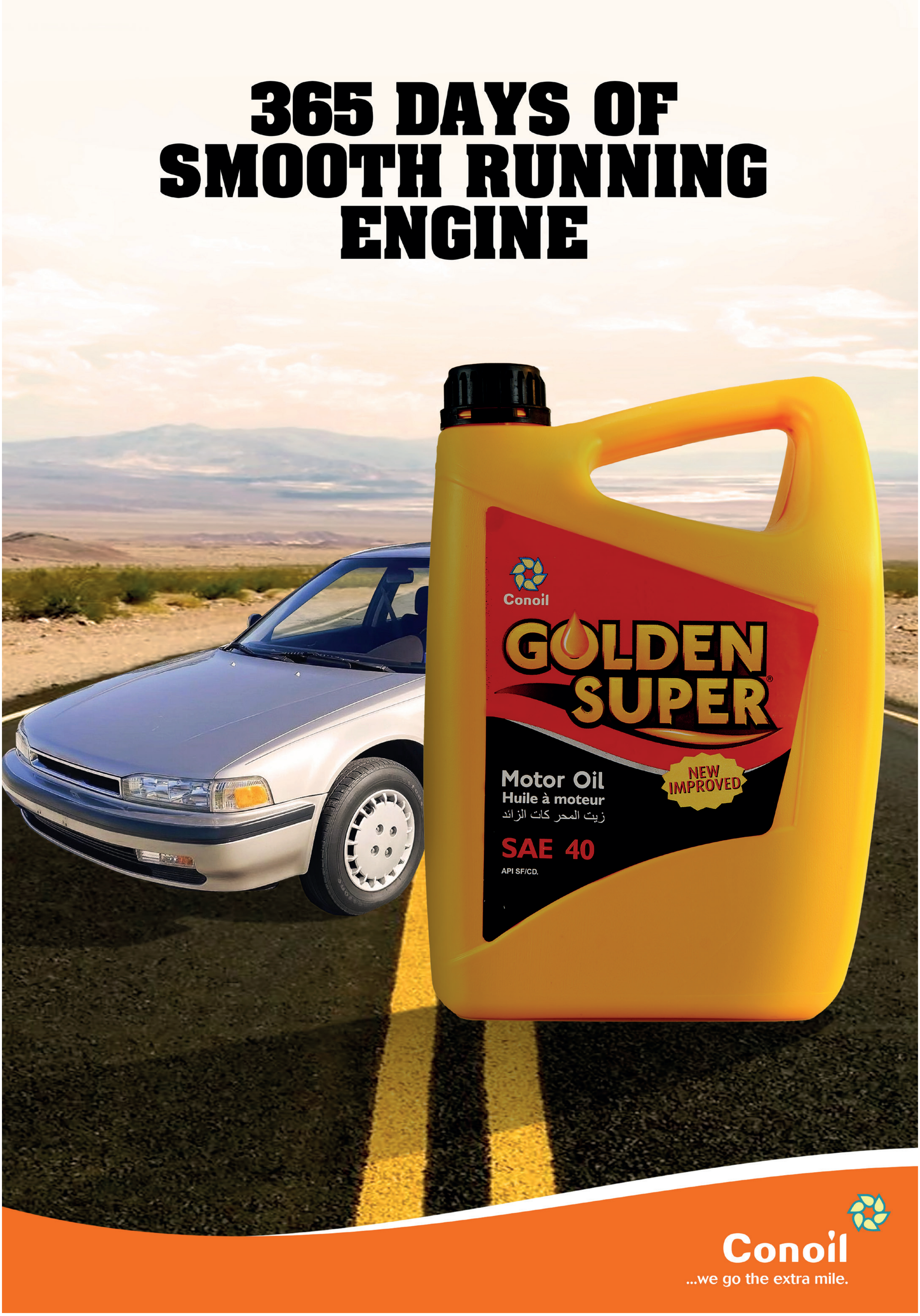
CONGAS HOME SAFETY TIPS:

Before Use

- Always keep the cylinder in upright position at ground level in a well-ventilated place.
- Always keep the gas stove on a platform above the cylinder level.
- Do not keep the cylinder in a cabinet or in a pit below floor level.

After Use

- Empty cylinder must be stored in a cool and wellventilated place.
- Remember to turn off the stove knob and then the regulator knob every night before you go to sleep.
- Always keep the regulator knob in 'off position' when the cylinder is not in use.


365 DAYS OF SMOOTH RUNNING ENGINE
Conoil
GOLDEN SUPER®
Motor Oil
Huile à moteur
زيت المحر كات الزائد
SAE 40
API SF/CD.
NEW IMPROVED
Conoil
...we go the extra mile.

RESULTS AT A GLANCE

	2022 N'000	2021 N'000	% Change
Revenue	131,422,272	126,726,356	3.7
Profit before taxation	6,134,762	3,831,758	60.1
Taxation	(1,177,036)	(749,068)	57.1
Profit for the year	4,957,726	3,082,690	60.8
Retained earnings	20,840,469	17,617,623	18.3
Share capital	346,976	346,976	-
Shareholders' funds	25,012,214	21,789,368	14.8
Per share data			
Earnings per share (kobo)	714	444	60.8
Dividend per share (kobo)	250	250	-
Net assets per share (kobo)	3,604	2,813	28.1
Stock exchange quotation at 31 December (naira)	26.5	22.0	20.5

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 53rd Annual General Meeting of the members of CONOIL PLC will be held at the Ibom Resort & Hotels Limited, Uyo, Akwa Ibom State on Friday, 22nd September 2023 at 11.00 am to transact the following business:

ORDINARY BUSINESS

1. To lay before the members, the Report of the Directors and the Statement of Financial position as at 31 December, 2022 together with the Statement of Profit or Loss and Other Comprehensive Income for the year ended on that day and the Reports of the Auditors and the Statutory Audit Committee thereon.
2. To declare a dividend.
3. To elect and re-elect Directors.
4. To disclose the remuneration of Managers of the company in compliance with Section 257 of CAMA 2020
5. To authorize the Directors to fix the remuneration of the External Auditors for the ensuing year.
6. To elect/re-elect the members of the Statutory Audit Committee.

SPECIAL BUSINESS / ORDINARY RESOLUTION

7. To fix the remuneration of the Directors.

NOTES: Relevant documents in connection with the Meeting are available to all shareholders from the date of this notice on the Company's website **www.conoilplc.com**

1. PROXY

Members of the Company, entitled to attend and vote, are entitled to appoint proxies to attend and vote in their stead. A proxy need not also be a member of the Company. A Proxy Form is provided with the Annual Report and Financial Statement. To be valid for the purpose of the meeting, all instruments of proxy shall be duly stamped and the proxy form must be completed and deposited at the office of the Registrars, Meristem Registrars Limited, not later than 48 hours before the time appointed to hold the meeting.

The proceedings of the meeting shall also be streamed live.

2. NOMINATED PROXIES

Each Member is to appoint a Proxy by ticking the relevant box in the Proxy Form to indicate how his/her vote is to be cast for each proposed resolution on the agenda. Additionally, shareholders may nominate any of the Directors as their proxy.

For the appointment to be valid, a completed and duly stamped proxy form by the Commissioner of Stamp Duties must be deposited at the office of the Registrar, Meristem Registrars Limited, 213 Herbert Macaulay Way, Adekunle, Yaba, Lagos, or submitted via their email address: **info@meristemregistrars.com** not less than 48 hours before the time fixed for the meeting. The cost of stamping the proxy forms shall be borne by the Company.

In the case of Joint Shareholders, the signature of either shareholder may suffice however the names of all the Joint shareholders must be stated.

If the shareholder is a corporation, then the Proxy Form must be under the Common Seal or under the hand of the same officer, or attorney duly authorized by the Corporation to act on its behalf.

3. DIVIDEND

The Board recommended a dividend of N2.50 per ordinary share of 50 kobo each.

If the dividend recommended by the Directors is approved at the Annual General Meeting, the dividend warrants will be posted on Friday, 29th September 2023 to members whose names appeared in the Register of Members at the close of business on Thursday 29th June 2023. Shareholders who have completed the e-mandate Activation Forms will receive a direct credit of the dividend into their bank accounts on the payment date.

4. APPOINTMENT OF MEMBERS OF THE STATUTORY AUDIT COMMITTEE

The Statutory Audit Committee consists of 3 shareholders and 2 Directors in accordance with the Companies and Allied Matters Act 2020. Any member may nominate a shareholder as a member of the Audit Committee by giving in writing, notice of such nomination at least 21 days before the date of the Annual General Meeting. Nominees to the Statutory Audit Committee must be compliant with the laws, rules and regulations guiding listed companies in Nigeria.

By virtue of the provisions of the Code of Corporate Governance issued by the Securities and Exchange Commission (SEC) and the Companies and Allied Matters Act, 2020; all members of the Statutory Audit committee should be financially literate and at least one member must be a member of a professional accounting body registered in Nigeria, established by an Act of the National Assembly and be knowledgeable in internal control processes. Accordingly, we would therefore, request that the nominations be accompanied by a copy of the nominees' curriculum vitae.

5. RIGHT OF SHAREHOLDERS TO ASK QUESTIONS

Shareholders have a right to ask questions not only at the meeting but also in writing prior to the meeting and such questions must be submitted to the Company Secretary on or before Friday, the 15th of September, 2023.

6. UNCLAIMED DIVIDEND WARRANTS AND SHARE CERTIFICATES

Shareholders are hereby informed that some dividend warrants have been returned to the Registrars as unclaimed while some have neither been presented to the Banks for payment nor to the Registrars for revalidation. A list of such unclaimed dividends will be circulated with the Annual Reports and Financial Statements for the year ended 31 December, 2022. Those who are affected are advised to write to the Company's Registrars - Meristem Registrars Limited, P.O. Box 51585, Falomo, Ikoyi, Lagos or visit the Registrar's office at 213 Herbert Macaulay Way, Adekunle, Yaba, Lagos.

7. CLOSURE OF REGISTER

The Register of Members and the Transfer Books of the Company closed from Friday, 30th June, 2023 – Friday, 7th July, 2023 both days inclusive, to enable the preparation and payment of dividends.

8. E-DIVIDEND MANDATE

Pursuant to the directive of the Securities and Exchange Commission, Shareholders are hereby advised to open bank accounts, stockbroking and CSCS accounts for the purpose of timely receipt of dividend payments. A detachable e-dividend mandate activation form is attached to the Annual Report and also available at the office of the Registrars to enable all shareholders furnish the particulars of their bank accounts / CSCS details to the Registrars as soon as possible.

Further, all unregistered investors/members for E-Dividend payment are advised to take advantage of the Securities and Exchange Commission's Unclaimed Dividend Retrieval Process by searching for their unclaimed dividend and downloading the e-mandate forms at **http://www.sec.gov.ng/non-mandated/**. Downloaded forms should be filled and submitted through the Bank or Registrar. Forms can also be downloaded from the Registrar's website – w**ww.meristemregistrars.com or via this link https://meristemng.com/docs/e-dividend_mandate_form_mrpsl.pdf**.

9. e-REPORT

The Company's Annual Report and Accounts are available online for viewing and downloading from our website at www.conoilplc.com. The electronic version of this notice as well as the annual report for 2022 financial year can be downloaded from the Company's website **www.conoilplc.com**. The e-annual report will be emailed to all Shareholders who have provided their email addresses to the Registrars. Shareholders who wish to receive the e-annual report are kindly requested to send an email to **info@meristemregistrars.com**.

10. VIEWING OF THE PROCEEDINGS OF THE MEETING

The Annual General Meeting will be streamed live online to enable Shareholders and other Stakeholders who will not be attending physically to follow the proceedings. The link for the live streaming of the meeting will be communicated to Shareholders and other Stakeholders; and will be made available on the Company's website at **www.conoilplc.com**.

BY ORDER OF THE BOARD

Conrad Eberemu
Company Secretary / Legal Adviser.
FRC/2017/NBA/00000016701
18th August 2023.

Conoil Plc,
Bull Plaza,
38 / 39, Marina,
Lagos.

DIRECTORS AND PROFESSIONAL ADVISERS

Directors:

Dr. Mike Adenuga (Jr), GCON	-	Chairman
Mr. Kheterpal Hardeep Singh	-	Managing Director
Dr. Moses Ebietsuwa Omatsola	-	Director
Mr. Mike Jituboh	-	Director
Mr. Ike Oraekwuotu	-	Director
Engr Babatunde Okuyemi	-	Director
Mr. Joshua Ariyo	-	Director
Mr. Ademola Idowu	-	Director
Miss Abimbola Michael - Adenuga	-	Executive Director
Mr. Salam Ajani Ismail	-	Executive Director

Company Secretary:
Mr. Conrad Eberemu

RC Number:
7288

Registered Office:
Bull Plaza
38/39 Marina
Lagos
www.conoilplc.com

Auditors:
Nexia Agbo Abel & Co
43 Anthony Enahoro Street
Utako
FCT Abuja.
www.nexianigeria.com

Registrars:

Meristem Registrars Limited
213 Herbert Macaulay Way
Adekunle
Yaba
Lagos
www.meristemregistrars.com

Bankers:
First Bank of Nigeria Limited
Guaranty Trust Bank Plc
Sterling Bank Plc
United Bank for Africa Plc

DR. MIKE ADENUGA (Jr.), GCON, CSG, CLH
CHAIRMAN

CHAIRMAN'S STATEMENT

Distinguished Shareholders, Ladies and Gentlemen, it gives me great pleasure to welcome you to the 53rd Annual General Meeting of our company, Conoil Plc and the presentation of our Annual Report and Accounts for the year ended 31st December 2022. This is the beginning of another strategic cycle, and Conoil Plc is better positioned and committed to creating long-term value for all stakeholders.

This year, in the face of challenging headwinds, the Company has delivered commendable results while remaining in the forefront of our industry and evolving our strategy in order to remain rightly positioned to meet our consumer and customer demands. I would like to thank the Management of **Conoil Plc** for their outstanding leadership, for their dedication and commitment to a customer focused business strategy, and for their continued success even in a very challenging environment. I am equally proud of the tremendous efforts of our talented and motivated workforce who have demonstrated resilience and commitment to the business in the last year. I would also thank specially, our shareholders and stakeholders for their unwavering support in the last financial year.

It is important at this juncture, to give an overview of the macroeconomic environment and outline the progress made by **Conoil Plc** on our strategic objectives.

ECONOMIC LANDSCAPE

Macroeconomic and Financial Developments

Real GDP growth fell to 3.3% in 2022 from 3.6% in 2021, precipitated mainly by a decline in oil production. This led to 5% shrinkage in overall industry, which was offset by expansion in services (7%) and agriculture (2%). On the demand side, the decline in GDP growth was driven by contraction in public consumption (2.5%) and net exports (80%). Growth in income per capita declined to 0.8% from 1.2% in 2021. The fiscal deficit narrowed to 4.9% of GDP in 2022 from 5.2% in 2021 and was financed by borrowing, bringing public debt to $103.1 billion (about 22% of GDP) from $92.6 billion in 2021. Inflation peaked at a two-decade high of 18.8%, fueled by energy and food price increases and pass-through effects of exchange rate depreciation. The Central Bank of Nigeria successively raised the policy rate, which peaked at 16.5% in November 2022 from 11.5% at the start of the year, to tame rising inflation. Buoyed by relative improvement in oil exports, the current account recorded a small surplus of 0.1% of GDP in 2022, reversing three years of deficit. Gross international reserves declined 7.5% to $37.1 billion (5.7 months of import cover). The nonperforming loans ratio stood at 4.2% in 2022, below the regulatory requirement of 5%. The capital adequacy ratio, at 13.8%, exceeded the regulatory benchmark of 10% in 2022. The multidimensional poverty rate (63%) and unemployment (33.3%) remained high.

DEVELOPMENT CHALLENGES

Nigeria continues to face massive developmental challenges, including the need to reduce the dependency on oil and diversify the economy, address insufficient infrastructure, build strong and effective institutions, as well as address governance issues and public financial management systems.

Inequality, in terms of income and opportunities persist and adversely affects poverty reduction. The lack of job opportunities is at the core of the high poverty levels, regional inequality, and social and political unrest. High inflation has also taken a toll on household's welfare and high fuel prices in 2023 are likely to have pushed millions of Nigerians into poverty.

ECONOMIC OUTLOOK AND GROWTH

Overall, the global economy is set to grow by 1.6% in 2023, driven largely by China's re-opening following a prolonged period of lockdowns and strong expected growth in India and other emerging economies. Following a strong performance in 2022, The US economy is expected to narrowly avoid a recession in 2023, with the firm projecting GDP growth of 0.2% for the world's largest economy. Meanwhile, mild contractions in economic activity are expected in the UK and some major EU economies such as Germany and Italy. Following several rate hikes during 2022 by the world's largest central banks and the subsequent slowdown in global demand, goods price inflation is expected to start to ease in 2023, helping drive down overall inflation rate projections in several economies across the world.

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In the first part of 2023, Nigeria's economic growth weakened, and real gross domestic product (GDP) growth fell from 3.3% in 2022 to 2.4% year-on-year (y-o-y) in Q1 2023. The challenging global economic context has put pressure on Nigeria's economy. However, domestic policies play the major role in determining Nigeria's economic performance and resilience to further external shocks. The previous mix of fiscal, monetary, and exchange rate policies, including the naira redesign program, did not deliver the desired improvements in growth, inflation, and economic resilience. The new government has recognized the need to chart a new course and has already made a start on critical reforms, such as the elimination of the petrol subsidy and reforms in the FX market.

With the petrol subsidy removal, the government is projected to achieve fiscal savings of approximately 2 trillion naira in 2023, equivalent to 0.9% of GDP. These savings are expected to reach over 11 trillion naira by the end of 2025. However, compensating transfers will be essential to help shield the most vulnerable Nigerian households from the initial price impacts of the subsidy reform, as without compensation, many households could be pushed into poverty by higher petrol prices and have to resort to coping mechanisms with long-term adverse consequences. Similarly, the move to harmonize the FX windows will help to improve the efficiency of the FX market, unlock private investment, and reduce inflationary pressures, but it is crucial to complete this important reform by removing FX restrictions, clearly communicating how the new FX regime will operate, and implementing supportive monetary and fiscal policies.

The current move by the Government to implement long-anticipated reforms are timely and crucial to set Nigeria on the path of economic growth. Nigeria should now seize the opportunity to implement a robust, large-scale program to provide quick relief, as part of a broader plant to redirect scarce fiscal resources towards development priorities".

Recommendations for economic growth include the following:

1. Restoring macroeconomic stability by increasing non-oil revenue, reducing inflation through a sequenced and coordinated mix of trade, monetary and fiscal policies, and completing the FX reform;
2. Expanding social protection to protect the poor and most vulnerable;
3. Developing and communicating how, as fiscal space recovers, resources will be redirected over time to meet urgent development challenges; and
4. Government must intensify efforts to block leakages at all levels by ensuring accountability.

CLIMATE CHANGE ISSUES AND POLICY OPTIONS

Natural capital was an estimated $842.4 billion in 2018, $582.4 billion of it nonrenewable and $260.1 billion of it renewable. These resources can drive sustainable and inclusive green growth. Exploiting Nigeria's large gas reserves, estimated at 206.53 trillion cubic feet, and addressing gas flaring can support the net-zero transition. Abundant solid and critical minerals present opportunities for green development. With the discovery of more than 3,000 lithium pegmatite bodies, Nigeria can lead lithium-ion battery manufacturing. The benefits include green job creation and climate change mitigation. Such opportunities require a blueprint to attract green financing and investment. From 2019 to 2020, average climate finance amounted to only $1.9 billion from both public ($1.5 billion) and private ($435 million) sources. Across sectors, $798 million was in energy, followed by $626 million in cross-sectoral projects, $300 million in agriculture, $128 million in transport, and the rest in other sectors. Nigeria needs $247 billion in climate finance through 2030 to implement its Nationally Determined Contribution. Investment is needed in clean energy, including 8 gigawatts of solar energy. The private sector has the potential to mobilize climate finance. Innovative financing opportunities include green bonds for energy efficiency and sukuk bonds for resilient transport infrastructure. Restructuring the sovereign wealth fund also presents an opportunity for climate finance.

"Nigeria needs $247 billion in climate finance through 2030 to implement its Nationally Determined Contribution. Investment is needed in clean energy, including 8 gigawatts of solar energy.

FINANCIAL RESULTS

We are proud of the achievements of the Management team in 2022. In comparison to the 2021 financial year, the company improved in several areas as seen through varied performance indicators, it was a commendable effort from our dedicated team members:

- The Revenue increased by 3.7% from N126.73 billion in 2021 to N131.42 billion in 2022. This was achieved in spite of the supply disruption experienced in the year.
- The Gross Profit also increased by 25.5% from N11.16 billion in 2021 to N14 billion in 2022.
- A substantial growth in Profit after Tax of 60.8% was recorded. It moved from N3.08 billion in 2021 to N4.96 billion in 2022.
- Total borrowing went down from N7.36 billion in 2021 to N5.7 billion in 2022. This was despite the increase in our revenue.
- Interest Expense increased by 94.2% from N0.757 billion in 2021 to N1.47 billion in 2022. The increase in interest expense aligned with the rise in cost of funding requirement which was effectively managed to achieve the substantial growth in our performance.

DIVIDEND

The Board recognizes the importance of dividends and the need to generate returns for shareholders' investment. It is in this regard, and the continued confidence of the prospects of our business supported by the reliable 2022 Financial Year results and in continuing the long standing excellent and unbroken tradition of annual dividend payment to the Company's shareholders, the board of Directors will propose to the 2022 Annual General Meeting that the sum of **N1,734,880,292.50 (One Billion, Seven Hundred and Thirty-four Million, Eight Hundred and Eighty Thousand, Two Hundred and Ninety-two Naira, Fifty Kobo)** be approved as dividend payable to all shareholders from the net profits for 2022. This translates to a dividend of 250 kobo for every 50 kobo share held.

GROWTH AND BUSINESS OBJECTIVES

Conoil Plc plans to consolidate on the progress made in the previous years to deliver a strong and sustainable performance that enhances returns to our shareholders. Regardless of the odds, the Company is marching forward in the year with confidence and optimism, as it strategically and continuingly positions its business to take advantage of key opportunities. Our overriding goal is to ensure the continued delivery of excellent services to our customers and ultimately ensuring that our shareholders are rewarded. We acknowledge the challenges that may be posed by the rapidly changing geopolitical and socio-economic environment hence, we will concentrate on the strategies that have given us the greatest dividend. The Company will grow its earnings, improve profitability and asset quality and deliver competitive returns to its esteemed shareholders.

Our focus is to deliver value to partners, customers, employees, community, and the planet in the coming years. We will leverage on our positive culture, our technology, and our processes to further grow our market share, top-line and bottom-line while doubling down on our cost reduction and process simplification efforts.

CORPORATE SOCIAL RESPONSIBILITY

A good reputation, responsible use of resources, taking care of the environment and having employees who take pride in their work is good business. In 2022, Conoil supported developmental initiatives that impacted positively on the communities and the people in the areas of its operation. The company is guided by the objective of remaining a good corporate citizen, and a responsible and responsive member of the society. Regular engagement, dialogue with and feedback from Conoil's material stakeholders are important to our success and a core element of our business model. Understanding the view of our stakeholders informs our strategy in the attainment of our goals and objectives.

CORPORATE GOVERNANCE

The Board of **Conoil Plc** is committed to good corporate governance, ethical business practices, and the promotion of the long-term interests of shareholders. Calls for rethinking the role of businesses in society have grown much louder. Companies are continuously being pressured to play a more prominent role in addressing social challenges. The combined forces of public, private and civil actors are necessary to achieve the required scale and impact.

To guide the organization on responsible conduct, **Conoil Plc** is committed to the principles and tenets of the Nigerian Code of Corporate Governance 2018. Conoil will continue to manage and grow its business in a responsible and sustainable manner.

HUMAN CAPITAL

Maintaining an extremely talented and highly driven workforce has been one of the fundamental strengths of our organization over the years, and keeping them motivated and productive is a major reason we were able to deliver for our customers, communities and shareholders in 2022. **Conoil Plc** is focused on cultivating a workforce that is fully engaged and aligned with the Company's aspirations. Alongside this, the Company's strategy allows for the injection of new talent as it moves forward to expand its pool of highly skilled employees. People are a key pillar for growth.

CONCLUSION

The Company remains motivated in creating excellent value for its shareholders, ensuring that its share price remains on the rise. The task before the Company is to spot and explore opportunities and take calculated risks to reach strategic goals. The unprecedented speed and magnitude of change today demands no less. We have shown a consistent ability to improve our operating margin and grow our volumes across all our locations. We have a great brand portfolio with energized and talented personnel with a reach pan-Nigerian. We are convinced that we can accomplish great things and continuingly improve the way the business is run, by doing more with less and being better than yesterday.

On behalf of the Board, I would like to express our sincere gratitude to our shareholders, our regulators, our business partners, and all stakeholders. Our clients have been core to our success, and we are highly appreciative of their continued support. We are grateful for your support. I once again congratulate the Management and Staff of **Conoil Plc** on their commendable results and achievements in the 2022 financial year. The Board recognizes their diligence, professionalism, tenacity and sacrifice towards the attainment of the Company's goals.

DR. MIKE ADENUGA (Jr.), GCON, CSG, CLH
CHAIRMAN

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors of **Conoil Plc** are pleased to present their report on the affairs of the Company, together with the audited financial statements and the auditor's report for the year ended 31 December 2022.

1. Legal status

Conoil Plc (formerly National Oil and Chemical Marketing Plc) was incorporated in 1960 as a private limited liability company – Shell Nigeria Limited. In April 1975, the Federal Government of Nigeria acquired 60% shares of the Company through the Nigerian National Petroleum Corporation (NNPC) and the Company became known as National Oil and Chemical Marketing Company (NOLCHEM). The Company was later converted to a public company and in the year 2000, the Federal Government of Nigeria through the Bureau of Public Enterprises (BPE) bought 40% issued ordinary shares of the Company held by Shell Company of Nigeria (UK) Limited. After the privatization of the Company, Conpetro Limited acquired 60% of the issued shares of the Company. As a result of a rights offering by the Company in 2002, Conpetro Limited now holds 74.4% of the issued capital while members of the Nigerian public hold the remaining 25.6% stake in the Company. The Company's name was formally changed from National Oil and Chemical Marketing Plc to **Conoil Plc** on the 14th day of January, 2003.

2. Principal activities

The principal activities of the Company are the marketing of refined petroleum products, manufacturing and marketing of lubricants, household and liquefied petroleum gas for domestic and industrial use.

3. Results for the year

The following is a summary of the Company's operating results:

	2022 N'000	2021 N'000	% Change
Revenue	131,422,272	126,726,356	3.7
Profit before tax	6,134,762	3,831,758	60.1
Profit after tax	4,957,726	3,082,690	60.8
Proposed dividend	1,734,880	1,734,880	-
Share capital	346,976	346,976	-
Shareholders fund	25,012,214	21,789,368	14.8

4. Dividends

The Directors recommend the payment of a dividend of 250 kobo per share on the results for the year 2022.

5. Changes on the Board of Directors

The names of the Directors that served during the year are as listed on page 17.

In the course of the financial year ended December 31, 2022, there were no changes in the Board of Directors of **Conoil Plc**.

6. Directors' interest in shares

The Directors who held office during the year, together with their direct and indirect interests in the issued share capital of the Company as recorded in the Register of Directors' Shareholding and/or as notified by the Directors for the purposes of sections 301 and 302 of the Companies and Allied Matters Act, 2020 and the listing requirements of the Nigerian Exchange Group is as follows:

Directors	Direct Number	Indirect Number	Total 2022 Number	Total 2021 Number
Dr Mike Adenuga (Jr), GCON *	Nil	103,259,720	103,259,720	103,259,720
Mr. Hardeep Kheterpal (Indian)	Nil	Nil	Nil	Nil
Dr. Moses Ebietsuwa Omatsola	541	Nil	541	541
Engr Babatunde Okuyemi	8,500	Nil	8,500	8,500
Mr Mike Jituboh	Nil	Nil	Nil	Nil
Mr Ike Oraekwuotu	Nil	Nil	Nil	Nil
Miss Abimbola Michael - Adenuga	Nil	Nil	Nil	Nil
Mr. Ismail Salam	Nil	Nil	Nil	Nil
Mr Joshua Ariyo	25,365	Nil	25,365	25,365
Mr Ademola Idowu	15,125	Nil	15,125	-

*Shares held in Conpetro Limited

There were no material changes to Directors' shareholdings within the year ended 31st December, 2022.

7. Contracts

For the purposes of Section 303 of the Companies and Allied Matters Act, 2020, none of the Directors have notified the Company of any disclosable interests in contracts involving the Company during the year.

8. Directors' remuneration

The Company ensures that remuneration paid to its Directors complies with the provisions of the codes of corporate governance issued by its regulators. In compliance with the provisions of Principle 16, and the Recommended practices in Articles 16.5 – 16.14 of the Nigerian Code of Corporate Governance 2018 as issued by the Securities and Exchange Commission, the Company makes disclosure of remuneration paid to its directors as follows:

Remuneration package	Description	Time of payment
Basic Salary	• Part of gross salary package for Executive Directors only • Reflects the industry competitive salary package and the extent to which the Company's objectives have been met for the financial year.	Paid monthly during the financial year
13th Month Salary	• Part of gross salary package for Executive Directors only • Reflects the industry competitive salary package and the extent to which the Company's objectives have been met for the financial year.	Paid in the last month of the financial year
Director's Fee	Paid annually immediately after the Annual General Meeting ('AGM') to Non-Executive Directors only.	Paid annually immediately after the AGM
Sitting Allowances	Allowances paid to Non-Executive Directors only for attending Board and Board Committee Meetings.	Paid after each meeting

9. Retirement by rotation

Pursuant to Articles 92, 93 & 94 of the Company's Articles of Association, which requires one third of the Directors (excluding Executive Directors) who shall be those who have been longest in office since their last election; the following Directors:Dr. Mike Adenuga Jr. (GCON), Mr. Mike Ike Oraekwuotu and Mr. Mike Jibutoh who are non-executive directors, are due to retire by rotation and being eligible, have offered themselves for re-election.

Summary profile of retiring directors

I. **Dr. Mike Adenuga Jr. (GCON) - Non Executive Director**
B.Sc., MBA, Honorary D.Litt
Over 35 years as an entrepreneur with interest in Petroleum Upstream, Down Stream, Telecommunications and Banking.

II. **Mr. Ike Orarkwuotu - Non Executive Director**
B.Sc., MBA
Over 41 years working experience in Banking, Telecommunication and Petroleum Downstream sectors

III. **Mr. Mike Jibutoh - Non Executive Director**
B.Sc., MBA
Over 51 years working experience in telecommunication, Petroleum Upstream and Downstream sectors.

10. Shareholding analysis

As at 31 December 2022, the range of shareholdings of the Company was as follows:

Share Range	No of Holders	Holders' %	Holders' Cum	Units	% Units	Units Cum
1 - 1,000	126,121	88.68	126,121	51,813,936	7.47	51,813,936
1,001 - 5,000	13,946	9.81	140,067	25,123,743	3.62	76,937,679
5,001 - 10,000	1,011	0.71	141,078	7,337,032	1.06	84,274,711
10,001 - 50,000	922	0.65	142,000	18,652,239	2.69	102,926,950
50,001 - 100,000	119	0.08	142,119	8,511,851	1.23	111,438,801
100,001 - 500,000	85	0.06	142,204	15,980,356	2.30	127,419,157
500,001 - 1,000,000	11	0.01	142,215	7,881,951	1.14	135,301,108
1,000,001 – 5,000,000	7	0.00	142,222	11,190,895	1.61	146,492,003
5,000,0001 – 10,000,000	2	0.00	142,224	13,626,535	1.96	160,118,538
10,000,001 - and above	2	0.00	142,226	533,833,579	76.93	693,952,117
	142,226	**100.00**		**693,952,117**	**100.00**	

11. Major shareholding

According to the Register of members, no shareholder of the Company other than Conpetro Limited as noted below held more than 5% issued shares of the Company as at 31st December 2022.

The shares of the Company were held as follows:

	2022 Number of Shares	%	2021 Number of Shares	%
Conpetro Limited	516,298,603	74.40	516,298,603	74.40
Other Shareholders	177,653,514	25.60	177,653,514	25.60
Total	**693,952,117**	**100.00**	**693,952,117**	**100.00**

12. Share capital history

Conoil Plc ("Company"), which commenced operations in 1927 under the name Shell Trading Company, was incorporated as a limited liability company in 1960 and later converted to a public limited company with an authorized share capital of N14 Million divided into ordinary shares of N2.00 each, all of which were fully issued and paid up. The shares were sub-divided into ordinary shares of 50 Kobo each in 1991. The authorized share capital of the Company was increased to N350 Million divided into 700 Million ordinary shares of 50 Kobo each, out of which N171.5 Million made up of 343 Million ordinary shares of 50 Kobo each were issued and paid up.

	Authorised share capital		Issued & fully paid		Number of	
Year	Increase N	Cumulative N	Increase N	Cumulative N	shares	Consideration
1975	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	Cash
1983	42,000,000	56,000,000	28,000,000	42,000,000	42,000,000	Bonus (2:1)
1991	19,000,000	75,000,000	-	42,000,000	-	-
1991	-	75,000,000	14,000,000	56,000,000	56,000,000	Cash
1995	125,000,000	200,000,000	28,000,000	84,000,000	168,000,000	Bonus (1:2)
1996	-	200,000,000	42,000,000	126,000,000	252,000,000	Bonus (1:2)
1997	-	200,000,000	21,000,000	147,000,000	294,000,000	Bonus (1:6)
1998	-	200,000,000	24,500,000	171,500,000	343,000,000	Bonus (1:6)
2002	150,000,000	350,000,000	-	171,500,000	343,000,000	-
2003	-	350,000,000	117,647,059	289,147,059	578,294,117	Convertible loan stock
2004	-	350,000,000	57,829,000	346,976,059	693,952,117	Bonus (1:5)

13. Dividend payment history

DIV No.	DIV. Type	Year ended	Declaration date	Dividend rate per share N	Total amount of dividend gross N	Total amount of dividend net N
12	Final	31/12/2001	21/06/2002	0.50	171,500,000.0	154,350,000.0
13	Final	31/12/2002	20/06/2003	2.00	686,000,000.0	617,400,000.0
14	Final	31/12/2003	27/08/2004	3.50	2,024,029,409.5	1,821,626,468.6
15	Final	31/12/2004	25/11/2005	2.00	1,387,904,234.0	1,249,113,810.6
16	Final	31/12/2005	27/10/2006	2.50	1,734,880,292.5	1,561,392,263.3
17	Final	31/12/2006	31/08/2007	2.75	1,908,368,321.8	1,717,531,489.6
18	Final	31/12/2007	29/08/2008	2.75	1,908,368,321.8	1,717,531,489.6
19	Final	31/12/2008	18/12/2009	1.00	693,952,117.0	624,556,905.3
20	Final	31/12/2009	22/10/2010	1.50	1,040,928,175.5	936,835,358.0
21	Final	31/12/2010	24/06/2011	2.00	1,387,904,234.0	1,249,113,810.6
22	Final	31/12/2011	30/08/2012	2.50	1,734,880,292.5	1,561,392,263.3
23	Final	31/12/2012	04/10/2013	1.00	693,952,117.0	624,556,905.3
24	Final	31/12/2013	30/09/2014	4.00	2,775,808,468.0	2,498,227,621.2
25	Final	31/12/2014	23/10/2015	1.00	693,952,117.0	624,556,905.3
26	Final	31/12/2015	28/10/2016	3.00	2,081,856,351.0	1,873,670,715.9
27	Final	31/12/2016	11/08/2017	3.10	2,151,251,562.7	1,936,126,406.4
28	Final	31/12/2017	13/07/2018	2.00	1,387,904,234.0	1,252,452,464.8
29	Final	31/12/2018	16/08/2019	2.00	1,387,904,234.0	1,251,217,929.0
30	Final	31/12/2019	23/10/2020	2.00	1,387,904,234.0	1,252,071,715.4
31	Final	31/12/2020	19/11/2021	1.50	1,040,928,175.5	936,835,358.0
32	Final	31/12/2021	11/4/22	2.50	1,734,880,292.5	1,561,392,263.3

14. Property, plant and equipment

Movement in property, plant and equipment during the year are shown under Note 15 to the Accounts. Changes in the value of property, plant and equipment were due to additions and disposals as shown in Note 15. In the opinion of the Directors, the market value of the Company's properties is not lower than the value shown in the audited Financial Statements.

15. Suppliers

The Company obtains its materials from overseas and local suppliers. Among its foreign and local suppliers, the major suppliers of petroleum products to the Company are – NNPC Trading Limited, Tulcan Energy Resources Limited, NECIT Nigeria Limited.

16. Distribution network

The distribution of the Company's products is done through its own network of branches, numerous dealers and distributors who are spread around the country. The Company has over 300 dealers and distributors.

Some of the Company's major dealers and distributors are as follows:

S/No.	Dealer	Station	Location of station
1.	Mr Johnson Iwarere	Marina Service Station	Marina, Lagos Island, Lagos.
2.	Mrs. Magret Uyokpeyi	Alapere Mega Station	3rd Axial Road, Lagos - Ibadan Expressway, Alapere Area, Lagos.
3.	Capt. A. Adeyinka	Kilometer 10	FAAN Local Airport, Km. 10 Agege Motor Road, Ikeja, Lagos.
4.	Mrs A.K. Fagbure	KM 4 Benin/Sapele Road Service Station	KM 4, Benin/Sapele Road Benin
5.	Mrs Lami Ahmed	Herbert Macaulay Filling Station, Abuja	Plot 763, Herbert Macaulay Way, CBD, FCT, Abuja.
6.	Mr Akin Olanrewaju	Kado Mega Station, Abuja	B5, Cadastral Zone, Kado Estate, Kado, FCT, Abuja.
7.	Mr Samuel Dixon	Iganmu Station	Old Apapa Road, by Costain Roundabout, Iganmu, Lagos.
8.	Mr Sheyi Adebayo	Eric Moore Service Station	Eric Moore Road, Eric Moore, Surulere, Lagos.
9.	Mrs Rewane-Fabyan	Hughes Avenue Service Station	Herbert Macaulay Way, Alagomeji, Yaba, Lagos.
10.	Mr. Kennedy Izuagbe	Toll Gate Mega Station	Along Lagos - Ibadan Expressway, near old Toll gate, Alausa, Lagos.
11.	Mrs C. O. Okonede	Western Avenue Service Station	Western Avenue, Barracks Bus Stop, Surulere, Lagos.
12.	Mr. Adewale Adeleye	G.R.A Mega Station	Oba Akinjobi Road, by GRA Roundabout, Ikeja, Lagos.
13.	Mr. Tunde Thani	Lasu Service Station	KM 13, Lagos Badagry Express Way LASU
14.	Mr. Abimbola Olawale	Ikate - Lekki Mega Station	Ikate Elegushi/Lekki, Lekki - Epe Expressway, Lagos.
15.	Mr. Kadiri Yunusa	Durumi Mega Station, Abuja	B5, Cadastral Zone, Durumi District, Area 1, Durumi, FCT, Abuja.
16.	Mr. Samuel Okorho	Lugbe Extension Mega Station	Plot 199 Cadastral Zone, Airport Road, Lugbe District, Abuja, F.C.T.
17.	Golddust Ventures	Utako Mega Station	Utako Cadastral Zone B5, Utako District, Abuja, F.C.T.
18.	Mr. Chinedu Iroegbu	Obio Mega Station	Port Harcourt – Aba Express Way, Market Junction, Port Harcourt City, Rivers State.
19.	A.M and Sons	Kaita Road, Service Station	Kaita Road, Katsina.

S/No.	Dealer	Station	Location of station
20.	A. Likoro	Sokoto Road, Service Station	Sokoto Road, Zaria.
21.	Ubolo Okpanachi	Garki Service Station	42 Festival Road, Area 10, Garki, Abuja, F.C.T.
22.	Mr. Akinyemi Omoyeni	Chevron Mega Station	Lekki – Epe, Express Way, Chevron Roundabout.
23.	Mr. Adebambo Bashorun	Ajah Mega Station	Lekki – Epe Express Way, Ajah
24.	Mr. Idon Godfrey	Kilometer 2 Service Station	FAAN Local Airport, Km. 2, Ikeja.
25.	Dr. Desmond Amegbeboh	Oregun Service Station	Kudirat Abiola way, Oregun Ikeja.
26.	Mrs. Tola Aworh	Poly South Service Station	South Gate, The Polytechnic, Ibadan.
27.	Mr.Paul Nwokobia	Mile 2 Mega Station	109 Ikwerre Road, by Ikoku Junction, Port Harcourt.
28.	Hon. Andrew Momodu	Airport Road Service Station	Along Air Port Road Benin City
29.	Prince Simeon Ajibola	Ikere Filling Station Ikere Ekiti	Along Ado/Ikere Road Ikere Ekiti
30.	Alhaji Mohammed Okeji	Apo Mega Station Abuja	Apo Mechanic Village, Apo Abuja FCT

17. Post balance sheet events

There were no post balance sheet events which could have had a material effect on the state of affairs of the Company as at 31st December 2022 and on the profit for the period to that date which have not been adequately provided for.

18. Human resources policy

(i). Recruitment

The Company conforms with all regulatory requirements in the employment of staff, whilst also ensuring that only fit and proper persons are approved for appointment to board or top management positions. All prescribed pre-employment screening for prospective employees and other requirements for regulatory confirmation of top management and expatriates' appointments are duly implemented.

(ii). Diversity and Inclusion

The Company treats all employees, prospective employees and customers fairly and equally, regardless of their gender, sexual orientation, family status, race, colour, nationality, ethnic or national origin, religious belief, age, physical or mental disability, or any such factor. In the coming years, the Company seeks to increase the female representation at Board and Top Management levels respectively, subject to identification of candidates with appropriate skills. For the purpose of this statement, "Board" refers to Managing Director/ CEO, Executive Directors and Non-Executive Directors while "Top Management" refers to General Manager, Deputy General Manager and Assistant General Manager grades.

Gender Analysis	Male	Female	Total	Ratio
Permanent staff	146	17	163	8:1
Expatriates	15	0	15	15:00
Others	428	30	458	14:01

19. Employment and employees

(i). Employment of physically challenged persons

The Company's operates a non-discriminatory policy in the consideration of applications for employment, including those received from physically challenged persons. In the event where an employee becomes physically challenged in the course of employment, where possible, the Company may arrange training to ensure the continuous employment of such a person without subjecting him/her to any disadvantage in his/ her career development. As at 31st December 2022, there were 3 (three) physically challenged persons in the employment of the Company.

(ii). Employees involvement

During the year, the Company maintained good relationship with its employees. To enhance communication between management and staff, management briefings were extended to all levels of staff during the year. These efforts were supplemented by regular consultative departmental / divisional meetings and in-house bulletins to keep employees informed on the state of the Company's operations.

(iii). Employees training and development

The development and training of the Company's staff continue to receive constant attention. It is the belief of the Company that the professional and technical expertise of its staff constitutes a major asset. The Company has established a Training School for Staff to initiate and foster a culture of excellence in its operations and service delivery.

(iv). Welfare

The Company operates the requisite Insurance cover for the varied cadre of its employees including Employee Compensation Act contributions for the benefits of its employees. Employees are insured against occupational and other hazards. The Company also operates a contributory pension plan in line with the Pension Reform Act 2004 (amended in 2014) as well as a terminal payment scheme for its employees.

(v). Health

The Company maintains business premises designed with a view to guaranteeing the safety and healthy living conditions of its employees and customers alike. The Company maintains well-equipped medical clinics at its head office and other major operational locations. This is complemented by medical services during and after working hours by medical retainers in locations across the country. Staff also enjoy medical insurance with negotiated bulk benefits from credible Health Maintenance Organizations under the National Health Insurance Authority (NHIA).

(vi). Safety and environment

To enhance the health and safety of all employees, safety regulations are conspicuously displayed and enforced in all the Company's offices and installations. .Fire prevention and fire-fighting equipment are installed in strategic locations within the Company's premises.

The Company carries out safety and operations inspections on a regular basis. It also provides safety equipment in all its installation and retail outlets. In addition, safety training is provided for staff. Fire-fighting drills are regularly carried out to keep workers at alert in the event of a fire outbreak. The Company lays emphasis on industrial hygiene, and inspection, and provides good sanitary facilities for its employees. The Company ensures non-pollution of the environment within its areas of operation.

20. Commitment to good corporate governance

Conoil Plc ("the Company") is committed to carry on its operations in a fair, honest and transparent manner in compliance with a high level of professional ethics, and international best practice and procedure in Corporate Governance. With the goal to deliver greater shareholder value, the Company has continued to subject its operations to the high standards of corporate governance, which is an essential foundation for sustainable corporate success. We are dedicated to uphold the creed and principles of good Corporate Governance in all our operations which is the bedrock of the public trust and confidence reposed in us by shareholders, business partners, employees and the financial markets; and the key to our continued long-term success.

Corporate Governance is a key driver of corporate accountability and business prosperity. It is also aimed at increasing entities' levels of transparency, trust and integrity, and create an environment for sustainable business operations. **Conoil Plc** complies with the provisions of the Code of Best Practices on Corporate Governance in Nigeria and the requirements of the current Nigerian Code of Corporate Governance 2018. The Company adopts a responsible approach in its activities by maintaining a high standard of openness and accountability while also taking into consideration the interest of stakeholders.

During the year under review, **Conoil Plc** duly observed all regulations guiding its activities. **Conoil Plc** established structures / mechanism to enhance its internal control while the efficiency of measures for enhancing operational and compliance control are continually reviewed from time to time. The Company executed various governance activities which included the review of the mandate of all the Board Committees in order to align same with leading practices and extant regulations. The Board and its Committees also carried out self-assessment to review their compliance with their terms of reference. Entrenched in the fibre of **Conoil Plc** is the culture of openness which promotes healthy discourse and encourages employees to report improper activities. The belief that success is only worth celebrating when achieved the right way through a process supported and sustained with the right values remains one of the Company's guiding principles.

20.1 The Board

The Board of Directors is responsible for the governance of the Company and is accountable to shareholders for creating and delivering sustainable value through the management of the Company's business. The Board is committed to the highest standards of business integrity, ethical values and governance. It recognizes the responsibility of the Company to conduct its affairs with transparency, prudence, fairness, accountability and social responsibility, thereby safeguarding the interests of all stakeholders. The Board ensures that an appropriate level of checks and balances is maintained, in order to ensure that decisions are taken with the best interest of the Company's stakeholders in mind. The company's Directors possess the right balance of expertise, skills and experience, which translates to an effective Board and executive management team capable of steering the affairs of the Company in an ever changing and challenging environment. The Board determines the overall strategy of the Company and follows up on its implementation, supervises the performance of the Company and ensures adequate management, thus actively contributing to developing the Company as a focused, sustainable and global brand. The synergy between the Board and Management fosters interactive dialogue in setting broad policy guidelines in the management and direction of the Company to enhance optimal performance and ensures that associated risks are properly managed. Furthermore, the Board plays a central role in conjunction with Management in ensuring that the Company is financially balanced, well governed and risks are identified and well mitigated.

In addition to the Board's direct oversight, the Board exercises its oversight responsibilities through five (5) Board Committees. Members of the Board of Directors are seasoned professionals, who have excelled in various sectors including accounting, engineering, oil and gas, telecommunications, manufacturing and banking. They possess the requisite integrity, skills and experience to bring to bear independent judgment on the deliberations of the Board and decisions of the Board. They have a good understanding of the Company's business and affairs to enable them properly evaluate information and responses provided by Management, and to provide objective challenge to management.

The Board meets quarterly and additional meetings are convened as required. Material decisions may be taken between meetings by way of written resolutions, as provided for in the Articles of Association of the Bank. The Directors are provided with comprehensive information at each of the quarterly Board meetings and are also briefed on business developments between Board meetings.

20.2 Responsibilities of the Board

Notwithstanding the delegation of the operation of the Company to Management, the Board reserved certain powers which include the approval of quarterly, half-yearly and full year financial statements (whether audited or unaudited) and any significant change in accounting policies and/or practices; approval of major changes to the Company's corporate structure and changes relating to the Company's capital structure or its status as a public limited company; the determination and approval of the strategic objectives and policies of the Company to deliver long-term value; approval of the Company's strategy, medium and short term plan and its annual operating and capital expenditure budget; appointment or removal of Company Secretary; recommendation to shareholders of the appointment or removal of auditors and the remuneration of Auditors; approval of resolutions and corresponding documentation for shareholders in general meeting(s), shareholders circulars, prospectus and principal regulatory filings with the Regulators. Other powers reserved for the Board are the determination of Board structure, size and composition, including appointment and removal of Directors, succession planning for the Board and senior management and Board Committee membership; approval of mergers and acquisitions, expansion and establishment of subsidiaries; approval of remuneration policy and packages of the Managing Director and other Board members, appointment of the Managing Director and other Directors nominated by the Company; approval of the Board performance evaluation process, corporate governance framework and review of the performance of the Managing Director; approval of policy documents on significant issues including Enterprise-wide Risk Management, Human Resources, Credit, Corporate governance and Anti – Money laundering, and approval of all matters of importance to the Company as a whole because of their strategic, financial, risk or reputational implications or consequences.

20.3 Role of the Chairman

The roles of the Chairman and Chief Executive are separate and no one individual combines the two positions. The Chairman's main responsibility is to lead and manage the Board to ensure that it operates effectively and fully discharges its legal and regulatory responsibilities. The Chairman is responsible for ensuring that Directors receive accurate, timely and clear information to enable the Board take informed decisions and provide advice to promote the success of the Company. The Chairman also facilitates the contribution of Directors and promotes effective relationships and open communications between Executive and Non-Executive Directors, both inside and outside the Boardroom.

20.4 Role of the Managing Director / Chief Executive Officer

The Board has delegated the responsibility for the day-to-day management of the Company to the Managing Director/ Chief Executive Officer, who is supported by Executive Management. The Managing Director executes the powers delegated to him in accordance with guidelines approved by the Board of Directors. Executive Management is accountable to the Board for the development and implementation of strategies and policies. The Board regularly reviews group performance, matters of strategic concern and any other matter it regards as material.

20.5 Board Composition

The Company's Articles of Association provide that the Company's Board of Directors shall consist of no less than five (5) and not more than fifteen (15) Directors. The Board during the year under review had a Non-Executive Director as Chairman, six (6) other Non-Executive Directors and three (3) Executive Directors. The thorough process for selecting Board members gives premium to educational and professional background, integrity, competence, capability, knowledge, expertise, skills, experience and diversity. During the year under review, the Board provided the required leadership for the Company for prudent and effective risk management while it also ensured that resources were available to enable the Company achieve its aims.

20.6 Board Meetings and Attendance

Members of the Board of Directors hold a minimum of four quarterly meetings to approve the company's business strategy and objectives, decide on policy matters, direct and oversee the Company's affairs, progress, performance, operations, and finances; and ensure that adequate resources are available to meet the Company's goals and objectives. Attendance of Directors at quarterly meetings is very good.

The Board held four (4) meetings during the financial year ended 31 December 2022. The notice for each meeting was in line with the Company's Articles of Association and Board papers were provided to directors in advance. Senior Executives of the company are from time to time invited to attend Board meetings and make representations of their business units. The Board meetings were held on Tuesday, 29 March, 2022; Wednesday, 15 June, 2022; Tuesday, 13 September , 2022; and Monday, 12 December, 2022. A summary of the record of attendance at Board meetings is presented below.

Names of Directors		29 March 2022	15 June 2022	15 September 2022	12 December 2022
Dr. Mike Adenuga (Jnr.) GCON	Chairman Non-Executive Director	P	P	P	P
Mr. Hardeep Kherterpal	Managing Director	P	P	P	P
Dr M. E. Omatsola	Non-Executive Director	P	P	P	P
Engr. Babatunde Okuyemi	Non-Executive Director	P	A	P	P
Mr Mike Jituboh	Non-Executive Director	P	P	P	P
Mr Ike Oraekwuotu	Non-Executive Director	P	P	P	P
Miss Abimbola Michael - Adenuga	Executive Director	P	P	P	P
Mr. Ismail Salam (Exec. Director, Finance)	Executive Director	P	P	P	P
Mr Joshua Ariyo	Executive Director	P	P	P	P
Mr Ademola Idowu	Executive Director	P	P	P	P

Attendance keys: P=Present; A= Absent with apology.

20.7 Board committees:

The Board carries out its responsibilities through its Standing Committees, which have clearly defined terms of reference, setting out their roles, responsibilities, functions and scope of authority. The Board has five (5) Standing Committees alongside other Board Supervised Management Committees:

i. Executive Board Committee;
ii. Operation Review Committee;
iii. Risk Management Committee;
iv. Remuneration Committee; and
v. Statutory Audit Committee.

Through these Committees, the Board is able to effectively carry out its oversight responsibilities and take advantage of individual expertise to formulate strategies for the Company. The Committees make recommendations to the Board, which retains responsibility for final decision making. All Committees in the exercise of their powers so delegated conform to the regulations laid down by the Board, with well-defined terms of reference. The Committees render reports to the Board at the Board's quarterly meetings. A summary of the roles, responsibilities, composition and frequency of meetings of each of the Committees are as stated hereunder:

i. The Executive Board Committee

The Executive Board Committee, led by the Managing Director and comprising the Executive Directors, sets the Company's priorities and targets, allocates resources and ensures the effective running of the Company. The Executive Board ensures that the Company's resources are fully utilized to meet the Company's goals. The Committee held five (5) meetings on Tuesday, 11 January 2022; Thursday, 14 April 2022; Wednesday, 20 July 2022, Wednesday, 21 September, 2022; and Tuesday 6 December 2022.

Names	11 January 2022	14 April 2022	20 July 2022	21 September 2022	6 December 2022
Mr. Hardeep Kherterpal	P	P	P	P	P
Miss Abimbola Michael - Adenuga	P	P	P	P	P
Mr. Ismail Salam	P	P	P	P	P

Attendance keys: P=Present

ii. Operation Review Committee

Members of this Committee are one Executive Director and two non-executive Directors. Mr. Mike Jituboh, a non-executive Director is Chairman of the Committee and the Head, Internal Audit in attendance. The Committee deliberates on matters relating to the general Operating Expenditure (OPEX), Capital Expenditure (CAPEX), general finance and administration of the Company and reports same to the Board. The Committee held three (3) meetings on Tuesday, 15 February 2022; Tuesday, 19 July 2022; and Friday, 11 November, 2022. The meetings were well attended.

Names	15 February, 2022	19 July 2022	11 November 2022
Mr. Mike Jituboh	P	P	P
Ms. Abimbola Michael - Adenuga	P	P	P
Mr. Joshua Ariyo	P	P	P

Attendance key: P=Present

iii. Risk Management Committee

This Committee is tasked with the responsibility of setting and reviewing the Company's risk policies. The coverage of supervision includes the following: Credit Risk, Reputational Risk, Operations Risk, Technology Risk, Market Risk, Liquidity Risk and other pervasive risks as may be posed by the events in the industry at any point in time. The Terms of Reference of the Board Risk Management Committee include to:

- Review and recommend for the approval of the Board, the Company's Risk Management Policies including the risk profile and limits;
- Determine the adequacy and effectiveness of the Company's risk detection and measurement systems and controls;
- Evaluate the Company's internal control and assurance framework annually, in order to satisfy itself on the design and completeness of the framework;
- Oversee Management's process for the identification of significant risks across the Company and the adequacy of risk mitigation, prevention, detection and reporting mechanisms;
- Review and recommend to the Board for approval, the contingency plan for specific risks;
- Review the Company's compliance level with applicable laws and regulatory requirements which may impact on the Company's risk profile;
- Conduct periodic review of changes in the economic and business environment, including emerging trends and other factors relevant to the Company's risk profile;
- Handle any other issue referred to the Committee from time to time by the Board.

The Chief Risk Officer of the Company presents regular briefings to the Committee at its meetings. The Committee met four (4) times during the financial year ended December 31, 2022 on Thursday, 24 February

2022, Thursday, 23 June 2022, Monday, 19 September 2022 and Monday, 5 December 2022. The Board Risk Management Committee comprised the following members during the year under review:

Names	24 February 2022	23 June 2022	19 September 2022	5 December 2022
Dr. M. E. Omatsola	P	P	P	P
Mr. Ike Oraekwuotu	P	P	P	P
Mr. Ismail Salam	P	P	P	P

Attendance keys: P=Present

iv. Remuneration Committee

The Board Remuneration Committee has the responsibility of setting the principles and parameters of Remuneration Policy across the Company, determining the policy of the Company on the remuneration of the Managing Director and other Executive Directors and the specific remuneration packages and to approve the policy relating to all remuneration schemes and long-term incentives for employees of the Company.

The Committee is responsible for the determination of remuneration policy and its application for senior executives, performance evaluation, the adoption of incentive plans, and various governance responsibilities related to remuneration to a stand-alone committee, or to any other committee capable of combining it with their existing functions, as is appropriate.

The Committee acts on behalf of the Board on all matters related to the workforce. The Committee held two (2) meetings within the year on Wednesday, 20 April, 2022 and Thursday, 29 September 2022. The meetings were well attended.

Names	20 April 2022	29 September 2022
Mr. Mike Jituboh	P	P
Mr. Ademola Idowu	P	P

Attendance key: P=Present.

20.8 Statutory Audit Committee

This Committee is responsible for ensuring that the Company complies with all the relevant policies and procedures both from the regulators and as laid-down by the Board of Directors. Its major functions include the approval of the annual audit plan of the internal auditors, review and approval of the audit scope and plan of the external auditors, review of the audit report on internal weaknesses observed by both the internal and external auditors during their respective examinations and to ascertain whether the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices. The Committee also reviews the Company's annual and interim financial statements, particularly the effectiveness of the Company's disclosure controls and systems of internal control as well as areas of judgment involved in the compilation of the Company's results. The Committee is responsible for the review of the integrity of the Company's financial reporting and oversees the independence and objectivity of the external auditors, review and ensures that adequate whistle blowing procedures are in place and that a summary of issues reported are highlighted to the Committee; and review the independence of the external auditors and ensures that where non-audit services are provided by the external auditors and that there is no conflict of interest. The Committee has access to external auditors to seek explanations and additional information, while the internal and external auditors have unrestricted access to the Committee, which ensures that their independence is in no way impaired.

In compliance with the provisions of Section 404 (3) of the Companies and Allied Matters Act 2020, which requires the Director representatives to be two (2); the Committee is made up of two (2) Non-Executive Directors and three (3) Shareholders of the Company appointed at Annual General Meetings with the Company Secretary / Legal Adviser as the Secretary. The membership of the Committee at the Board level is based on the relevant experience of the Board members, while one of the shareholders serves as the Chairman of the Committee. The Committee has as its Chairman, a member representing the shareholders and holds meetings from time to time to deliberate on Audit Scope & Plan, the Time Table of the Company for the year, the Audited Accounts & unaudited trading results of the Company, Management Letter prepared by the External Auditors of the Company. In the performance of its functions, the Committee has unrestricted, direct access not just to the internal audit department but also to the external auditors.

Any shareholder may nominate another shareholder as member of the Audit Committee, by giving notice in writing of such nomination to the Company Secretary at least 21 days before the Annual General Meeting. The internal and external auditors are invited from time to time to attend the Meetings of the Committee. The Director of Finance, the Financial Adviser and appropriate members of Management also attend the meetings upon invitation. The Committee is required to meet quarterly and additional meetings may be convened as the need arises. The Statutory Audit Committee of the Bank met four (4) times during the year. The meetings were held on Thursday, 27 January, 2022; Wednesday, 11 May, 2022; Thursday, 18 August, 2022; and Wednesday, 12 October, 2022. The following members served on the Committee during the year ended December 31, 2022:

Names	Designation	27 January 2022	11 May 2022	18 August 2022	12 October 2022
Mr. Oladepo Olalekan Adesina	Chairman Rep. of Shareholders	P	P	P	P
Chief Joshua Oluwole Oginni	Member Rep. of Shareholders	P	P	P	P
Comrade S.B. Aderenle	Member Rep. of Shareholders	P	P	P	P
Mr. Ike Oraekwuotu	Non-Executive Director	P	P	P	P
Mr. Joshua Ariyo	Non-Executive Director	P	P	P	P

Attendance key: P=Present.

20.9 Board Supervised Management Committee

These are Committees comprising senior management staff of the Company. The Committees are risk driven as they are basically set up to identify, analyze, synthesize and make recommendations on risks arising from day to day activities of the Company. They also ensure that risk limits as contained in the Board and Regulatory policies are complied with at all times. They provide inputs for the respective Board Committees and also ensure that recommendations of the Board Committees are effectively and efficiently implemented. They meet as frequently as necessary to immediately take action and decisions within the confines of their powers. The standing Management Committees in the Company are:

i. Management Credit Committee;
ii. Executive Management Committee;
iii. Tender Committee;
iv. Import Committee; and
v. Process and Expenditure Committee.

i. Management Credit Committee

This is the Committee responsible for ensuring that the Company complies fully with the Credit Policy Guide as laid down by the Board of Directors. The Committee also provides inputs for the Board Credit. This Committee reviews and approves credit facilities to individual obligors not exceeding an aggregate sum to be determined by the Board from time to time. The Management Credit Committee is responsible for reviewing and approving all credits that are above the approval limit of the Managing Director as determined by the Board. The Committee reviews the entire credit portfolio of the Company and conducts periodic assessment of the quality of risk assets in the Company. It also ensures that adequate monitoring of credits is carried out. The Committee meets weekly depending on the number of credit applications to be considered.

The secretary of the Committee is the Head of the Credit Control Department of the Company.

ii. Executive Management Committee

The Committee is comprised of Senior Management staff and Heads of Department. The Committee holds its meetings every Friday to deliberate on daily management operations, business reviews, targets and sundry issues. Members of the Committee are:

The Managing Director	-	Chairman
Finance Director	-	Member
Financial Controller	-	Member
Head, Retail Business	-	Member
Deputy Head, Retail	-	Member
Head of Business, Aviation	-	Member
Head Internal Audit	-	Member
Head, Central Operations Unit	-	Member
Head of Business / Installation	-	Member

Head, Imports	-	Member
Head, Supply and Distribution	-	Member
Head, Lubricants Business	-	Member
Corporate Affairs Manager	-	Member
IT Manager	-	Member
Head, Credit Control	-	Member
Treasurer	-	Member
Company Secretary/Legal Adviser	-	Member
Head, Human Resources	-	Member

iii. Tender Committee

The Committee holds its meetings every Tuesday and Thursday to conduct negotiation to determine the most technically and commercially competitive bids/vendor. The Committee thereafter makes recommendation to the Management or the Board as the case may be. The members of the Committee are as follows:

Finance Director	-	Chairman
Head, Internal Audit	-	Member
Head, Apapa Installation	-	Member
Procurement Manager	-	Member
Head of User Department concerned	-	Member

iv. Import Committee

The Committee is responsible for the procurement of petroleum products and to ensure that petroleum products are available to the Company timely and at the best possible price. The Committee meets as the need arises on every transaction. The Committee thereafter makes recommendation to the Management or the Board as the case may be for approval. Members of the Committee are as follows:

Managing Director	-	Chairman
Finance Director	-	Member
Head, Imports	-	Member
Head, Central Operations Unit	-	Member

v. Process & Expenditure Committee

The Committee sits to consider all processes and identify areas of bottlenecks that may impede smooth and speedy resolution of issues with a view to having better control in running of the Company. The Committee also scrutinizes all proposed expenditure of the Company to determine that the expenditures are reasonable and fair. The Committee meets every week. The members of the Committee are as follows:

Managing Director	-	Chairman
Financial Controller	-	Member
Head, Internal Audit	-	Member

20.10 Relations with shareholders

The Company is conscious of and promotes shareholders' rights. It continues to take necessary steps to improve on same. In its interaction with its shareholders, the Company lays emphasis on effective communication. Through its reports and the Annual General Meeting, the Board renders stewardship to the Company's shareholders. Besides these formal relations, the Board has in place other avenues for interaction with shareholders such as other less formal meetings and contacts.

The benefits from contributions, advice and wisdom from the shareholder members of the statutory Audit Committee remain invaluable. The inclusion of the representatives of the shareholders in the Audit Committee and also on the Board ensures that the shareholders are kept abreast of developments in the Company.

20.11 Shareholders

The General Meeting of the Company is the highest decision-making body of the Company. The Company's General Meetings are conducted in a transparent and fair manner. Shareholders have the opportunity to express their opinions on the Company's financial results and other issues affecting the Company. The Annual General Meeting is attended by representatives of regulators such as the Securities and Exchange Commission, the Nigerian Exchange Group, the Corporate Affairs Commission as well as representatives of Shareholders' Associations. The Company's has a Relations Unit, which deals directly with enquiries from shareholders and ensures that Shareholders' views are escalated to Management and the Board. In addition, quarterly, half-yearly and annual financial results are published in national newspapers.

20.12 Management, Protection of Shareholders' Rights

The Board ensures the protection of the statutory and general rights of shareholders at all times, particularly their right to vote at general meetings. All shareholders are treated equally, regardless of volume of shareholding or social status.

20.13 The Company Secretary

The Company Secretary provides a point of reference and support for all Directors. The Company Secretary also consults regularly with Directors to ensure that they receive required information promptly. The Board may obtain information from external sources, such as consultants and other advisers, if there is a need for outside expertise, via the Company Secretary or directly. The Company Secretary is also responsible for assisting the Board and Management in the implementation of the Nigerian Code of Corporate Governance, coordinating the orientation and training of new Directors and the continuous education of Non-Executive Directors; assisting the Chairman and Managing Director to formulate an annual Board Plan and with the administration of other strategic issues at the Board level; organizing Board meetings and ensuring that the minutes of Board meetings clearly and properly capture Board discussions and decisions.

20.14 Insider Trading and Price Sensitive Information

The Company has in place a policy regarding trading in its shares by its Directors and employees on the terms and conditions similar to the standards set out by the Nigerian Exchange Group. Directors, insiders and their related persons in possession of confidential price sensitive information ("insider information") are prohibited from dealing with the securities of the Company where such would amount to insider trading. Directors, insiders and related parties are prohibited from disposing, selling, buying or transferring their shares in the Company for a "lock up" period commencing from the date of receipt of such insider information until such a period when the information is released to the public or any other period as defined by the Company from time to time. In addition to the above, the Company makes necessary disclosure as required under Rule 111 of the Securities and Exchange Commission ("SEC") Rules and Regulations which stipulates that Directors and top Management employees and other insiders of public companies shall notify the SEC of any sale or purchase of shares in the company, not later than forty-eight (48) hours after such activity. The Directors of the Company comply strictly with the laid down procedure and policy regarding trading in the Company's shares.

20.15 Corporate Social Responsibilities

Interaction with the society

The Company in its activities pays due attention to ethical values, complies with legal requirements and takes into consideration the various stakeholders comprising not just its members but also the general populace and communities where it carries on business. The Company ensures maximum care for the environment where it operates by maintaining the highest environmental standards. Being an employer, supplier and consumer, **Conoil Plc** contributes to the economic growth in various ways.

In order to identify with the aspirations of various sections of the society in which it operates, the Company donated a total sum of N32,000,000.00 (Thirty-Two Million Naira) as charitable contributions during the year. It also championed several initiatives to provide aid and relief in some host communities. A listing of the beneficiary organizations and the amounts donated to them is shown in the table:

S/N	Project	Cost Estimate
1	Naval Dockyard Road Reconstruction, Apapa, Lagos.	N1,000,000
2	Community Development Projects in Magcobar Community, Port Harcourt	N5,000,000
3	De-silting the drainage along Harbour Road, Apapa, Lagos.	N1,000,000
4	Support for various developmental initiatives in 2022	Up to N20,000,000 (2019 – 2021)
5	Donation for staff welfare and related issues	N4,000,000
	Total	**Up to N32,000,000**

20.15 Internal Financial Controls

The Company has in place procedures and structures for an effective control environment that promotes the orderly and efficient conduct of the Company's business. These include the safeguarding of the Company's assets and the maintenance of proper accounting records and financial information among others.

The Audit Committee also plays a vital role in ensuring a sound system of internal control.

20.16 Conoil Plc and the Law

Conoil Plc ensures compliance with the laws and regulations guiding its operations in Nigeria. The Company has in place the following Policies which are available on the website of the Company www.conoilplc.com :

i. Securities Trading Policy
ii. Complaint management policy
iii. Code of Conduct and Business Ethics
iv. Anti-Bribery and Corruption Policy
v. Anti-Money Laundering and Combating Terrorism Financing Policy
vi. Market Conduct Policy
vii. Complaints Management Policy Framework

21 Regulatory Compliance

The Company complied with all relevant laws and regulations within the year ended December 31, 2022.

22. Auditors

The Company's Auditors, Messrs. Nexia Agbo Abel & Co having satisfied the relevant corporate governance rules on their tenure in office have indicated their willingness to continue in office as the Auditors of the Company. In accordance with Section 401 (2) of the Companies and Allied Matters Act, 2020 therefore, the Auditors will be re-appointed at the next Annual General Meeting of the Company without any resolution being passed.

By order of the Board

Conrad Eberemu
Company Secretary / Legal Adviser
FRC/2017/NBA/00000016701

22 May 2023

Conoil Plc
Bull Plaza
38/39, Marina
Lagos


WE RUN 24/7
SO YOU KEEP RUNNING
Conoil
Bull Mart
Restaurant
Car Wash
Lube Bay
24/7
Conoil
...we go the extra mile.

The Accounts

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

In conformity with the provisions of Section 377 of the Companies and Allied Matters Act 2020, the Directors are responsible for the preparation of the financial statements which give a true and fair view in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Companies and Allied Matters Act, 2020. In doing so, they ensure that:

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

- Proper accounting records are maintained;
- Applicable accounting standards are complied with;
- Suitable accounting policies are adopted and consistently applied;
- Judgments and estimates made are reasonable and prudent;
- He going concern basis is used, unless it is inappropriate to presume that the Company will continue in business; and
- Internal control procedures are instituted which, as far as is reasonably possible, safeguards the assets and also prevents and detects fraud and other irregularities.

Going Concern

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

The financial statements of the Company for the year ended 31 December 2022 were approved by the Directors on 19 May 2023.

On behalf of the Directors of the Company

Mr. Salam Ismail Ajani
Finance Director
FRC/2018/ICAN/00000018798

Dr. M. Ebietsuwa Omatsola
Director
FRC/2013/COMEG/00000003735

Mr. Kheterpal Hardeep Singh
Managing Director
FRC/2018/NIM/00000018841

STATEMENT OF DIRECTORS' CERTIFICATION

FOR THE YEAR ENDED 31 DECEMBER 2022

CERTIFICATION IN PURSUANT TO S. 60(2) OF THE INVESTMENT & SECURITIES ACT NO. 29 OF 2007

We, the undersigned, hereby certify the following with regards to Audited Financial Statements for the year ended 31 December 2022 that:

a. We have reviewed the reports;
b. To the best of our knowledge, the report does not contain:

  i. Any untrue statement of a material fact, or
  ii. Omit to state a material fact, which would make the statements misleading in the light of the circumstance under which such statement was made.

c. To the best of our knowledge, the financial statements and other financial information included in the report fairly present in all material respects the financial condition and results of operations of the Company as of, and for the periods presented in the reports.

d. We:

  i. Are responsible for establishing and maintaining internal controls;
  ii. Have designed such internal controls to ensure that material information relating to the company and its consolidated subsidiary is made known to such officers by others within those entities particularly during the period in which the periodic reports are being prepared;
  iii. Have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date.
  iv. Have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date.

e. We have disclosed to the Auditors of the Company and Audit Committee:

  i. All significant deficiencies in the design or operation of internal controls which would adversely affect the company's ability to record, process, summarize and report financial data and have identified for the company's Auditors any material weakness in internal controls; and
  ii. Any fraud, whether or not material, that involves management or other employees who have significant role in the Company's internal controls.

f. We have identified in the report whether or not there were significant changes in internal controls or other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective actions with regard to significant deficiencies and material weakness.

Mr. Salam Ismail Ajani
Finance Director
FRC/2018/ICAN/00000018798

Mr. Kheterpal Hardeep Singh
Managing Director
FRC/2018/NIM/00000018841

STATEMENT OF SECURITIES TRADING POLICY

FOR THE YEAR ENDED 31 DECEMBER 2022

CERTIFICATION IN COMPLIANCE WITH RULE 17.15 DISCLOSURE OF DEALINGS IN ISSUER'S SHARES

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) **Conoil Plc** maintains effective Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares.

The Policy is regularly reviewed and updated by the Board. The Company has made specific inquiries of all the directors and other insiders and is not aware of any infringement.

Mr. Salam Ismail Ajani
Finance Director
FRC/2018/ICAN/00000018798

Mr. Kheterpal Hardeep Singh
Managing Director
FRC/2018/NIM/00000018841

STATEMENT OF FREE FLOAT RULES STATUS

FOR THE YEAR ENDED 31 DECEMBER 2022

SHAREHOLDING STRUCTURE/FREE FLOAT STATUS

	31-Dec-22		31-Dec-21	
Description	**Unit**	**Percentage**	**Unit**	**Percentage**
Issued Share Capital	693,952,117.00	100	693,952,117.00	100
Substantial Shareholdings (5% and above)				
Conpetro Limited	516,298,603.00	74.40	516,298,603.00	74.40
Total Substantial Shareholdings	**516,298,603.00**	**74.40**	**516,298,603.00**	**74.40**
Directors Shareholdings (Direct & Indirect), Excluding Directors with substantial Interests				
Dr. M. E. Omatsola	541.00	0.000001	541	0.000001
Engr. Babatunde Okuyemi	8,500.00	0.000012	8,500	0.000012
Mr. Joshua Ariyo	25,365.00	0.000037	25,365	0.000037
Mr. Ademola Idowu	15,125.00	0.000022	15,125	0.000022
Total Directors Shareholding	**49,531.00**	**0.000071**	**49,531**	**0.000071**
Other Influential Shareholdings				
	Nil	Nil	Nil	Nil
Total Other Influential Shareholdings	**Nil**	**Nil**	**Nil**	**Nil**
Free Float in Units and Percentage	**168,336,550.00**	**24.26%**	**168,336,550**	**24.26%**

DECLARATION:

Conoil Plc with a free float percentage of 24.26% as at 31 December 2022, is compliant with The Exchange's Free Float requirements for the companies listed on the Main Board.

Nexia
Agbo Abel & Co

43 Anthony Enahoro Street
Utako District
Abuja - Nigeria

T:+234(0)809.238.4074
E: Info@nexianigeria.com

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF CONOIL PLC
ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of Conoil Plc which comprise the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory information set out on pages 51 to 83.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Conoil Pie as at 31 December 2022 and the financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards, Companies and Allied Matters Act 2020 and the Financial Reporting Council of Nigeria Act No 6, 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance wiU1 the requirements of the Institute of Chartered Accountants of Nigeria Professional Code of Conduct and Guide for Accountants (ICAN Code) and other independence requirements applicable to performing audits of financial statements in Nigeria. We have fulfilled our other ethical responsibilities in accordance with the ICAN Code and in accordance with other ethical requirements applicable to performing audits in Nigeria. The ICAN Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition	
See note 3.3 and note 5 to the financial statements.	
Key audit matter	**How our audit addressed the matter**
Revenue is a significant measure of the performance of the Company.	• Our audit procedures include testing of the design, existence and operating effectiveness of internal control procedures implemented as well as test of details to ensure accurate processing of revenue transactions. • We obtained and reviewed sales documents to ensure revenue were recognised in line with IFRS 15. Ensured that revenue was recognized based on performance of obligation i.e., when the control over products was transferred to the customer. We were conscious that the timing of control is dependent on whether the customer collects the products by himself or if the company delivers the product to them using third party transporters; and ensured that for the former, revenue was recognized only when the customer picks up the products from the Company's depots and the latter, when delivery has been made. Hence, we ensured that revenue was recognised at a point in time. • We performed substantive analytical procedures and investigated differences in excess of the threshold. • We performed cut-off tests to ensure that revenues were recognised in the correct accounting period so as to ensure that there was no under/over statement of revenue.

Contingent liabilities	
See note 3.14 and note 35 to the financial statements.	
Key audit matter	**How our audit addressed the matter**
Contingent liabilities relate to estimates including costs related to litigation and claims. The Company is exposed to a number of litigation and claims from suppliers. In recognising the contingent liabilities, the Directors determine their best estimate of related expenses and liabilities based on their judgment of specific details of the individual litigation and claims. Since actual expenses will depend on the future outcome of the litigation and claims, the provision for contingent liabilities is subject to inherent uncertainty.	• We received the list of outstanding litigation and claims and discussed the developments in the new and outstanding litigation and claims. • We considered management's assessment of the possible outcome of the litigation and claims for selected cases by discussing the matters with the legal team. • We corroborated the discussion held with management with confirmations from solicitors. • We recomputed the provisions for significant provisions.

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

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

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

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

Responsibilities of management and those charged with governance for the financial statements Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Companies and Allied Matters Act, 2020, the Financial Reporting Council of Nigeria Act No 6, 2011, the International Financial Reporting Standards and for such internal control as the directors determine is necessary • to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

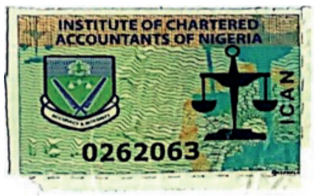
We a o provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other legal and regulatory requirements

In compliance with the requirements of the Fifth Schedule of the Companies and Allied Matters Act 2020, we confirm that:

i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
ii. the Company have kept proper books of account, so far as appears from our examination of those books; and
iii. the statements of financial position and comprehensive income are in agreement with the books of account and returns.

Abel Onyeke, FCA-FRC/2012/ICAN/00000000119
for: **Nexia Agbo Abel & Co**
Chartered Accountants
Abuja, Nigeria



19May2023

REPORT OF THE AUDIT COMMITTEE

FOR THE YEAR ENDED 31 DECEMBER 2022

In compliance with the provisions of Section 407 of the Companies and Allied Matters Act 2020, we confirm that we have:

1. Reviewed the scope and planning of the audit requirements

2. Reviewed the external auditors' Management Letter for the year ended 31 December 2022 as well as the Management's response thereon; and

3. Ascertained that the accounting and reporting policies of the Company for the year ended 31 December 2022 are in accordance with legal requirements and agreed ethical practices.

In our opinion, the scope and planning of the audit for the year ended 31 December 2022 were adequate and Management's responses to the External Auditors' findings were satisfactory.

In addition, the scope, planning and reporting of these Financial Statements were in compliance with the requirement of the Financial Reporting Standards as adopted by the Company.

Mr. Adesina Olalekan Oladepo
Chairman
FRC/2013/NIM/00000003678

19 May 2023

Members of the Audit Committee

Mrs. Adeleye Funmilola Bilqees
Comrade S.B. Aderenle
Mr. Joshua Ariyo
Mr. Ike Oraekwuotu

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 N'000	2021 N'000
Revenue	5	131,422,272	126,726,356
Cost of sales	6	(117,416,191)	(115,565,101)
Gross profit		**14,006,081**	**11,161,255**
Other operating income	7	141,561	172,014
Other gains or losses	8	8,336	115,963
Distribution expenses	9	(2,293,716)	(2,393,536)
Administrative expenses	10	(4,256,017)	(4,466,398)
Finance cost	11	(1,471,483)	(757,540)
Profit before tax	**12**	**6,134,762**	**3,831,758**
Income tax expense	13	(1,177,036)	(749,068)
Profit for the year		**4,957,726**	**3,082,690**
Other comprehensive income for the year net taxes		**-**	**-**
Total comprehensive income		**4,957,726**	**3,082,690**
Earnings per share			
Basic earnings per share (kobo)	**14**	**714**	**444**
Diluted earnings per share (kobo)	**14**	**714**	**444**

The notes on pages 51 to 83 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

Assets	Note	2022 N'000	2021 N'000
Non-current assets			
Property, plant and equipment	15	1,409,586	1,870,222
Intangible assets	16	10	24,694
Investment property	17	49,650	99,300
Other financial assets	18	10	10
Prepayments	19	25,219	124,639
Deferred tax assets	13	2,207,361	2,185,886
Total non-current assets		**3,691,836**	**4,304,751**
Current assets			
Inventories	20	5,260,146	8,755,322
Trade and other receivables	21	50,979,568	34,210,934
Prepayments	19	96,120	45,710
Cash and bank balances	22	5,881,568	6,664,629
Total current assets		**62,217,402**	**49,676,595**
Total assets		**65,909,238**	**53,981,346**
Equity and liabilities			
Equity			
Share capital	23	346,976	346,976
Share premium	23	3,824,769	3,824,769
Retained earnings	24	20,840,469	17,617,623
Total equity		**25,012,214**	**21,789,368**
Non - Current liabilities			
Distributors' deposits	27	486,599	488,170
Deferred tax liabilities	13	162,944	206,584
Decommissioning liability	28	102,329	96,623
Total non-current liabilities		**751,872**	**791,377**
Current liabilities			
Borrowings	25	5,705,419	7,356,367
Trade and other payables	26	31,467,097	22,011,093
Current tax payable	13	2,972,636	2,033,141
Total current liabilities		**40,145,152**	**31,400,601**
Total liabilities		**40,897,024**	**32,191,978**
Total equity and liabilities		**65,909,238**	**53,981,346**

These financial statements were approved by the Board of Directors on 19 May 2023 and signed on its behalf by:

Mr. Salam Ismail Ajani
Finance Director
FRC/2018/ICAN/00000018798

Dr. M. Ebietsuwa Omatsola
Director
FRC/2013/COMEG/00000003735

Mr. Kheterpal Hardeep Singh
Managing Director
FRC/2018/NIM/00000018841

The notes on pages 51 to 83 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

AS AT 31 DECEMBER 2022

	Share capital N'000	Share premium N'000	Retained earnings N'000	Total equity N'000
Balance at 1 January 2021	**346,976**	**3,824,769**	**15,348,274**	**19,520,019**
Profit for the year	-	-	3,082,690	3,082,690
Other comprehensive income (net of tax)	-	-	-	-
Total comprehensive income	**-**	**-**	**3,082,690**	**3,082,690**
Prior year adjustments	-	-	227,587	227,587
Dividends to shareholders	-	-	(1,040,928)	(1,040,928)
Balance at 31 December 2021	**346,976**	**3,824,769**	**17,617,623**	**21,789,368**
Balance at 1 January 2022	**346,976**	**3,824,769**	**17,617,623**	**21,789,368**
Profit for the year	-	-	4,957,726	4,957,726
Other comprehensive income (net of tax)	-	-	-	-
Total comprehensive income	**-**	**-**	**4,957,726**	**4,957,726**
Dividends to shareholders	-	-	(1,734,880)	(1,734,880)
Balance at 31 December 2022	**346,976**	**3,824,769**	**20,840,469**	**25,012,214**

The notes on pages 51 to 83 form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 N'000	2021 N'000
Profit before tax		6,134,762	3,831,758
Adjustments to reconcile profit before tax to net cash provided:			
Interest from bank deposits	7	(6,619)	(9)
Interest on bank overdraft	11	1,465,777	752,694
Accretion expense	11	5,706	4,846
Depreciation of property, plant and equipment	15	469,546	692,447
Amortisation of intangible assets	16	24,685	13,329
Depreciation of investment property	17	49,650	49,650
Withholding tax credit	13	-	(613)
Changes in working capital:			
Decrease/(increase) in inventories		3,495,176	(1,367,385)
(Increase) in trade and other receivables		(16,719,623)	(3,657,353)
Increase/(decrease) in trade and other payables		9,815,473	(3,647,653)
(Decrease) in distributors' deposits		(1,571)	(10,761)
Cash generated/(used) in operations		**4,732,962**	**(3,339,050)**
Tax paid		(302,656)	(1,021,405)
Value added tax paid		(353,764)	(199,146)
Net cash generated/(used) in operating activities		**4,076,542**	**(4,559,602)**
Cashflows from investing activities			
Purchase of property, plant and equipment	15	(8,910)	(35,515)
Purchase of intangible assets	16	-	(2,969)
Interest received	7	6,619	9
Net cash used in investing activities		**(2,291)**	**(38,475)**
Cashflows from financing activities			
Interest paid	11	(1,471,483)	(757,540)
Dividends paid	24	(1,734,880)	(1,040,928)
Net cash used in financing activities		**(3,206,363)**	**(1,798,468)**
Net increase/(decrease) in cash and cash equivalents		**867,887**	**(6,396,544)**
Cash and cash equivalents at 1 January		(691,738)	5,704,806
Cash and cash equivalents at 31 December	**22**	**176,149**	**(691,738)**

The notes on pages 51 to 83 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1. The Company

Conoil Plc ("The Company") was incorporated in 1960. The Company's authorised share capital is 700,000,000 ordinary shares of 50k each. The Company was established to engage in the marketing of refined petroleum products and the manufacturing and marketing of lubricants, household and industrial chemicals.

1.1 Composition of Financial Statements

The financial statements are drawn up in Nigerian Naira, the financial currency of **Conoil Plc**, in accordance with IFRS accounting presentation. The financial statements comprise:

- Statement of profit or loss and other comprehensive income
- Statement of financial position
- Statement of changes in equity
- Statement of cash flows
- Notes to the financial statements

Additional information provided by the management includes:
- Value added statement
- Five-year financial summary

1.2 Financial period

These financial statements cover the financial year from 1 January 2022 to 31 December 2022 with comparative figures for the financial year from 1 January 2021 to 31 December 2021.

2. Adoption of new and revised International Financial Reporting Standards (IFRS) and Interpretations by the International Financial Reporting Interpretations Committee (IFRIC)

2.1 Accounting standards and interpretations issued and effective

The following revisions to accounting standards and pronouncements were issued and effective at the reporting period.

Effective for the financial year commencing 1 January 2022

- Property,plant and Equipments: Proceeds before intended use(Amendment to IAS 16)
- Amendments to IFRS 3: Reference to conceptual framework
- Onerous Contracts—Cost of Fulfilling a Contract (Amendments to IAS 37)
- Annual improvements to IFRS standards 2018-2020

2.2 Accounting standards and interpretations issued but not yet effective

The following revisions to accounting standards and pronouncements that are applicable to the Company were issued but are not yet effective. Where IFRSs and IFRIC interpretations listed below permit early adoption, the Company has elected not to apply them in the preparation of these financial statements. The full impact of these IFRSs and IFRIC Interpretations is currently being assessed by the company, but none of these pronouncements are expected to result in any material adjustments to the financial statements.

Effective for the financial year commencing 1 January 2023

- Definitions of accounting estimates (Amendment to IAS 8)
- Classification of liabilities as current and Non current (Amendment to IAS 1)
- Disclosures of accounting policies(Amendment to IAS 1 and IFRS practice statement 2
- Sales and contribution of Asset between an investor and its associate or Joint venture (Amendment to IFRS 10

and IAS 28)

- Amendment to IAS 12 Income Taxes. Deffered tax related to asset and liability arising from a single transaction
- IFRS 17 - Insurance Contracts

2.1 Accounting standards and interpretations issued and effective

All standards and interpretations will be adopted at their effective date and their implications on the Company are stated below:

Standard	Nature of change	Required to be implemented for periods beginning on or after
Property, Plant and Equipment: Proceeds before intended use (Amendments to IAS 16)	The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 Inventories. The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes. If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost. The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented. The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.	1 January 2022
Amendments to IFRS 3 – Reference to the Conceptual Framework	The amendments update IFRS 3 so that it refers to the 2018. Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. Finally, the amendments add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.	1 January 2022

Standard	Nature of change	Required to be implemented for periods beginning on or after
Amendments to IAS 37 – Onerous Contracts—Cost of Fulfilling a Contract	The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application. The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.	1 January 2022
Annual Improvements to IFRS Standards 2018–2020	The following improvements were finalised in May 2020: • IFRS 9 Financial Instruments – clarifies which fees should be included in the 10% test for derecognition of financial liabilities. • IFRS 16 Leases – amendment of illustrative example 13 to remove the illustration of payments from the lessor relating to leasehold improvements, to remove any confusion about the treatment of lease incentives. • IFRS 1 First-time Adoption of International Financial Reporting Standards – allows entities that have measured their assets and liabilities at carrying amounts recorded in their parent's books to also measure any cumulative translation differences using the amounts reported by the parent. This amendment will also apply to associates and joint ventures that have taken the same IFRS 1 exemption. • • IAS 41 Agriculture – removal of the requirement for entities to exclude cash flows for taxation when measuring fair value under IAS 41. This amendment is intended to align with the requirement in the standard to discount cash flows on a post-tax basis.	1 January 2022

2.2 Accounting standards and interpretations issued but not yet effective

Standard	Nature of change	Required to be implemented for periods beginning on or after
Definition of Accounting Estimates (Amendments to IAS 8)	The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.	1 January 2023

Standard	Nature of change	Required to be implemented for periods beginning on or after
	The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted. However, the IASB retained the concept of changes in accounting estimates in the Standard with the following clarifications: • A change in accounting estimate that results from new information or new developments is not the correction of an error • The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors The IASB added two examples (Examples 4-5) to the Guidance on implementing IAS 8, which accompanies the Standard. The IASB has deleted one example (Example 3) as it could cause confusion in light of the amendments. The amendments are effective for annual periods beginning on or after 1 January 2023 to changes in accounting policies and changes in accounting estimates that occur on or after the beginning of that period, with earlier application permitted.	
Classification of Liabilities as Current or Non-current (Amendments to IAS 1)	The narrow-scope amendments to IAS 1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (eg the receipt of a waver or a breach of covenant). The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability. The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity. They must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. In May 2020, the IASB issued an Exposure Draft proposing to defer the effective date of the amendments to 1 January 2023.	1 January 2023
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	The IASB amended IAS 1 to require entities to disclose their material rather than their significant accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.	1 January 2023

Standard	Nature of change	Required to be implemented for periods beginning on or after
	To support this amendment, the IASB also amended IFRS Practice Statement 2 Making Materiality Judgements to provide guidance on how to apply the concept of materiality to accounting policy disclosures.	
Sale or contribution of assets between an investor and its associate or joint venture – (Amendments to IFRS 10 and IAS 28)	The IASB has made limited scope amendments to IFRS 10 Consolidated financial statements and IAS 28 Investments in Associates and Joint Ventures. The amendments clarify the accounting treatment for sales or contribution of assets between an investor and its associates or joint ventures. They confirm that the accounting treatment depends on whether the non-monetary assets sold or contributed to an associate or joint venture constitute a 'business' (as defined in IFRS 3 Business Combinations). Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. If the assets do not meet the definition of a business, the gain or loss is recognised by the investor only to the extent of the other investor's in the associate or joint venture. The amendments apply prospectively.	N/A**
IFRS 17 Insurance Contracts	IFRS 17 was issued in May 2017 as replacement for IFRS 4 Insurance Contracts. It requires a current measurement model where estimates are re-measured each reporting period. Contracts are measured using the building blocks of: • discounted probability-weighted cash flows • an explicit risk adjustment, and • a contractual service margin ("CSM") representing the unearned profit of the contract which is recognised as revenue over the coverage period. The standard allows a choice between recognising changes in discount rates either in the income statement or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under IFRS 9. An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for short duration contracts, which are often written by non-life insurers. There is a modification of the general measurement model called the 'variable fee approach' for certain contracts written by life insurers where policyholders share in the returns from underlying items. When applying the variable fee approach the entity's share of the fair value changes of the underlying items is included in the contractual service margin. The results of insurers using this model are therefore likely to be less volatile than under the general model. The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features. The directors do not anticipate that the application of the Standard in the future will have an impact on the Consolidated Financial Statements.	1 January 2023

Standard	Nature of change	Required to be implemented for periods beginning on or after
Amendments to IAS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	The amendments to IAS 12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities. The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with: • right-of-use assets and lease liabilities, and • decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets. The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. IAS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.	1 January 2023

3. Significant accounting policies

3.1 Statement of compliance

The annual financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Companies and Allied Matters Act (CAMA) and the Financial Reporting Council of Nigeria Act.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the assets. The principal accounting policies adopted are set out below.

3.2 Accounting principles and policies

The financial statements have been prepared in accordance with the Company's accounting policies approved by the Board of Directors of the Company.

3.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and sales related taxes (where applicable) as provided in the contract with the customers.

Exchanges of petroleum products within normal trading activities do not generate any income and therefore these flows are shown at their net value in both the statement of profit or loss and other comprehensive income and the statement of financial position.

3.3.1 Sale of goods

Revenue is measured based on the consideration stated in the contract with a customer while it recognises revenue when control over the good or service is transferred to a customer.

The timing of the satisfaction of performance obligation in contract with a customer, including significant payment terms and related revenue policies are met when:

- the good or service is delivered to a customer or its premises in line with the contract term.
- the customer accepts the good or service.
- obtain full control of the good or service delivered.
- at a point in time, invoices are generated and revenue is recognised in the books.

3.3.2 Interest revenue

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.3.3 Service income

Service income represents income from Entity's property at service stations while rental income represents income from letting of the entities building. Both service income and rental income are credited to the statement of comprehensive income when they are earned.

3.4 Foreign currency translation

The financial statements of the Company are prepared in Nigerian Naira which is its functional currency and presentation currency. In preparing the financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3.5 Pensions and other post-employment benefits

The Company operates a defined contribution pension plan for its employees and pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior years.

In addition, payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

The Company also operated a gratuity scheme for its qualified employees prior to 2008 which it has discontinued.

3.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

3.6.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

3.6.2 Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised based on tax laws and rates that have been enacted at the reporting date. Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3.7 Property, plant and equipment

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at cost less accumulated depreciation and accumulated impairment losses.

The initial cost of the property plant and equipment comprise of its purchase price or construction cost, any directly attributable cost to bringing the asset into operation, the initial estimate of dismantling obligation (where applicable) and any borrowing cost.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and assets under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting year, with the effect of any changes in estimate accounted for on a prospective basis. The basis for depreciation is as follows:

	Estimated useful life range	Rate
Freehold land and buildings	20 - 50 Years	5%
Leasehold land and buildings	20 - 50 Years	Over the period of the lease
Plant and machinery	5 - 10 Years	15%
Motor vehicles	2 - 5 Years	25%
Furniture, fittings and equipment:		
-Office furniture	3 - 12 Years	15%
-Office equipment	5 - 15 Years	15%
-Computer equipment	2 - 10 Years	33.33%
Intangible Assets - Software	5 - 10 Years	10%

Freehold land and Assets under construction are not depreciated.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.8 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets are amortised on a straight-line basis over the following periods:

Software	10 Years	10%

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset is measured as difference between the net disposal proceeds and the carrying amount of the asset are recognised as profit or loss when the asset is derecognised.

3.9 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes).

The initial cost of the investment property comprise of its purchase price or construction cost, any cost directly attributable to bringing the asset into operation, the initial estimating of dismantling obligation (where applicable) and any borrowing cost.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and assets under construction) less their residual values over their useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting year, with the effect of any changes in estimate accounted for on a prospective basis. The basis for depreciation is as follows:

Leasehold land and buildings	20 Years	5%

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year in which the property is derecognised.

3.10 Impairment of long lived assets

The recoverable amounts of intangible assets and property, plant and equipment are tested for impairment as soon as any indication of impairment exists. This test is performed at least annually. The recoverable amount is the higher of the fair value (less costs to sell) or its value in use.

Assets are grouped into cash-generating units (or CGUs) and tested. A cash-generating unit is a homogeneous group of assets that generates cash inflows that are largely independent of the cash inflows from other groups of assets. The value in use of a CGU is determined by reference to the discounted expected future cash flows, based upon the management's expectation of future economic and operating conditions. If this value is less than the carrying amount, an impairment loss on property, plant and equipment, or on other intangible assets, is recognised either in "Depreciation, depletion and amortization of property, plant and equipment, or in "Other expense", respectively. Impairment losses recognised in prior years can be reversed up to the original carrying amount, had the impairment loss not been recognised.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount in which case the reversal of the impairment loss is treated as a revaluation increase.

3.11 Non-current assets held for sale

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

3.12 Inventories

Inventories are valued at lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated selling expenses. Cost is determined on weighted average basis and includes all costs incurred in acquiring the inventories and bringing them to their present location and condition.

3.13 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, current balances with banks and similar institutions and highly liquid short term investments that are convertible into known amounts of cash and are subject to insignificant risks of changes in value. Investments with maturity greater than three months or less than twelve months are shown under current assets.

3.14 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

i. Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

ii. Restructuring

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

3.15 Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.15.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

a. Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments measured subsequently at amortised cost. Interest income is recognised in profit or loss and is included in the "investment income" line item.

b. Classification of financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

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

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. By default, all other financial assets are measured subsequently.

Trade and other receivables

Trade and other receivables are initially recognised at fair value, and are subsequently classified as loans and receivables and measured at amortised cost using the effective interest rate method. The provision for impairment of trade and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due in accordance with the original terms of the credit given and includes an assessment of recoverability based on historical trend analyses and events that exist at reporting date. The amount of the provision is the difference between the carrying value and the present value of estimated future cash flows, discounted at the effective interest rate computed at initial recognition.

Despite the foregoing, the Company may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Company may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Bank overdrafts are not offset against positive bank balances unless a legally enforceable right of offset exists, and there is an intention to settle the overdraft and realise the net cash simultaneously, or to settle on a net basis. All short term cash investments are invested with major financial institutions in order to manage credit risk.

c. Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. The foreign exchange component forms part of its fair value gain or loss. Therefore, for financial assets that are classified as at FVTPL, the foreign exchange component is recognised in profit or loss.

For foreign currency denominated debt instruments measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the financial assets and are recognised in the 'other gains and losses' line item in the Profit or loss.

d. Impairment of financial assets

Financial assets that are measured at amortised cost are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the asset have been affected.

The Company recognises loss allowances for Expected Credit Losses (ECLs) on:

– Financial assets measured at amortised cost;
– Debt investments measured at FVOCI; and
– Contract assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

– Debt securities that are determined to have low credit risk at the reporting date; and
– Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty or
- breach of contract, such as a default or delinquency in interest or principal payments or
- it becoming probable that the borrower will enter bankruptcy or financial reorganisation or
- the disappearance of an active market for that financial asset because of financial difficulties

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

The amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows reflecting the amount of collateral and guarantee, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written-off against the allowance account.

Subsequent recoveries of amounts previously written-off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

e. Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a financial asset that is classified as fair-value-through-other-comprehensive-income (FVTOCI), the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is reclassified to retained earnings.

3.15.2 Financial liabilities and equity

a. Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

c. Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'. The Company does not have financial liabilities classified as financial liabilities 'at FVTPL'.

Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

d. Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the 'other gains and losses' line item (note 8) in the profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period, For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

e. De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

3.16 Creditors and accruals

Creditors and accruals are the financial obligations due to third parties and are falling due within one year. The outstanding balances are not interest bearing and are stated at their nominal value.

3.17 Asset retirement obligations

Asset retirement obligations, which result from a legal or constructive obligation, are recognised based on a reasonable estimate in the year in which the obligation arises. The associated asset retirement costs are capitalized as part of the carrying amount of the underlying asset and depreciated over the useful life of this asset. An entity is required to measure changes in the liability for an asset retirement obligation due to the passage of time (accretion) by applying a risk-free discount rate to the amount of the liability. The increase of the provision due to the passage of time is recognised as part of finance cost.

4. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

4.1 Critical judgments in applying the accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

4.1.1 Revenue recognition

Revenue is measured based on the consideration stated in the contract with a customer. While the Company recognises revenue when it transfers control over the good or service to a customer. The timing of the satisfaction of performance obligation in contract with a customer, including significant payment terms and related revenue policies are met when:

- the good or service is delivered to a customer or its premises in line with the contract term
- and the customer accepts the good or service
- and obtain full control of the good or service delivered
- at that point in time, invoices are generated and revenue is recognised in the books.

4.1.2 Contingent liabilities

During the evaluation of whether certain liabilities represent contingent liabilities or provisions, management is required to exercise significant judgment. Based on the current status, facts and circumstances, management concluded that the dispute with one of its former suppliers (as disclosed in Note 35) should be classified as a contingent liability rather than a provision.

4.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

4.2.1 Useful lives of property, plant and equipment

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, the useful lives of property, plant and equipment remained constant.

4.2.2 Decommissioning liabilities

Estimates regarding cash flows, discount rate and weighted average expected timing of cashflows were made in arriving at the future liability relating to decommission costs.

4.2.3 Impairment losses on receivables

The Company reviews its receivables to access impairment at least on an annual basis. The Company's credit risk is primarily attributable to its trade receivables. In determining whether impairment losses should be reported in profit or loss, the Company makes judgments as to whether there is any observable data indicating that there is a measureable decrease in the estimated future cash flow. Accordingly, an allowance for impairment is made where there are identified loss events or condition which, based on previous experience, is evident of a reduction in the recoverability of the cash flows.

4.2.4 Allowance for obsolete inventory

The Company reviews its inventory to assess losses on account of obsolescence on a regular basis. In determining whether an allowance for obsolescence should be recorded in profit or loss, the Company makes judgments as to whether there is any observable data indicating that there is any future saleability of the product and the net realizable value of such products. Accordingly, allowance for impairment, if any, is made where the net realisable value is less than cost based on best estimates by the management.

4.2.5 Valuation of financial liabilities

Financial liabilities have been measured at amortised cost. The effective interest rate used in determining the amortised cost of the individual liability amounts has been estimated using the contractual cash flows on the loans. IAS 39 requires the use of the expected cash flows but also allows for the use of contractual cash flows in instances where the expected cash flows cannot be reliably determined. However, the effective interest rate has been determined to be the rate that effectively discounts all the future contractual cash flows on the loans including processing, management fees and other fees that are incidental to the different loan transactions.

4.2.6 Impairment on non-current assets

Determining whether non-current assets are impaired requires an estimation of the value in use of the cash generating units to which assets have been allocated. The value in use calculation requires the Company to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. The assets were tested for impairment and there was no indication of impairment observed after testing. Therefore, no impairment loss was recognised during the year.

5. Revenue

The following is the analysis of the Company's revenue for the year from continuing operations (excluding investment income).

	2022 N'000	2021 N'000
Revenue from sale of petroleum products	131,422,272	126,726,356

5.1 All the sales were made within Nigeria.

6. Segment information

The reportable segments of **Conoil Plc** are strategic business units that offer different products. The report of each segment is reviewed by management for resource allocation and performance assessment. Operating segments were identified on the basis of differences in products. The Company has identified three operating and reportable segments: White products, Lubricants and Liquefied Petroleum Gas (LPG). The White products segment is involved in the sale of Premium Motor Spirit (PMS), Aviation Turbine Kerosene (ATK), Dual Purpose Kerosene (DPK), Low-pour Fuel Oil (LPFO) and Automotive Gasoline/grease Oil (AGO). The products under the lubricants segment are Lubricants transport, Lubricants industrial, Greases, Process Oil and Bitumen. Products traded under LPG segment are Liquefied Petroleum Gas - Bulk, Liquefied Petroleum Gas - Packed, cylinders and valves.

The segment results for the year ended 31 December 2022 are as follows:

	White Products		Lubricants		LPG		Total	
	N'000	%	N'000	%	N'000	%	N'000	%
Revenue	120,366,936	92	11,055,336	8	-	-	131,422,272	100
Cost of sales	(107,886,986)	92	(9,529,205)	8	-	-	(117,416,191)	100
Gross profit	**12,479,950**		**1,526,131**		**-**		**14,006,081**	

The segment results for the year ended 31 December 2021 are as follows:

	White Products		Lubricants		LPG		Total	
	N'000	%	N'000	%	N'000	%	N'000	%
Revenue	117,003,006	92	9,723,351	8	-	-	126,726,357	100
Cost of sales	(108,762,329)	94	(6,802,725)	6	(47)	0	(115,565,101)	100
Gross profit	**8,240,677**		**2,920,626**		**(47)**		**11,161,256**	

2022 segment cost of sales - Analysis

	White Products N'000	Lubricants N'000	LPG N'000	Total N'000
Stock at 1 January	2,725,366	6,029,228	729	8,755,323
Purchases	106,574,042	4,508,366	-	113,921,014
Stock at 31 December	(4,251,028)	(1,008,389)	(729)	(5,260,146)
	108,762,321	**9,529,205**	**-**	**117,416,191**

2021 segment cost of sales - Analysis

	White Products N'000	Lubricants N'000	LPG N'000	Total N'000
Stock at 1 January	4,913,655	2,473,505	776	7,387,936
Purchases	106,574,042	10,358,446	-	116,932,488
Stock at 31 December	(2,725,366)	(6,029,228)	(729)	(8,755,323)
	108,762,321	**6,802,723**	**47**	**115,565,101**

6.1 There is no disclosure of assets per business segment because the assets of the Company are not directly related to a particular business segment.

6.2 There is also no distinguishable component of the Company that is engaged in providing products or services within a particular economic environment and that is subject to risk and returns that are different from those of components operating in other economic environments.

6.3 The stock value in this segment analysis does not include provision for stock loss.

7. Other operating income

Rental income:	**2022 N'000**	**2021 N'000**
Rental income	23,871	10,153
Service income	111,071	161,852
Interest income:		
Interest from bank deposits	6,619	9
	141,561	**172,014**

8. Other gains or losses

Exchange gain	8,336	115,963
	8,336	**115,963**

9. Distribution expenses

Freight costs	2,190,865	2,260,445
Marketing expenses	102,851	133,091
	2,293,716	**2,393,536**

10. Administration expenses

	2022 N'000	2021 N'000
Staff cost	1,776,416	2,182,646
Depreciation of property, plant and equipment	469,546	692,447
Rent and rates	705,759	558,071
Litigation claims (Note 35.1)	71,773	60,000
Provision for bad and doubtful debts	-	102,386
Repairs and maintenance	100,784	168,211
Pension fund - employer's contribution	113,870	130,011
Insurance	175,040	64,231
Security services	68,680	70,043
Throughput others	110,455	44,057
Postages, telephone and telex	79,418	54,955
Depreciation of investment property	49,650	49,650
Own used oil	224,745	14,078
Subscriptions	10,830	955
Travelling	37,094	35,234
Annual General Meeting	38,697	21,861
Staff training and welfare	25,941	26,942
Directors' remuneration	37,462	30,330
Consumables, small tools and equipment	17,028	13,149
Water and electricity	33,971	37,310
Audit fee	29,798	25,191
Amortisation of intangible asset	24,685	13,329
Health safety and environmental expenses	12,473	28,213
Printing and stationery	12,676	6,110
Bank charges	2,696	1,330
Vehicle, plant and equipment running	9,345	8,906
Legal and professional charges	4,352	7,005
Medical	378	1,098
Entertainment and hotels	9,497	4,701
Other expenses	2,961	13,947
	4,256,017	**4,466,398**

11. Finance cost

Interest on bank overdraft	1,465,777	752,694
Accretion expense (Note 28)	5,706	4,846
	1,471,483	**757,540**

Bank overdrafts are repayable on demand. The average effective interest rate on bank overdrafts approximates 14.7% (2021: 14.9%) per annum and are determined based on NIBOR plus lender's mark-up.

The overdraft was necessitated by delay in payment of outstanding subsidy claims from the Federal Government on importation/purchase of products for resale in line with the provision of Petroleum Support Fund Act for regulated petroleum products.

12. Profit before tax

This is stated after charging/(crediting) the following:	2022 N'000	2021 N'000
Depreciation of property, plant and equipment	469,546	692,447
Depreciation of investment property	25,941	26,942
Director's emoluments	37,462	44,057
Auditors remuneration	29,798	25,191
Amortisation of intangible asset	9,345	8,906
Exchange gain	(8,336)	(115,963)

13. Taxation

13.1 Income tax recognised in profit or loss

Current tax		
Income tax	1,074,284	635,894
Education tax	167,561	119,180
Police trust fund levy	307	-
Deferred tax		
Deferred tax (credited) in the current year	(65,115)	(6,006)
Total income tax expense recognised in the current year	1,177,036	749,068
At 1 January	2,033,141	2,300,083
Payment during the year	(302,656)	(1,021,404)
Withholding tax utilised during the year	-	(612)
Transfer to deferred tax (Note 13.1)	65,115	6,006
Per statement of financial position	**2,972,636**	**2,033,141**
Balance above is made up of :		
Company income tax	2,639,347	1,825,171
Education tax	332,702	207,690
Capital gains tax	280	280
Police trust fund levy	307	-
	2,972,636	**2,033,141**
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax from operations	**6,134,762**	**3,831,758**
Expected income tax expense calculated at 30% (2021: 30%)	1,840,429	1,149,527
Education tax expense calculated at 2.5% (2021: 2.5%) of assessable profit	167,561	119,180
Effect of expenses that are not deductible in determining taxable profit	155,759	281,701
Investment allowance	(2,673)	(1,065)
Effect of capital allowance on assessable profit	(918,924)	(794,269)
Timing difference recognised as deferred tax asset	(65,115)	(6,006)
Income tax expense recognised in profit or loss	**1,177,036**	**749,068**
Adjustments recognised in the current year in relation to the tax of prior years	-	-
	1,177,036	**749,068**

The charge for taxation in these financial statements is based on the provisions of the Companies Income Tax Act CAP C21 LFN 2004 as amended to date, tertiary education tax charge is based on the Tertiary Education Trust Fund Act, 2011 and Capital Gains Tax Act CAP C1 LFN 2004.

13.2 Deferred tax

Deferred tax assets and liabilities are attributable to the following;	2022 N'000	2021 N'000
Deferred tax assets	2,207,361	2,185,886
Deferred tax liabilities	(162,944)	(206,584)
Deferred tax assets (net)	**2,044,417**	**1,979,302**

Deferred tax assets	Property, plant and equipment N'000	Provisions and others N'000	Total N'000
Balance at 1 January 2022	-	(2,185,886)	(2,185,886)
Charged to profit or loss	-	(21,475)	(21,475)
Balance at 31 December 2022	**-**	**(2,207,361)**	**(2,207,361)**

Deferred tax liabilities	Property, plant and equipment N'000	Provisions and others N'000	Total N'000
Balance at 1 January 2022	206,584	-	206,584
Charged to profit or loss	(43,640)	-	(43,640)
Balance at 31 December 2021	**162,944**	**-**	**162,944**

Deferred tax as at 31 December 2022 is mainly attributed to the result of differences between the rates of depreciation adopted for accounting purposes and the rates of capital allowances granted for tax purposes. Provision for bad and doubtful debt as well as provision for litigation claims also contributed to the deferred tax asset balance.

14. Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows.

Earnings	2022 N'000	2021 N'000
Earnings for the purposes of basic earnings per share being net profit attributable to equity holders of the Company	4,957,726	3,082,690

Number of shares	Number	Number
Weighted average number of ordinary shares for the purposes of basic earnings per share	693,952,117	693,952,117

Basic earnings per 50k share	2022 Kobo per share	2021 Kobo per share
From continuing operations	714	444
Diluted earnings per 50k share		
From continuing operations	714	444

Earnings per share is calculated by dividing net income by the number of ordinary shares outstanding during the year.

Property, plant and equipment	Freehold land N '000	Freehold buildings N '000	Plant & machinery N '000	Furniture & fittings N '000	Motor vehicles N '000	Computer equipment N '000	Total N '000
Cost:							
As at 1 January 2021	147,766	6,953,739	12,076,731	4,388,254	2,209,178	1,081,028	26,856,696
Additions	-	-	33,783	-	-	1,731	35,514
At 31 December 2021	147,766	6,953,739	12,110,514	4,388,254	2,209,178	1,082,759	26,892,210
Additions	-	-	7,408	-	-	1,502	8,910
At 31 December 2022	**147,766**	**6,953,739**	**12,117,922**	**4,388,254**	**2,209,178**	**1,084,261**	**26,901,120**
Accumulated depreciation and impairment loss:							
As at 1 January 2021	-	5,258,021	11,950,735	4,255,984	2,058,392	1,033,998	24,557,130
Adjustment (Note 15.5)	-	-	(209,453)	-	(18,134)	-	(227,587)
Charge for the year	-	347,686	131,318	33,641	168,649	11,151	692,445
At 31 December 2021	-	5,605,707	11,872,600	4,289,625	2,208,907	1,045,149	25,021,988
Charge for the year	-	347,687	79,902	30,044	262	11,652	469,546
At 31 December 2022	**-**	**5,953,394**	**11,952,502**	**4,319,669**	**2,209,169**	**1,056,801**	**25,491,534**
Carrying amount							
At 31 December 2022	**147,766**	**1,000,345**	**165,420**	**68,585**	**10**	**27,461**	**1,409,586**
At 31 December 2021	**147,766**	**1,348,032**	**237,914**	**98,629**	**271**	**37,610**	**1,870,222**

15.1 Impairment assessment

Impairment assessment of assets in the year under review disclosed no material impairment loss on any of the Company's assets.

15.2 Contractual commitment for capital expenditure

There were no capital commitments for the purchase of property, plant and equipment in the year.

15.3 Assets pledged as security

No asset was pledged as security as at 31 December 2022 (2021: nil)

15.4 Work in progress

This refers to capital expenditure incurred on items of property plant and equipment which are however not ready for use and therefore not depreciated during the year.

15.5 Prior year adjustment

This refers to the following:

	2021 N '000
Reversal of prior year over provision for depreciation on plant and machinery	(209,453)
Reversal of prior year over provision for depreciation on motor vehicle	(18,134)
	(227,587)

16. Intangible assets

Computer software:	2022 N'000	2021 N'000
Cost:		
As at 1 January	133,290	130,321
Additions during the year	-	2,969
At 31 December	133,290	133,290
Accumulated amortisation:		
As at 1 January	108,596	95,267
Charge for the year	24,685	13,329
At 31 December	**133,281**	**108,596**
Carrying amount		
At 31 December	**10**	**24,694**

17. Investment property

Building:		
Cost:		
As at 1 January	993,000	993,000
Additions during the year	-	-
At 31 December	**993,000**	**993,000**
Accumulated depreciation:		
As at 1 January	893,700	844,050
Charge for the year	49,650	49,650
At 31 December	**943,350**	**893,700**
Carrying amount		
At 31 December	**49,650**	**99,300**

The Company's investment property is held under freehold interests.

18. Other financial assets

Investment in Nigerian Yeast and Alcohol Manufacturing Plc

Cost	1,846	1,846
Impairment	(1,836)	(1,836)
	10	**10**

Nigerian Yeast and Alcohol Manufacturing Company Plc (NIYAMCO) has stopped business operations for several years, hence the Company has impaired its investments.

19. Prepayments

	2022 N'000	2021 N'000
Current		
Prepaid rent and insurance	96,120	45,710
	96,120	**45,710**
Non-current		
Prepaid rent	25,219	124,639
	25,219	**124,639**

Prepayments are rents paid in advance to owners of properties occupied by **Conoil Plc** for the purpose of carrying out business in various locations in Nigeria.

20. Inventories

	2022 N'000	2021 N'000
White products (Note 20.1)	4,251,028	2,725,366
Lubricants	1,008,389	6,029,228
LPG	729	729
	5,260,146	**8,755,323**

20.1 White products include Premium Motor Spirit (PMS), Aviation Turbine Kerosene (ATK), Dual Purpose Kerosene (DPK), Low-pour Fuel Oil (LPFO) and Automotive Gasoline/Grease Oil (AGO).

21. Trade and other receivables

	2022 N'000	2021 N'000
Trade debtors	28,835,581	24,716,389
Allowance for bad and doubtful debts	(5,913,998)	(5,913,998)
	22,921,583	18,802,391
Bridging claims receivable (Note 21.3)	2,398,335	2,184,219
Advance from related company (Note 32)	211,939	24,567
Advance for product supplies	20,826,290	8,637,355
Deposit for litigation claims (Note 35.2)	4,347,126	4,347,126
Withholding tax recoverable (Note 21.4)	-	-
Other debtors (Note 21.1)	274,295	215,276
	50,979,568	**34,210,934**

21.1 Other debtors balance includes :

Advance deposits	520,794	498,419
Insurance claims receivables	29,641	29,641
Employee advances	27,053	16,269
Retail outlet statutory fees	33,751	7,891
Provision for doubtful advance deposits	(336,944)	(336,944)
	274,295	**215,276**

21.2 Third party trade receivables above are non-interest bearing, and include amounts which are past due at the reporting date but against which the Company has not received settlement. Amounts due from related parties are also unsecured, non-interest bearing, and are repayable upon demand. The Company has a payment cycle of between 30 and 60 days for credit sales. Specific provisions are made for trade debts on occurrence of any situation judged by management to impede full recovery of the trade debt.

The Company does not hold any collateral over these balances.

Ageing of trade debtors	2022 N'000	2021 N'000
Current	22,762,015	16,779,568
Less than 90 days	148,765	2,023,735
91 - 180 days	10,803	16,613
181 - 360 days	-	6,567
Above 360 days	5,913,998	5,913,998
Total	**28,835,581**	**24,740,480**

Based on credit risks and historical payments pattern analysis of customers, the Directors are of the opinion that the unimpaired amounts that are past due by more than 90 days are still collectible in full.

	2022 N'000	2021 N'000
Ageing of allowance for bad and doubtful debts		
Less than 90 days	-	-
91 - 180 days	-	-
181 - 360 days	-	-
Above 360 days	5,913,998	5,913,998
Total	**5,913,998**	**5,913,998**

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

Allowance for bad and doubtful debts	2022 N'000	2021 N'000
As at 1 January	5,913,998	5,811,612
Provision for the year	-	102,386
As at 31 December	**5,913,998**	**5,913,998**

21.3 Bridging claims receivable

Bridging claims are costs of transporting white products such as Premium Motor Spirit (PMS), Dual Purpose Kerosene (DPK) except Aviation Turbine Kerosene (ATK) and Automotive Gas Oil (AGO) from specific Pipelines and Products Marketing Company depots to approved zones which are claimable from the Federal Government. Bridging claims are handled by the Petroleum Equalization Fund. The bridging claims receivable at the end of the year is stated after deduction of a specific provision for claims considered doubtful of recovery.

21.4 Withholding tax recoverable

	2022 N'000	2021 N'000
As at 1 January	-	109,431
Addition during the year	-	-
Amount utilised during the year	-	(109,431)
As at 31 December	**-**	**-**

22. Cash and cash equivalents

Cash and bank	5,881,568	6,664,629
Bank overdraft	(5,705,419)	(7,356,367)
Cash and cash equivalents	**176,149**	**(691,738)**

The Company did not have any restricted cash at the reporting date (2021: nil).

23. Share capital

Authorised	2022 N'000	2021 N'000
700,000,000 ordinary shares of 50k each	350,000	350,000
Issued and fully paid		
693,952,117 ordinary shares of 50k each	346,976	346,976
Share premium account		
At 31 December	3,824,769	3,824,769

24. Retained earnings

	2022 N'000	2021 N'000
At 1 January	17,617,623	15,348,274
Dividend declared and paid	(1,734,880)	(1,040,928)
Prior year adjustments (Note 15.5)	-	227,587
Profit for the year	4,957,726	3,082,690
At 31 December	**20,840,469**	**17,617,623**

At the Annual General Meeting held on 28 October 2022, the shareholders approved that dividend of 250 kobo per share be paid to shareholders (total value N1.73 billion) for the year ended 31 December 2021. In respect of the current year, the Directors proposed that a dividend of 250 kobo per ordinary share be paid to shareholders. The dividend is subject to approval by shareholders at the Annual General Meeting and deduction of withholding tax at the appropriate rate. Consequently, it has not been included as a liability in these financial statements.

24.1 Dividend

	2022 N'000	2021 N'000
Summary		
As at 1 January	141,429	141,429
Dividend declared	1,734,880	1,040,928
Dividend - Sterling Registrars	-	-
	1,876,309	**1,182,357**
Payments - Meristem Registrars	(1,734,880)	(1,040,928)
As at 31 December	**141,429**	**141,429**

24.2 Unclaimed dividends are the amounts payable to Nigerian shareholders in respect of dividends previously declared by the Company which have been outstanding for more than 15 months after the initial payment.

	Year	No. of Shareholders	2022 N
Dividend No. 15	2005	84,678	96,704,118
Dividend No. 16	2006	92,078	129,651,096
Dividend No. 17	2007	101,602	175,789,166
Dividend No. 18	2008	98,854	155,953,368
Dividend No. 19	2009	97,128	60,051,838
Dividend No. 20	2010	105,918	117,335,900
Dividend No. 21	2011	106,339	159,632,278
Dividend No. 22	2012	107,944	186,618,512
Dividend No. 23	2013	97,516	75,999,695
Dividend No. 24	2014	97,618	265,140,714
Dividend No. 25	2015	103,594	65,389,328
Dividend No. 26	2016	107,525	213,490,548
Dividend No. 27	2017	110,679	226,378,430
Dividend No. 28	2018	115,673	162,508,651
Dividend No. 29	2019	115,919	160,194,278
Dividend No. 30	2020	-	-
Dividend No. 31	2021	-	-
			2,250,837,920

24.3 Dividend per share is based on the issued and fully paid up shares as at 31 December 2022.

25. Borrowings

	2022 N'000	2021 N'000
Unsecured borrowing at amortised cost		
Bank overdraft	5,705,419	7,356,367

Bank overdrafts are repayable on demand. The average effective interest rate on bank overdrafts approximates 14.7% (2021: 14.90%) per annum and is determined based on NIBOR plus lender's mark-up.

There is no security or pledge on the Company's assets with respect to the borrowings.

26. Trade and other payables

	2022 N'000	2021 N'000
Trade creditors - Local	4,024,006	3,422,096
Bridging contribution (Note 26.2)	1,512,402	5,484,302
Trade creditors - Imported	6,883,210	-
Due to related parties (Note 32)	82,336	43,394
Value added tax payable	1,557,272	971,358
Withholding tax payable	433,677	595,557
PAYE payable	397,471	350,035
Payables to PPPRA	44,816	44,217
Staff Pension and similar obligations (Note 26.3)	18,145	1,608
Unclaimed dividend (Note 24.1)	141,429	141,429
Other creditors and accruals (Note 26.1)	16,372,333	10,957,097
	31,467,097	**22,011,093**

26.1 Other creditors and accruals

Non-trade creditors (Note 26.4)	8,942,605	3,705,193
Litigation claims	4,481,773	4,410,000
Rent	1,441,741	1,530,381
Insurance premium	900,543	794,732
Employees payables	507,217	321,911
Lube incentives	-	89,301
Surcharges	73,262	80,388
Audit fees	25,191	25,191
	16,372,333	**10,957,097**

26.2 Bridging contributions

Bridging contributions are mandatory contributions per litre of all white products lifted to assist the Federal Government defray the Bridging claims.

26.3 Staff pension

	2022 N'000	2021 N'000
At 1 January	1,608	1,608
Contributions during the year	204,966	234,021
Remittance in the year	(188,429)	(234,021)
At 31 December	**18,145**	**1,608**

26.4 Non-trade creditors represent sundry creditors balances for various supplies and contracts carried out but unpaid for as at 31 December 2022.

27. Distributors' deposit

	2022 N'000	2021 N'000
At 1 January	488,170	498,932
New deposits	1,000	1,000
Refunds	(2,571)	(11,762)
At 31 December	**486,599**	**488,170**

Distributors' deposit represents amounts collected by the Company from its various dealers and distributors as security deposit against the value of the Company's assets with these dealers.

28. Decommissioning liability

The following table presents the reconciliation of the carrying amount of the obligation associated with the decommissioning of the Company's signages and fuel pumps:

	2022 N'000	2021 N'000
At 1 January	96,623	64,475
Addition		27,301
Asset decommissioned	-	-
Accretion	5,706	4,847
Balance at 31 December	**102,329**	**96,623**

Decommissioning liabilities is accounted for in accordance with IAS 37, Provisions, contingent liabilities and contingent assets and IAS 16, Property, plant and equipment. The associated asset retirement costs are capitalized as part of the carrying cost of the asset. Asset retirement obligations consist of estimated costs for dismantlement and removal of signages and pumps from dealer-owned service stations. An asset retirement obligation and the related asset retirement cost are recorded when an asset is first constructed or purchased.

The asset retirement cost is determined and discounted to present value using commercial lending rate ruling at the reporting period. After the initial recording, the liability is increased for the passage of time, with the increase being reflected as accretion expense in the statement of profit or loss and other comprehensive income.

29. Financial instrument

29.1 Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the basis of measurement and the bases for recognition of income and expenses) for each class of financial asset, financial liability and equity instrument are disclosed in the accounting policies in Note 3 to the financial statements.

29.2 Significant accounting policies

Financial asset	**2022 N'000**	**2021 N'000**
Cash and bank balance	5,881,568	6,664,629
Loans and receivables	50,705,273	33,995,658
	56,586,841	**40,660,287**
Financial liabilities		
Financial liabilities at amortized cost:		
Trade and other payables	29,078,678	20,094,143
Borrowings	5,705,419	7,356,367
	34,784,097	**27,450,510**

29.3 Fair value of financial instruments

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded in the financial statements approximate their fair values.

30. Financial risk management

Risk management roles and responsibilities are assigned to stake holders in the Company at three levels: The Board, Executive Committee and Line Managers.

The Board oversight is performed by the Board of Directors through the Board Risk and Management Committee.

The second level is performed by the Executive Management Committee (EXCOM).

The third level is performed by all line managers under EXCOM and their direct reports. They are required to comply with all risk policies and procedures and to manage risk exposures that arise from daily operations.

The Internal Audit Department provides an independent assurance of the risk frame work. They assess compliance with established controls and recommendations for improvement in processes are escalated to relevant management, Audit Committee and Board of Directors.

30.1 Financial risk management objectives

The Company manages financial risk relating to its operations through internal risk reports which analyses exposure by degree and magnitude of risk. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

30.2 Interest rate risk management

The Company is exposed to interest rate risk because the Company borrows funds at both fixed and floating interest rates (overdraft). The risk is managed by the Company by maintaining an appropriate mix between short and long term borrowings. The risk is managed by the Company by constantly negotiating with the banks to ensure that interest are consistent with the monetary policy rates as defined by the Central Bank of Nigeria.

Interest rate risk

Sensitivity Analysis
At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was:

Variable rate instruments:	Average rate	2022 N'000	2021 N'000
Financial assets	-	-	-
Bank overdrafts	14.7% (2021: 14.9%)	5,705,419	7,356,367
		5,705,419	**7,356,367**

Sensitivity Analysis of variable rate instruments
A change of 200 basis points (2%) in interest rates at the reporting date would have increased/(decreased) equity and profit and loss after tax by the amounts shown below:

	Interest charged		Effect of Increase/ Decrease in Exchange Rate
31 December 2022	1,465,777	+/-2	143,586
31 December 2021	752,694	+/-2	73,733

30.3 Foreign currency risk
The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange contracts.

The carrying amounts of the Company's foreign denominated monetary assets and monetary liabilities as at 31 December 2022 are as follows:

Assets	2022 N'000	2021 N'000
Cash and bank balance	300,975	2,291,912
	300,975	**2,291,912**
Liabilities		
Financial liabilities at amortized cost:		
Trade and other payables	6,883,210	-
	6,883,210	**-**

A movement in the exchange rate either positively or negatively by 200 basis points is illustrated below. Such movement would have increased/(decreased) the cash and bank balance by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables in particular interest rates remain constant.

Effect in thousands of Naira **31 December 2022**	Foreign Currency US$'000	Naira Balance N'000	Exchange Rate	Effect of Increase/ Decrease in Exchange Rate N'000
USD	726	300,975	414.72	6,019.50

Effect in thousands of Naira **31 December 2021**	Foreign Currency US$'000	Naira Balance N'000	Exchange Rate	Effect of Increase/ Decrease in Exchange Rate N'000
USD	5,550	2,291,912	412.99	45,838.25

The weakening of the naira against the above currencies at 31 December would have had an equal but opposite effect on the above currencies to the amount shown above where other variables remain constant.

30.4 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company uses publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased.

30.5 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established a liquidity risk management framework for the management of the Company's short- medium - and longterm funding and liquidity management requirements. The Company manages liquidity risk by maintaining reserves, banking facilities and reserve borrowing facilities, by monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Financing facilities

Unsecured bank loans and overdrafts payable at call and reviewed annually.

	2022 N'000	2021 N'000
Amount used	5,705,419	7,356,367
Amount unused	14,294,581	19,830,633
	20,000,000	**27,187,000**

Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the balance sheet date. The contractual maturity is based on the earliest date on which the Company may be required to pay.

31 December 2022	Weighted Average Effective Interest rate %	0 - 3 Months N'000	3 month -1 year N'000	Total N'000
Trade and other payables	-	31,467,097	-	31,467,097
Borrowings	14.70	5,705,419	-	5,705,419
		37,172,516	**-**	**37,172,516**

31 December 2021	Weighted Average Effective Interest rate %	0 - 3 Months N'000	3 month -1 year N'000	Total N'000
Trade and other payables	-	22,011,094	-	22,011,094
Borrowings	14.90	7,356,367	-	7,356,367
		29,367,461	**-**	**29,367,461**

31. Gearing ratio and capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing returns to stakeholders through the optimization of the debt and equity balance. The Company's overall strategy remains unchanged from prior year.

The capital structure of the Company consists of debt, which includes the borrowings disclosed in, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed in relevant notes in the financial statements.

The Company is not subject to any externally imposed capital requirements. The gearing ratio at the year end is as follows:

	2022 N'000	2021 N'000
Debt	5,705,419	7,356,367
Equity	25,012,214	21,789,368
Net debt to equity ratio	**0.23**	**0.34**

Equity includes all capital and reserves of the Company that are managed as capital.

32. Related party transactions

During the year, the Company traded with the following companies with which it shares common ownership based on terms similar to those entered into with third parties as stated below:

31 December 2022	Sales of Goods N'000	Purchase of Goods N'000	Balance due (to)/from N'000	Deposits/ (Payable) N'000	Overdraft and Term loan N'000
Sterling Bank Plc	-	-	2,992,286	-	-
Glo Mobile Limited	370	(55,814)	(54,167)	-	-
Conoil Producing Limited	44,922	-	44,922	-	-
Southern Air Limited	142,450	-	166,541	-	-
Proline (WA) Limited			(28,169)	-	-
SETA Investment Limited			476	-	-
	187,742	**(55,814)**	**3,121,889**	**-**	

-

31 December 2021	Sales of Goods N'000	Purchase of Goods N'000	Balance due (to)/from N'000	Deposits N'000	Overdraft and Term loan N'000
Sterling Bank Plc	-	-	3,412,169	-	-
Glo Mobile Limited	-	(38,960)	(15,227)	-	-
Conoil Producing Limited	649,710	-	-	-	-
Southern Air Limited	47,242	-	24,091	-	-
Proline (WA) Limited	-	(96,704)	(28,167)	-	-
SETA Investment Limited	47,242	-	476	-	-
	744,194	**(135,664)**	**3,393,342**	**-**	**-**

The Chairman of the Company, Dr Mike Adenuga (Jr.) GCON, has significant interests in Glo Mobile Limited, Principal Enterprises, Southern Air Limited, Sterling Bank Plc (formerly Equitorial Trust Bank), Conoil Producing Limited (formerly Consolidated Oil Limited), Synopsis Enterprises Limited, Proline West Africa Limited and Conpetro Limited.

During the year, the Company sold petroleum products - Premium Motor Spirit (PMS) and Automotive Gas Oil (AGO) to Consolidated Oil Limited. It also sold Aviation Turbine Kerosene (ATK) to Southern Air Limited.

The Company also sold and purchased goods from Glo Mobile Limited and utilizes the service of Proline (WA) Limited to manage its stations.

As at 31 December 2022, N54.2 million was due to Glo Mobile Limited (2021: N15.2 million), N44.9 million was due from Conoil Producing Limited, N166.5 million (2021: N24 million) was due from Southern Air Limited, N0.47 million (2021: N0.47 million) was due from Seta Investment Limited, and N28.2 million (2021: N28.2 million) was due to Proline (WA) Limited.

The Company also carried out banking transactions with Sterlings Bank Plc during the period. As at 31 December 2022, the Company had deposits totalled N3.0 billion (2021: N3.4 billion) with the Bank.

33. Capital commitment

There were no capital commitments as at 31 December 2022 (2021: nil).

34. Financial commitment

As at 31 December 2022, the Company had outstanding letters of credit to the tune of N110.7 million with First Bank Plc and N6.5 billion with Guaranty Trust bank Plc(2021: N115.5 million).

35. Contingent liabilities

The Company is in litigation with Nimex Petrochemical Nigeria Limited (Nimex), one of its former suppliers of products. In 2007, Nimex sued the company for US$3,316,702.71 and US$127,060.62 being demurrage and interest incurred for various supplies of petroleum products. The Federal High Court gave judgment in favour of Nimex in the sum of US$13,756,728 which included the amount claimed and interest at 21% till judgment was delivered and also granted a stay of execution with a condition that the judgment sum be paid into the court. The court also granted a garnishee order against First Bank of Nigeria Limited to pay the Company's money with the bank into the court. **Conoil Plc** has appealed against the judgment to the Court of Appeal in Abuja. The appeal is pending and the Directors, on the advice of the external solicitors, are of the opinion that the judgement of the Federal High Court will be upturned. The current value of the judgment sum which is N4.3 billion has been fully provided for in these financial statements to mitigate any possible future loss. A provision of N71,773,439.56 was also made during the year for failure of the Company to quit leased properties.

36. Post balance sheet events

There were no material events after the reporting period which could have had material effect on the state of affairs of the Company as at 31 December 2022 and the profit for the year then ended date that have not been adequately provided for or recognised in the financial statements.

37. Impact of Covid-19 Pandemic

The company has considered the impact of COVID-19 on its business operations and has put in place appropriate safeguards to minimize the effects. In doing so, management has considered its impact on the basis of the following accounting standards:

1. **Expected credit losses under IFRS 9 'Financial instruments'**
   COVID-19 can affect the ability of the Company to receive payments as and when due which is an indication of a significant increase in credit risk. For this, the Company reviewed its impairment assessment of trade receivables balances.

2. **Impairment of tangible and intangible assets under IAS 36 'Impairment of non-financial assets**
   As a result of the impact of COVID-19, the Company performed an impairment assessment of assets (in addition to the requirement to perform an impairment test at least annually of goodwill and intangible assets with an indefinite useful life).

3. **The net realisable value of Inventory under IAS 2 - Inventories**
   Since the company's tank farm was shut down as a result of the pandemic, the company has reviewed the cost of inventories to ensure that product loss arising from evaporation due to changes in temperature is recognized in the profit or loss account in the period in which they occured in accordance with IAS 2 - Inventories.

4. **Deferred tax assets in accordance with IAS 12 - Income taxes**
   Tax considerations, e.g . The impact of reduced flow of goods and services on transfer pricing agreements; recoverability of deferred tax assets, emergency economic stimulus by tax authorities in the form of special rebate has been accessed by the company.

The Board of Directors is taking all necessary steps to ensure business continuity for the Company and to protect its turnover, results and cash-flow as much as possible against the impacts from the COVID-19 pandemic and its impact on the Nigerian economy.

37. Information on Directors and employees

37.1 Employment costs:

	2022 N'000	2021 N'000
Employment cost including Directors' salaries and wages, staff training and benefit scheme	1,940,599	2,372,298

37.2 Number of employees of the Company in receipt of emoluments within the bands listed below are:

	2022 Number	2021 Number
Up to 1,000,000	9	9
N1,000,001 - N2,000,000	42	46
N2,000,001 - N3,000,000	18	18
N3,000,001 - N4,000,000	20	22
N4,000,001 - N5,000,000	18	19
N5,000,001 - Above	61	71
	168	**185**

37.3 Average number of employees during the year:

Managerial staff	15	16
Senior staff	142	158
Junior staff	11	11
	168	**185**

37.4 Directors' emoluments:

	2022 N'000	2021 N'000
Emoluments of the chairman	-	-
Directors' fees	1,500	1,500
Emoluments of executives	35,962	28,830
	37,462	**30,330**

37.5 The emoluments of the highest paid Director were N29.9 million (2021: N28.3 million)

		2022 Number	2021 Number
37.6	Directors receiving no emolument	7	7

37.7 Number of Directors in receipt of emoluments within the following ranges:

Below N15,000,000	3	3
N15,000,001 - N20,000,000	-	-
N20,000,001 - N25,000,000	-	-
Above N25,000,000	1	1
	4	**4**

STATEMENT OF VALUE ADDED

FOR THE YEAR ENDED 31 DECEMBER 2022

	2022		2021	
	N'000	%	N'000	%
Revenue	131,422,272		126,726,356	
Other operating income	141,561		172,014	
Other gains and losses	8,336		115,964	
	131,572,169		127,014,334	
Bought in materials and services:				
Imported	(6,883,210)		-	
Local	(114,702,399)		(119,267,469)	
Value added	**9,986,559**	**100**	**7,746,865**	**100**
Applied as follows:				
To pay employees' salaries, wages, and social benefits:				
Employment cost including Directors salaries and wages, staff training and benefit scheme	1,940,599	19	2,372,298	31
To pay providers of capital:				
Interest payable and similar charges	1,471,483	15	757,540	10
To pay government:				
Taxation	1,177,036	12	749,068	10
To provide for maintenance and development				
Depreciation	504,832	5	728,295	9
Deferred tax	(65,115)	(1)	(6,006)	(0)
Retained earnings	4,957,726	50	3,145,670	40
Value added	**9,986,559**	**100**	**7,746,865**	**100**

Value added represents the additional wealth which the Company has been able to create by its employees' efforts. This statement shows the allocation of that wealth between employees, shareholders, government, providers of finance and that retained for the future creation of more wealth.

FIVE YEAR FINANCIAL SUMMARY

Statement of financial position

Assets	2022 N'000	2021 N'000	2020 N'000	2019 N'000	2018 N'000
Property, plant and equipment	1,409,586	1,870,222	2,299,567	3,072,094	3,084,601
Other non-current assets	74,878	248,633	261,563	307,842	491,504
Other financial assets	10	10	10	10	10
Total current assets	62,217,403	49,676,595	43,928,844	57,527,354	54,908,451
Deferred tax assets	2,207,361	2,185,886	2,374,681	2,677,565	2,412,680
Total assets	**65,909,238**	**53,981,346**	**48,864,665**	**63,584,866**	**60,897,246**
Liabilities					
Total current liabilities	40,145,152	31,400,602	28,379,854	42,823,481	41,641,699
Non-current liabilities	588,928	584,793	563,407	559,468	554,038
Deferred tax liabilities	162,944	206,584	401,385	734,179	400,435
Total liabilities	**40,897,024**	**32,191,978**	**29,344,646**	**44,117,128**	**42,596,172**
Equity					
Share capital	346,976	346,976	346,976	346,976	346,976
Share premium	3,824,769	3,824,769	3,824,769	3,824,770	3,824,770
Retained earnings	20,840,469	17,617,623	15,348,274	15,295,992	14,129,328
Total equity	**25,012,214**	**21,789,368**	**19,520,019**	**19,467,738**	**18,301,074**
Equity and liabilities	**65,909,238**	**53,981,346**	**48,864,665**	**63,584,866**	**60,897,246**
Revenue and profit					
Revenue	131,422,272	126,726,356	117,470,576	139,758,285	122,213,014
Profit before taxation	6,134,762	3,831,758	2,145,493	2,832,469	2,566,765
Taxation	(1,177,036)	(749,068)	(705,308)	(860,147)	(770,723)
Profit after taxation	4,957,726	3,082,690	1,440,185	1,972,322	1,796,042
Profit for the year retained	**4,957,726**	**3,082,690**	**3,082,690**	**1,796,042**	**1,796,042**
Earnings per share (Kobo)	714	444	208	284	259
Dividend per share (Kobo)	250	250	150	200	200
Net Asset per share (Kobo)	3,604	3,140	2,813	2,805	2,637

Note:

Earnings per share are based on profit after tax and the number of ordinary shares in issue at 31 December of every year.

Net assets per share are based on the net asset and number of ordinary shares in issue at 31 December of every year.

Dividend per share is based on the dividend proposed for the year which is subject to approval at the Annual General Meeting divided by the number of ordinary shares of 50k in issue at the end of the financial year.

CORPORATE DIRECTORY

Registered Office

Bull Plaza, 38/39, Marina,
PMB 12915, Lagos
Tel: 08113684003

Operations Office

Conoil/Ap Road, near Naval Base,
P.O. Box 45, Apapa, Lagos
Tel: 07050205753

Regional Offices

Aviation Services
General Aviation Terminal
Opposite Aero Contractor Terminal,
Local Airport, Ikeja.
Tel: 08055446741

Congas
37, Mobolaji Johnson Way,
Oregun Industrial Estate
Ikeja, Lagos
Tel: 08112657860
Abuja

Conoil Service Station,
Herbert Macaulay Way, opp. NNPC,
Central Business District, Abuja.
Tel: 07050205746

Kano
H.W. Romain Road, Kano.
Tel: 07052181643

Ibadan
Along Magazine Road,
Jericho, Ibadan.
Tel: 08050444333

Port Harcourt
1, Reclamation Road, Port Harcourt.
Tel: 07052181643

Warri
Edewor Shopping Complex,
50, Effurun/Warri Road, Warri
Tel: 08053638802

Enugu
1, Upper Ogui Road, Enugu
Tel: 08057216431

Jos
13, Jengere Road, Oppo. Leventis Motors, Jos.
Tel: 08056670012

Maiduguri
Opposite Flour Mills, Off Baga Road, Maiduguri.
Tel: 07052181643

Ilorin
Olorunsogo Road, Adewole, Ilorin
Tel: 08051192928

Business Information Enquiries

Retail
Tel: 08054663301
E-mail: retail@Conoilplc.com

Aviation
Tel: 08111499497
E-mail: aviation@Conoilplc.com

Lubricants
Tel: 08113611222
E-mail: lubricants@Conoilplc.com

Commercial and Industrial Sales
Tel: 08059544214
E-mail: commercialsales@Conoilplc.com

Congas
Tel: 08112657860
E-mail: congas@Conoilplc.com

Supply and Distribution (Transport)
Tel: 08070680940
E-mail: supply@Conoilplc.com

Investor Relations
Tel: 07053763632
E-mail: investors@Conoilplc.com

Corporate Communications
Tel: 07053763632
E-mail: communications@Conoilplc.com

Legal Services
Tel: 08113684003
E-mail: legal@Conoilplc.com
100

PROXY FORM

Conoil

The 53rd Annual General Meeting of Conoil Plc will be held at the Ibom Resort & Hotels Limited, Uyo, Akwa Ibom State on **Friday, September 22, 2023** at 11am.

I / We ____

of ____

____

Being a shareholder / shareholders of Conoil Plc, I hereby appoint __________

____ or failing him/her,

______________________________ as my/our Proxy to act and vote for me/us on my/our behalf at the 53rd Annual General Meeting of the Company to be held on Friday, September 22nd 2023 and any adjournment thereof.

Dated this ______________ day of ___________________________ 2023

Shareholder's Signature ____

NOTE

(i). A Member (shareholder) entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy in his stead. All proxy forms, together with the power of attorney of other authourity, if any, under which it is signed or a notarially certified copy thereof must be deposited at the office of the Registrars, Meristem Registrars Limited, 213 Herbert Macaulay way, Yaba, Lagos not later than 48 hours before the time of holding the meeting;

(ii). In the case of joint Shareholders, any of such may complete the form, but the names of all joint Shareholders must be stated;

(iii). If the Shareholder is a corporation, this form must be under its common seal or the hand of an officer or attorney duly authorized;

(iv). The proxy must produce the Admission slip (below) with the Notice of Meeting to obtain entrance to the meeting.

(v). It is the requirement of the law under the Stamp Duties Act, CAP 58, Laws of the Federation of Nigeria 2004 that all instruments of Proxy to be used for the purpose of voting by any person entitled to vote at any meeting of shareholders must bear the appropriate stamp duty from the Stamp Duties Office (not adhesive postage stamps).

ORDINARY BUSINESS		FOR	AGAINST
1.	To lay before the members, the Report of the Directors and the Statement of Financial position as at 31 December, 2022 together with the Statement of Profit or Loss and Other Comprehensive Income for the year ended on that day and the Reports of the Auditors and the Statutory Audit Committee thereon.		
2.	To declare a dividend.		
3.	To elect and re-elect Directors.		
i.	Name of Director – Dr. Mike Adenuga Jnr. (GCON)		
ii.	Name of Director – Mr. Ike Oraekwuotu		
iii.	Name of Director – Mr. Mike Jituboh		
4.	To disclose the remuneration of Managers of the company in compliance with Section 257 of CAMA 2020		
5.	To authorize the Directors to fix the remuneration of the External Auditors for the ensuing year.		
6.	To elect/re-elect the members of the Statutory Audit Committee.		
SPECIAL BUSINESS / ORDINARY RESOLUTION			
a.	To fix the remuneration of the Directors.		

Please indicate with an **'X'** in the appropriate box how you wish your votes to be cast on the resolutions set out above. Unless otherwise instructed, the proxy will vote or abstain from voting at his/her discretion.

This Proxy form shall be void if I / We physically attend the Annual General Meeting.

ADMISSION SLIP

Please admit ________________________________ to the 53rd Annual General Meeting of Conoil Plc to be held at Ibom Resort & Hotels Limited, Uyo, Akwa Ibom State on Friday, 22nd September 2023 at 11.00am.
This Admission Slip must be produced by the proxy in order to obtain entrance to the Annual General Meeting.

Name & Address of Shareholder(s): ____

Number of Shares held: ____

Signature: ____

To:

The Registrar/CEO
Meristem Registrars Limited
213, Herbert Macaulay Way,
Adekunle, Yaba,
Lagos.

Affix Current Passport

(To be stamped by Bankers)

Write your name at the back of your passport photograph

This service costs ₦150.00 per approved Mandate per Company.

MERISTEM

E-DIVIDEND MANDATE ACTIVATION FORM

Only Clearing Banks are acceptable

Instruction

Please complete all sections of this form to make it eligible for processing and return to the address below

The Registrar
Meristem Registrars And Probate Services Limited
213, Herbert Macaulay Way
Adekunle-Yaba
Lagos State

I\We hereby request that henceforth, all my\our Dividend Payment(s) due to me\us from my\our holdings in all the companies ticked at the right hand column be credited directly to my \ our bank account detailed below:

Bank Verification Number

Bank Name

Bank Account Number

Account Opening Date

Shareholder Account Information

Surname/Company's Name   First Name   Other Names

Address:

City   State   Country

Previous Address (If address has changed)

CHN   CSCS A/c No

Name of Stockbroker

Mobile Telephone 1   Mobile Telephone 2

Email Address

Signature(s)   Company Seal (If applicable)

Joint\Company's Signatories

Help Desk Telephone No/Contact Centre Information for Issue resolution or clarification: 01-2809250-4

TICK	NAME OF COMPANY	SHARE A/C NO
	AELLA FINANCIAL SOLUTIONS BOND	
	AFRINVEST EQUITY FUND	
	BERGER PAINTS NIG PLC	
	CASAFINA CAPITAL LIMITED BOND	
	CEAT FIXED INCOME FUND	
	CITITRUST HOLDINGS PLC	
	CONOIL PLC	
	CONSOLIDATED HALLMARK INS. PLC	
	CUSTODIAN INVESTMENT PLC	
	COVENANT SALT NIGERIA LIMITED	
	DEVELOPMENT BANK OF NIGERIA PLC	
	EMPLOYEE ENERGY LIMITED	
	ENERGY COMPANY OF NIGERIA PLC [ENCON]	
	eTRANZACT INTERNATIONAL PLC	
	FBN HOLDINGS PLC	
	FIDSON HEALTHCARE PLC	
	FOOD CONCEPTS PLC	
	FTN COCOA PROCESSORS PLC	
	GDL INCOME FUND	
	GEO-FLUIDS PLC	
	GEREGU POWER PLC	
	IMPERIAL AFRICA PLC	
	INTERNATIONAL ENERGY INSURANCE PLC	
	INTERNATIONAL TOBACCO COMPANY LIMITED	
	JUBILEE LIFE MORTGAGE BANK LTD	
	MAMA CASS RESTAURANTS LIMITED	
	MCN DIOCESE OF REMO	
	MCN LAGOS CENTRAL	
	MCN TAILORING FACTORY [NIGERIA] LIMITED	
	MULTI-TREX INTEGRATED FOODS PLC	
	NASCON ALLIED INDUSTRIES PLC	
	NEIMETH INT'L PHARMS PLC	
	NEWRESTASL NIGERIA PLC	
	NIGER INSURANCE PLC	
	NIGERIA MORTGAGE REFINANCE COMPANY [NMRC] PLC	
	NIGERIA MORTGAGE REFINANCE COMPANY PLC [NMRC] BOND	
	ONWARD PAPER MILLS PLC	
	PACAM BALANCED FUND	
	PAINTCOM INVESTMENT PLC	
	PROPERTYGATE DEVT. & INVEST. PLC	
	R.T. BRISCOE NIGERIA PLC	
	RADIX HORIZON FUND	
	RAEDIAL FARMS LIMITED BOND	
	REGENCY ALLIANCE INSURANCE PLC	
	SMART PRODUCTS NIGERIA PLC	
	SOVEREIGN TRUST INSURANCE PLC	
	TANTALIZERS PLC	
	THOMAS WYATT PLC	
	TRANSPORT SERVICES LIMITED BOND	
	VITAFOAM NIGERIA PLC	
	ZENITH EQUITY FUND	
	ZENITH ETHICAL FUND	
	ZENITH INCOME FUND	

MERISTEM
REGISTRARS AND PROBATE SERVICES LIMITED

Meristem Registrars And Probate Services Limited
Web: www.meristemregistrars.com; email: info@meristemregistrars.com

To:

The Registrar/CEO
Meristem Registrars Limited
213, Herbert Macaulay Way,
Adekunle, Yaba,
Lagos.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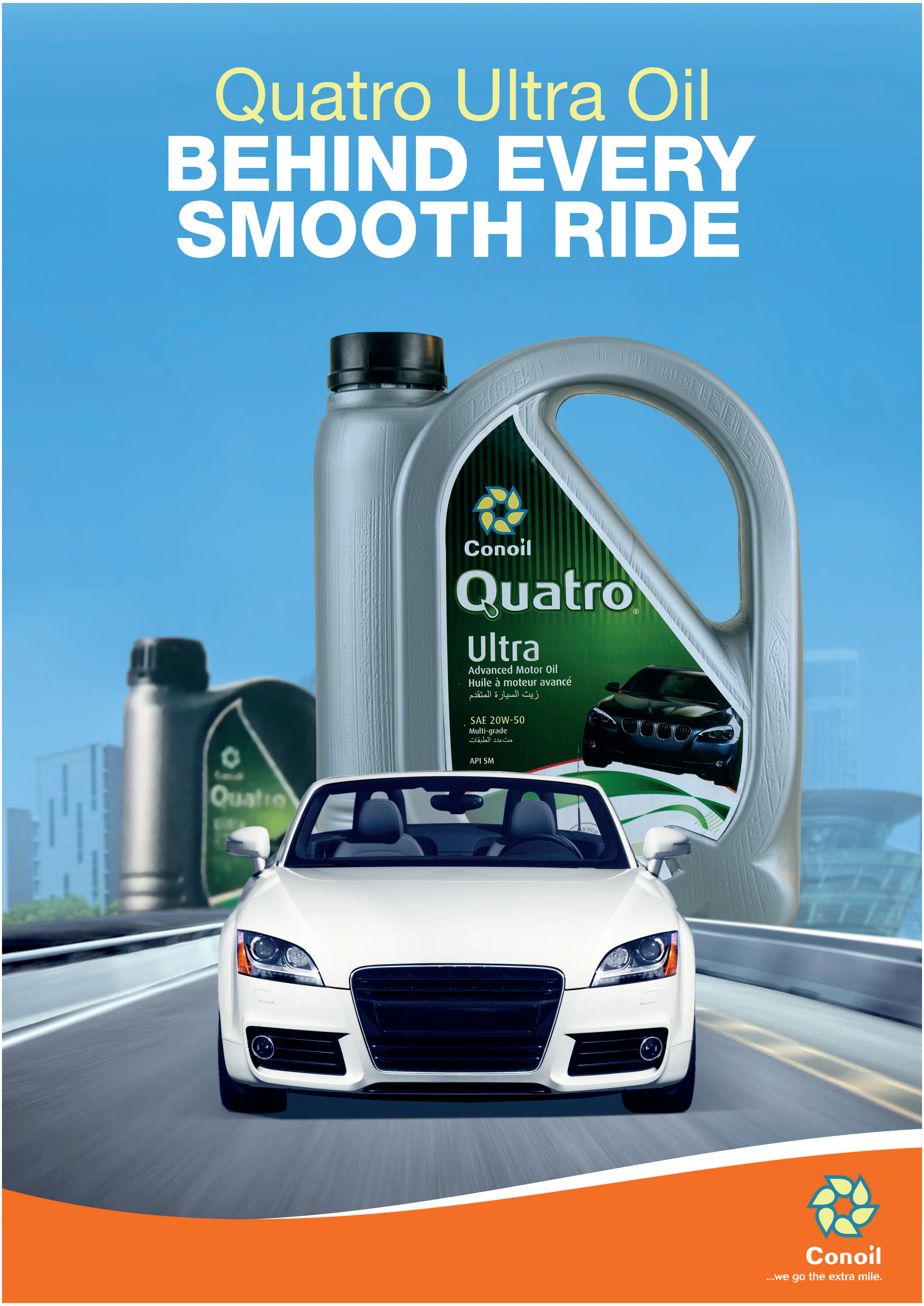
NOTE

NOTE

NOTE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