Unaudited results for the six months ended 30 June 2026

30 July 2026

Reliable energy,
limitless potential

Interim Management Report

Lagos and London, 30 July 2026: Seplat Energy Plc ("Seplat Energy" or "the Company"), a leading Nigerian independent energy company listed on both the Nigerian Exchange Group and the London Stock Exchange, announces its unaudited results for the six months ended 30 June 2026.

Summary

Strong 6M 2026 reported free cash flow of $526 million, supported debt reduction, an increased quarterly dividend of USD 12.0 cents/share, and an improvement in net leverage to c.0.25x Net debt/EBITDA. The agreement reached with NNPC to sell a 10% interest in the NNPCL-SEPNU JV is expected to further enhance shareholder returns, bringing total expected dividend for 2026 to USD 68.3 cents/share ($410 million).

Operational highlights

- Production averaged 139,509 boepd in 6M 2026 up 4% from 6M 2025 (134,492 boepd), within 2026 guidance (135 - 155 kboepd). Working interest oil production of 99,518 bopd and gas of 182.9 MMscfd in 6M 2026.
  - Group production in 2Q 2026 averaged 149,070 boepd, up 9% from 2Q 2025 (137,207 boepd) and up 15% from 1Q 2026 (129,841 boepd).
- Onshore production contribution of 60,690 boepd, up 11% YoY (6M 2025: 54,831 boepd).
  - Strong production performance on West, East and Elcrest in 2Q 2026 supports YoY growth.
- Offshore production contribution of 78,819 boepd, down 1% vs. 6M 2025: 79,660 boepd.
  - Idle well restoration programme continued its strong performance, 26 kbopd gross JV production capacity added in 6M 26 from 24 wells.
  - NGLs delivered strong YoY growth, WI production of 8,459 bopd (6M 2025: 3,772 bopd).
- Carbon emissions intensity for the group: 33.5 kg CO_2/boe 18% lower YoY (6M 2025: 41.0 kg CO_2/boe). Onshore operated emissions intensity reduced 37% on 6M 2025, reflecting the positive impact of our End of Routine Flaring programme.
- 6M 2026 Lost Time Injury (LTI) free. Group operated assets delivered 18.8 million man-hours without LTI.

Financial highlights

- Positive price environment drives a material improvement in revenue, EBITDA and net income.
- Revenue $1,820 million up 30% on prior year (6M 2025: $1,398 million), average realised oil price $94.13/bbl, a $7.47/bbl premium to Brent.
- Unit production operating cost of $15.8/boe (6M 2025: $12.5/boe), primarily due to Yoho restoration ($14.0/boe excluding Yoho costs).
- Adjusted EBITDA of $939 million, up 28% on prior year (6M 2025: $735.0 million).
- Net income increased to $164.0 million, up 498% YoY. Earnings per share USD 26.6 cents, up 565% YoY (6M 2025 USD 4.0 cents).
- Cash generated from operations of $985.9 million, up 29% on prior year (6M 2025: $766.2 million).
- Cash capital expenditure of $109.8 million (6M 2025: $96.5 million), higher run-rate expected in 2H 2026.
- Repaid early and cancelled $200 million under the Advanced Payment Facility, balance reduced to $100 million.
- Balance sheet remains strong, end-June cash at bank $433.8 million (FY 2025: $332.3 million), excluding $130.8 million restricted cash.
- Net Debt at end-June of $370.7 million down 45% since YE2025 ($673.3 million). Net Debt/EBITDA improves to 0.25x from 0.53x FY25.
- Credit ratings changes: S&P upgraded Seplat to B+ in May 2026

Corporate Update & 2026 Outlook

- Agreement reached to sell a 10% interest in NNPCL-SEPNU JV to NNPC Ltd (further details in separate RNS).
  - Headline transaction value of $281.6 million, represents 25% of Seplat's acquisition costs to date.
  - Completion expected in 2H 2026. Upon completion, proceeds will be split ~50:50 between a transaction dividend and debt repayment.
- 2026 guidance will be updated following completion of the transaction. Current guidance is as follows:
  - Production guidance unchanged at 135-155 kboepd, tracking towards mid-point of the range.
  - Capex guidance remains $360-440 million, with expenditure biased to 2H 2026.
  - Unit operating cost guidance revised to $14.5-$15.5/boe. Guidance range is $1.0/boe higher than plan, driven by higher Yoho costs.

Dividend Update

- 2Q 2026 declared dividend of USD 12.0 cents/share ($72 million), consisting of USD 5.0 c/shr core and USD 7.0 c/shr special dividend.
- Planned full year dividend of USD 45.0 cents/share ($270 million), based on strength of underlying business performance and management confidence in 2026 outlook. Represents 80% dividend growth YoY.
- In addition, and subject to completion, the company plans to distribute a Transaction dividend of USD 23.3 cents/share ($140 million). Combined with the planned dividend from the business, 2026 dividend is expected to grow to USD 68.3 cents/share ($410 million), up 173% YoY, and representing 41% of our planned 2026-2030 $1 billion dividend target.

Board & Management Changes

- As previously announced, on 1st August 2026, Engr. Effiong Okon will succeed Mr. Roger Brown as Chief Executive Officer and Executive Director on the Board of Seplat Energy.
- As previously announced, on 1st January 2027, Mr. Tony O. Elumelu, CFR will succeed Senator Udoma Udo Udoma as Chairman of the Board of Seplat Energy.
- Dr. Emma FitzGerald, Independent Non-Executive Director, has given notice that she will retire from the Board on 31 December 2026. The Board has commenced a process to identify a suitable independent replacement.

Roger Brown, Chief Executive Officer, said:

"As I hand over leadership of Seplat, the Company is stronger than ever. Production improved from the first quarter and remains on track to grow further in the second half of 2026 as temporary restrictions are lifted and planned activities are completed.

Our first-half performance benefited from a supportive commodity price environment, translating into strong cash generation. Given the limited visibility on how long these elevated prices may persist, we prioritised balance sheet strength during the quarter, repaying $200 million of our outstanding APF debt, equivalent to 20% of gross debt. At the same time, robust cash flows enabled us to continue enhancing shareholder returns.

Our declared quarterly dividend of USD 12.0 cents per share represents a new quarterly high-water mark, up 33% on 1Q 2026 and 161% higher than 2Q 2025. With continued strong business performance and the announced sale of a 10% interest in our offshore JV to NNPC Limited, means that total dividends paid for the current financial year are expected to represent nearly 50% of all previous dividend paid to shareholders.

The performance of our offshore business over the past 18 months has reinforced our conviction in the quality and scale of the opportunity within the portfolio. As I hand over to Effiong, I do so with great confidence. He brings the experience, capability and operational focus needed to unlock the next phase of value creation, supported by an exceptional team with a proven track record that continues to deliver for our shareholders, host communities and wider stakeholders."

Summary of performance

	$ million			₦ billion	
	6M 2026	6M 2025	% change	**6M 2026**	6M 2025
Revenue	**1,820.0**	1,397.7	30 %	**2,502.2**	2,166.7
Gross profit	**815.9**	484.6	68 %	**1,121.7**	751.2
EBITDA *	**938.6**	735.0	28 %	**1,290.3**	1,139.4
Operating profit	**655.9**	387.8	69 %	**901.7**	601.2
Profit before tax	**574.9**	292.9	96 %	**790.4**	454.1
Profit after tax	**164.0**	27.4	498 %	**225.5**	42.5
Cash generated from operations	**985.9**	766.2	29 %	**1,355.3**	1,187.7
Working interest production (boepd)	**139,509**	134,492	4 %		
Volumes lifted (MMbbls)	**17.4**	17.8	(2)%		
Average realised oil price ($/bbl)	**94.13**	72.58	30 %		
Average realised gas price ($/Mscf)	**3.13**	2.97	5 %		
LTIF	**—**	—			
CO_2 emissions intensity from operated assets, kg/boe	**33.5**	41.0	(18)%		

* Adjusted for non-cash items

Responsibility for publication

This announcement has been authorised for publication on behalf of Seplat Energy by Eleanor Adaralegbe, Chief Financial Officer, Seplat Energy Plc.

Signed:

Eleanor Adaralegbe
Chief Financial Officer

Important notice

The information contained within this announcement is unaudited and deemed by the Company to constitute inside information as stipulated under Market Abuse Regulations. Upon the publication of this announcement via Regulatory Information Services, this inside information is now considered to be in the public domain.

Certain statements included in these results contain forward-looking information concerning Seplat Energy's strategy, operations, financial performance or condition, outlook, growth opportunities or circumstances in the countries, sectors, or markets in which Seplat Energy operates. By their nature, forward-looking statements involve uncertainty because they depend on future circumstances and relate to events of which not all are within Seplat Energy's control or can be predicted by Seplat Energy. Although Seplat Energy believes that the expectations and opinions reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations and opinions will prove to have been correct. Actual results and market conditions could differ materially from those set out in the forward-looking statements. No part of these results constitutes, or shall be taken to constitute, an invitation or inducement to invest in Seplat Energy or any other entity and must not be relied upon in any way in connection with any investment decision. Seplat Energy undertakes no obligation to update any forward-looking statements, whether because of new information, future events or otherwise, except to the extent legally required.

Investor call

At 12:00pm BST / WAT (London / Lagos) on Thursday 30 July 2026, the Executive Management team will host a webcast to present the Company's Half Year Financial Results.

The presentation can be accessed remotely via the live webcast link listed below. After the webcast, the recording will be made available on our website and via the webcast link.

A copy of the presentation will be made available on the results release date on the Company's website at https://www.seplatenergy.com/.

Event title:	**Seplat Energy Plc: Half Year 2026 Financial Results**
Event date	12:00pm BST/WAT (London / Lagos) Thursday 30 July 2026
Webcast Live Event Link	Webcast link

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About Seplat Energy

Seplat Energy Plc is Nigeria's leading indigenous energy company. It is listed on the Premium Board of the Nigerian Exchange Limited (NGX: SEPLAT) and the Main Market of the London Stock Exchange (LSE: SEPL). Through our strategy to build a sustainable business and deliver energy transition, we are transforming lives by delivering affordable, reliable and sustainable energy that drives social and economic prosperity.

Seplat Energy's portfolio consists of 11 PMLs, 17 PPLs and 5 OMLs in onshore and shallow water locations in the prolific Niger Delta region of Nigeria, the majority of which we operate with partners including the Nigerian Government and other producers. Furthermore, we have an operated interest in three export terminals including; the Qua Iboe export terminal, Yoho FSO, and Bonny River Terminal (BRT), and operate two large offshore NGL recovery plants at Oso and EAP.

We operate three gas processing plants onshore, at Oben and Sapele on our Western Assets and the 300 MMscfd ANOH Gas Processing Plant on our Eastern Assets, an integrated joint venture with NGIC. Combined, these gas facilities augment Seplat Energy's position as a leading supplier of natural gas to the domestic power generation market.

For further information please refer to our website, https://www.seplatenergy.com/

Operating review

Group Production

Working interest production for the six months ended 30 June 2026

		Half year ended 30 June 2026				Half year ended 30 June 2025			
	Seplat WI	Crude & Condensate	Gas	NGLs	Total	Crude & Condensate	Gas	NGLs	Total
Asset	%	bopd	MMscfd	bopd	boepd	bopd	MMscfd	bopd	boepd
Western Assets	45 %	15,705	118.1	—	36,068	16,962	134.5	—	40,145
Elcrest	45 %	13,478	—	—	13,478	10,309	—	—	10,309
Eastern Assets *	40 %	4,721	28.4	—	9,619	2,864	—	—	2,864
Newton	40 %	1,524	—	—	1,524	1,513	—	—	1,513
Seplat Onshore		**35,429**	**146.5**	**—**	**60,690**	**31,648**	**134.5**	**—**	**54,831**
OMLs 67, 68, 70, 104	40 %	63,474	25.8	8,459	76,390	67,911	28.7	3,772	76,639
OML 99 (A/K Field)	9.6 %	614	10.5	—	2,429	768	13.1	—	3,022
Seplat Offshore		**64,088**	**36.4**	**8,459**	**78,819**	**68,679**	**42**	**3,772**	**79,660**
Total		**99,518**	**182.9**	**8,459**	**139,509**	**100,327**	**176.3**	**3,772**	**134,492**

* Eastern assets production includes 6,539 boepd contribution from ANOH during 6M 2026, comprising ~75% gas and ~25% condensate .
Liquid production volumes as measured at the LACT (Lease Automatic Custody Transfer) unit for Onshore flow stations
Gas conversion factor of 5.8 Mscf per boe
Volumes stated are subject to reconciliation and may differ from sales volumes within the period.
A/K Field refers to Amenam-Kpono field

In 6M 2026, average daily working interest production for the group increased by 4% to 139,509 boepd (6M 2025: 134,492 boepd), within our 2026 production guidance of 135 - 155 kboepd.

Average daily working interest production on Onshore assets grew 11% to 60,690 boepd (6M 2025: 54,831 boepd) supported by contributions from ANOH, positive performance from well drilling programme, particularly the 2025 drilling additions for Elcrest (Opuama 8 and 9), and an overall robust performance on the Western Assets in 2Q 2026 as production recovered from the unplanned third-party outage on the Trans Forcados Pipeline (TFP) that we reported in 1Q 2026.

Offshore assets average daily working interest production declined by 1% to 78,819 boepd (6M 2025: 79,660 boepd) reflecting ongoing restoration activities on the Yoho platform which affected crude production. Also unscheduled downtime on the Oso–BRT pipeline due to accidental damage by a third party, discussed below, affected NGL and gas production during the latter part of of 2Q 2026.

Production deferments during 6M 2026 were 26% onshore (6M 2025: 23%) and 16% offshore (6M 2025: 20%). Onshore deferments were primarily driven by the TFP outage in 1Q 2026, when deferments reached 36%. Following the resumption of TFP operations, deferments reduced to 15% in 2Q 2026, reflecting a return towards normal operating levels.

Working interest production for the three months ended 30 June 2026

		2Q 2026				1Q 2026			
	Seplat WI	Crude & Condensate	Gas	NGLs	Total	Crude & Condensate	Gas	NGLs	Total
Asset	%	bopd	MMscfd	bopd	boepd	bopd	MMscfd	bopd	boepd
Western Assets	45 %	19,008	131.5	—	41,686	12,366	104.5	—	30,388
Elcrest	45 %	14,313	—	—	14,313	12,635	—	—	12,635
Eastern Assets *	40 %	6,054	39.7	—	12,900	3,374	17.0	—	6,302
Newton	40 %	1,671	—	—	1,671	1,375	—	—	1,375
Seplat Onshore		**41,045**	**171.2**	**—**	**70,570**	**29,751**	**121.5**	**—**	**50,700**
OMLs 67, 68, 70, 104	40 %	65,028	22.6	7,131	76,058	61,903	29.1	9,802	76,725
OML 99 (A/K Field)	9.6 %	694	10.1	—	2,442	533	10.9	—	2,416
Seplat Offshore		**65,722**	**32.7**	**7,131**	**78,500**	**62,436**	**40.0**	**9,802**	**79,141**
Total		**106,768**	**204.0**	**7,131**	**149,070**	**92,187**	**161.5**	**9,802**	**129,841**

* Eastern assets production includes 9,695 boepd and 3,347 boepd contribution from ANOH during 2Q 2026 and 1Q 2026 respectively

Average daily working interest production grew by 15% QoQ to 149,070 boepd in 2Q 2026 (1Q 2026: 129,841 boepd) reflecting strong operational performance, particularly on the Western and Eastern Assets. Onshore production grew by 39% compared to the prior quarter, driven by the restoration of production following the Trans Forcados Pipeline (TFP) outage in 1Q 2026, and improved performance from ANOH and Elcrest. Offshore production decreased by 1% QoQ reflecting the impact of the Oso–BRT pipeline leakage due to accidental third party damage, which curtailed NGL and gas production, and the delayed restart of Yoho production, which continued to impact crude production.

HSE Performance

Across our operated assets, we recorded 18.8 million hours worked without a Lost Time Injury (LTI) during 6M 2026, reflecting continued focus on safe and reliable operations.

LTI-Free hours worked	2Q 2026	1Q 2026	6M 2026	Days since last LTI
Onshore Operated Assets	3,203,659	3,053,616	6,257,275	288
Offshore Operated Assets	6,424,057	6,084,828	12,508,885	565
Total Operated Assets	**9,627,716**	**9,138,444**	**18,766,160**	
Elcrest	798,217	811,539	1,609,756	2,183
AGPC	514,196	442,259	956,455	3,448 (from inception)
Total Non-Operated Assets	**1,312,413**	**1,253,798**	**2,566,211**	

In 2Q 2026, we reported four Tier-1 Process Safety Events (PSE) relating to one fire incident, two gas releases and one oil spill. Additionally, we recorded four Tier-2 PSEs relating to two fires and two gas leaks. We continue to strengthen our spill response, regulatory engagement, and remediation oversight, while maintaining our oil spill contingency plan to support effective management of spill scenarios across our operations.

During the quarter, we completed the stage 2 ISO 14001 audit across our Onshore assets. Achieving ISO 14001 further evidences that our Environmental Management Systems ('EMS') are in line with global best practices. We also completed the 2026 ISO 55001 Asset Management (AMS) surveillance audit.

Seplat Offshore

Crude & Condensate	Seplat WI - %	2Q 2026 bopd	1Q 2026 bopd	QoQ change	6M 2026 bopd	6M 2025 bopd	YoY change
OMLs 67, 68, 70, 104	40 %	65,028	61,903	5 %	63,474	67,911	(4)%
OML 99 (A/K Field)	9.6 %	694	533	30 %	614	768	(10)%
Total Crude & Condensate		**65,722**	**62,436**	**5 %**	**64,088**	**68,679**	**(4)%**
NGLs							
OMLs 67, 68, 70, 104	51 %	7,131	9,802	(27)%	8,459	3,772	89 %
Total NGLs		**7,131**	**9,802**	**(27)%**	**8,459**	**3,772**	**89 %**

Crude, Condensate & NGL Production

Working interest crude & condensate production from OMLs 67, 68, 70, and 104 averaged 65,028 bopd in 2Q 2026, up 5% QoQ (1Q 2026: 61,903 bopd) reflecting contributions from the idle well restoration programme and ongoing production optimisation activities across the offshore portfolio, which resulted in improved facility uptime. The idle well restoration programme delivered a gross production capacity uplift of 16.0 kbopd (6.4 kbopd working interest) during the quarter. 6M 2026 production remained below 6M 2025 levels by 4% to 63,474 bopd (6M 2025: 67,911 bopd), reflecting the continued impact of the Yoho outage.

Average daily working interest NGL production decreased by 27% QoQ to 7,131 boepd in 2Q 2026 (1Q 2026: 9,802 boepd), due to the loss of production following accidental damage caused by a third-party to the Oso–BRT subsea gas pipeline in June 2026. The damage resulted in a shut down of gas production at Oso and caused a temporary suspension of NGL processing at the BRT facility. Repair activities are ongoing and a return to full operations is expected in 3Q 2026. In spite of this, NGL production in the first half grew by 89% YoY to 8,459 bopd (6M 2025: 3,772 boepd).

The non-operated Amenam-Kpono (A/K) field contributed 694 bopd of crude and condensate production during the quarter, up 30% compared with 1Q 2026 (533 bopd of crude and condensate).

Idle well restoration

During 2Q 2026, 15 additional idle wells were restored to production, bringing the total number restored in 6M 2026 to 24, in line with expectations. The 2Q programme delivered an incremental gross production capacity of 16.0 kbopd (6.4 kbopd working interest), in addition to the 10 kbopd added from 9 wells in 1Q 2026. The continued success of the programme demonstrates the value embedded within the existing asset portfolio and supports the Company's strategy of maximizing production through targeted, capital-efficient interventions.

Yoho production platform

Restoration activities on the Yoho production platform continued during the quarter. Significant progress was made across key workstreams, including completion of major fabrication, piping, cable installation and riser repair activities. The Gas Turbine Generator’s alternator installation, alignment and bolting-up was also completed during the quarter, marking an important milestone in the restoration of power to the platform.

Progress during the quarter was impacted for several weeks by adverse weather conditions and replacement of defective cabling, resulting in a delay to the previously planned restart in 2Q 2026. That said, production restart activities, including commissioning have now commenced and we are confident that Yoho will resume output in 3Q 2026.

Drilling activities

The Shelf Drilling Victory (SDV) jack-up rig is in-country and remains on track to mobilise to Seplat and commence operations in 3Q 2026. During the quarter, equipment preparation activities were completed, execution readiness plans advanced, and engagement with key service providers continued in preparation for the start of the drilling campaign.

The 2026 offshore drilling programme project scope remains unchanged and targets two new wells at Oso.

Post period end we signed a second offshore rig contract with rig operator ADES, for the Shelf Drilling Odyssey (SDO). The rig is due to mobilise to Nigeria in 1Q 2027.

Asset integrity

During the first half of 2026, we continued to progress a range of infrastructure reliability and performance improvement initiatives across our offshore assets. Activities completed during the period included riser repairs, pipeline rehabilitation works and integrity maintenance programmes.

In parallel, actions identified through our equipment reliability reviews were implemented, including targeted maintenance interventions and replacement of critical equipment. These activities are expected to strengthen asset reliability, improve operational uptime and support sustained production performance across the offshore portfolio. The positive impact was seen in 6M 2026 with offshore deferments improving to 16% (6M 2025: 20%).

PIA Conversion

Alignment has been reached with JV partners on the proposed conversion, retention and licence optimisation strategy. Engagement with the Commission and other stakeholders continues, to enable us secure the required approvals and progress the initiative within the planned timelines.

Seplat Onshore

Crude & Condensate	Seplat WI - %	2Q 2026 bopd	1Q 2026 bopd	QoQ change	6M 2026 bopd	6M 2025 bopd	YoY change
Western Assets	45 %	19,008	12,366	54 %	15,705	16,962	(7)%
Elcrest	45 %	14,313	12,635	13 %	13,478	10,309	31 %
Eastern Assets *	40 %	6,054	3,374	79 %	4,721	2,864	65 %
Newton	40 %	1,671	1,375	22 %	1,524	1,513	1 %
Seplat Onshore		**41,045**	**29,751**	**38 %**	**35,429**	**31,648**	**12 %**

* Eastern assets production includes 2,849 bopd and 419 bopd contribution from ANOH during 2Q 2026 and 1Q 2026 respectively

Western Assets

Average daily working interest crude and condensate production on our Western Assets recovered strongly growing by 54% QoQ to 19,008 bopd (1Q 2026: 12,366 bopd) reflecting the resumption of operations on the Trans Forcados Pipeline (TFP) following the 38-days unplanned third party outage reported during the first quarter, strong contribution of new wells drilled and debottlenecking of evacuation route.

On a 6M 2026 basis, production was 7% lower YoY at 15,705 bopd (6M 2025: 16,962 bopd), reflecting the impact of the TFP outage earlier in the year. The pipeline resumed operations on 24 March 2026 following the completion of repairs to the damaged section and the execution of maintenance activities planned for latter parts of the year.

Elcrest

in 2Q 2026, average daily working interest crude and condensate production on Elcrest was 14,313 bopd, up QoQ by 13% (1Q 2026: 12,635 bopd) due to improved pipeline availability in the period. Average daily working interest production also grew YoY by 31% to 13,478 bopd (6M 2025: 10,309 bopd) due to strong contribution from wells delivered under the 2025 Elcrest drilling programme (Opuama-8 and Opuama-9) and improved production at Abiala driven by the commencement of access to a third party custody transfer unit in 1Q 2026.

Eastern Assets

Average daily working interest crude and condensate production on our Eastern Assets was 6,054 in 2Q 2026 (1Q 2026: 3,374 bopd) an increase of 79% QoQ reflecting improved wells performance, reduced third-party deferments following the deployment of buffer tanks and increased contribution from ANOH. Following completion of modifications to the Trans Niger Pipeline (TNP), ANOH is now able to evacuate up to 12,500 bopd of condensate through the pipeline. A second loading gantry was also commissioned, increasing local market condensate offtake capacity to 6,000 bopd.

Average daily working interest grew YoY by 65% to 4,721 bopd in 6M 2026 (6M 2025: 2,864 bopd) supported by improved production reliability following installation of buffer tanks as mentioned above and contributions from ANOH, which contributed 1,641 bopd (Condensate) during the first half of the year.

Newton

The non-operated Newton assets field contributed 1,671 bopd of crude and condensate production to average daily working interest production in 2Q 2026 (1Q 2026: 1,375 bopd), an increase of 22% QoQ reflecting the resumption of operations on the TFP.

Average daily working interest production in 6M 2026 was 1,524 bopd, marginal growth of 1% YoY compared to 6M 2025: 1,513 bopd.

Drilling activities

In the period, we completed four wells under the 2026 onshore drilling programme, with Oben-59 completed in 1Q 2026, Amukpe-07, OHS KBAM-02, OP-8 completed during 2Q 2026 and an additional well, Sibiri-3, completed in July. In addition, the remaining three well completions associated with the 2025 drilling programme were completed during the period.

In July, we completed the rig move to commence drilling operations on the Aku-A well on PPL 2A25 our Eastern Assets. Aku is our third exploration well, following the discoveries at Ethiope (OML 38) in 2013 and Sibiri-E (OML 40) in 2022. The well is targeting a gross unrisked prospective resource of approximately 125 BCF in the primary reservoir targets. If successful, the plan is for Aku to supply gas feedstock to the ANOH gas plant.

Drilling activity during the first half was impacted by a number of well-specific execution challenges, including equipment integrity issues and drilling performance events. As such, we have taken mitigation steps to ensure delivery of the 2026 programme. We currently have five rigs operating onshore and a further two expected to mobilise in 3Q 2026. The additional rig capacity is expected to support delivery of the remaining planned wells by year-end, sustain production growth objectives.

Midstream Gas business performance

Midstream	Seplat WI - %	2Q 2026 MMscfd	1Q 2026 MMscfd	QoQ change	6M 2026 MMscfd	6M 2025 MMscfd	YoY change
Western Assets	45 %	131.5	104.5	26 %	118.1	134.5	(12)%
Elcrest	45 %	—	—	-	—	—	-
Eastern Assets *	40 %	39.7	17.0	134 %	28.4	—	-
Newton	40 %	—	—	-	—	—	-
Seplat Onshore		**171.2**	**121.5**	**41 %**	**146.5**	**134.5**	**9 %**
OMLs 67, 68, 70, 104	40 %	22.6	29.1	(22)%	25.8	28.7	(10)%
OML 99 (A/K Field)	9.6 %	10.1	10.9	(7)%	10.5	13.1	(20)%
Seplat Offshore		**32.7**	**40.0**	**(18)%**	**36.4**	**41.8**	**(13)%**
Total		**204.0**	**161.5**	**26 %**	**182.9**	**176.3**	**4 %**

* Eastern assets production includes 39.7 MMscfd and 17.0 MMscfd contribution from ANOH during 2Q 2026 and 1Q 2026 respectively

Average daily working interest gas production from the Group's onshore assets in 2Q 2026 increased by 41% to 171.2 MMscfd QoQ (1Q 2026: 121.5 MMscfd) reflecting the resumption of operations on the Trans Forcados Pipeline (TFP) following the 38-days unplanned third party outage reported during the first quarter and ramp up in production from ANOH.

On the offshore assets, average daily working interest gas production was 32.7 MMscfd in 2Q 2026, down 18% QoQ (1Q 2026: 40.0 MMscfd), reflecting the impact of mechanical damage to the Oso–BRT subsea gas pipeline described above, which resulted in production deferments and the temporary suspension of gas monetisation activities.

Group average daily working interest gas production increased 26% QoQ to 204.0 MMscfd (1Q 2026: 161.5 MMscfd) primarily driven by higher onshore production.

In 6M 2026, the Group produced 33.1 Bscf of gas, equivalent to average daily working interest production of 182.9 MMscfd, a YoY growth of 4% compared with 6M 2025 (31.9 Bscf, equivalent to average daily working interest production of 176.3 MMscfd). The growth reflects the contribution of ANOH following its first gas in January 2026.

Oben Gas Plant

During the quarter, the Seplat West Joint Venture partnership signed an agreement with Gwato Energy LLP (Gwato) for the supply of approximately 540 Bcf gas over a 15 year period (c.100 MMscfd on plateau), commencing 2028. This third-party gas will fill a large part of the forecast spare capacity at Oben in future years.

Seplat West has entered into a revenue sharing agreement with Gwato, whereby the Seplat West JV receives a share of revenue from all sold products (lean gas, condensate, LPG and propane) processed through the Oben Gas Plant. Seplat West JV will incur minimal upfront with the Gwato consortium responsible for delivery of gas to Oben.

Sapele Integrated Gas Plant (SIGP)

SIGP reported improved operating performance during 2Q 2026 following the resumption of operations on the TFP after the 38-day unplanned third-party outage in the first quarter.

During the quarter, the Sapele LPG module completed its product certification process and commenced LPG and propane sales. The project contributes to reduced flaring and expands the Group's product portfolio.

ANOH Gas Processing Company (AGPC)

AGPC continued to ramp up during the quarter, gas plant output averaged daily working interest production of 39.7 MMscfd gas and 2,849 bopd condensate in 2Q 2026, up from 17.0 MMscfd gas and 419 bopd condensate in 1Q 2026. The plant is currently operating at approximately 60% of nameplate capacity, pending increased evacuation route availability.

During the quarter, repairs to the Trans Niger Pipeline (TNP) were completed, as such AGPC can now evacuate up to 12,500 bopd of condensate through the export pipeline to Bonny terminal, up from a previous cap of 4,000 bopd. Additionally, a second truck loading gantry was commissioned at the plant, increasing local market condensate offtake capacity to 6,000 bopd. AGPC also entered into a 15-year operations and maintenance agreement with Baker Hughes, with remuneration linked to plant availability and key equipment uptime metrics.

The primary evacuation route for AGPC gas remains the Obiafu-Obrikom-Oben (OB3) pipeline. Following successful completion of the river crossing, necessary tie-in connections have been completed. The line is undergoing the process for testing and certification for use. Operations on the line are expected to commence in 2H 2026.

On 15 July 2026, ANOH completed its first condensate lifting of 640 kbbls through the Bonny Terminal, marking the commencement of condensate exports from the plant and generating significant revenue to support ongoing operations.

Oso - BRT Phase 1

Oso-BRT pipeline upgrade project is designed to enable ramp up of gas supply to NLNG from 120 MMscfd to 240 MMscfd completion date has been extended by a few weeks into 4Q 2026 principally due to a reallocation of resources (such as vessels, people) to resolve the unplanned downtime on the Oso-BRT subsea pipeline during the quarter, described above. The underlying project scope remains unchanged and execution activities continue, with critical engineering and construction activities substantially progressed, supporting the revised completion schedule.

Gas Supply Agreement with UTM Offshore Limited

During the period, the NNPC/Seplat Energy Producing Nigeria Unlimited (SEPNU) Joint Venture and UTM Offshore Limited executed a long-term wet gas sales and purchase agreement (GSPA) for the supply of 200 MMscfd of wet gas to the UTM FLNG project over a 15-year term. The agreement supports the monetisation of up to 1.0 Tcf of gross gas resources from the Yoho field in OML 104 and represents a key milestone in the development of the Joint Venture's offshore gas resources, as outlined at our CMD in September 2025.

Under the agreement, UTM Offshore Limited will build and operate a new FLNG facility, and will construct the connecting pipeline required to supply gas from the Yoho field. The agreement also provides confirmation of feed gas supply for the project, with UTM expected to be ready by 2030.

End of Routine Flaring

During the 6M 2026 period, the carbon emissions intensity for our operated onshore assets was 19.5 kgCO_2/boe, 37% lower than 6M 2025's 30.8 kgCO_2/boe, reflecting the impact of the End of Routine Flaring projects, particularly on our Western Assets and ANOH operations on the Eastern Asset. On our operated offshore assets, carbon emissions intensity was 46.6 kgCO_2/boe, 8% lower than 6M 2025's emissions intensity of 50.4 kgCO_2/boe.

Across the onshore assets, flaring remained at low levels during the quarter, reflecting the continued benefits of flare reduction initiatives. Western Asset flaring reduced to approximately 6 MMscfd in 2Q 2026 (1Q 2026: ~7 MMscfd; 2Q 2025: ~14 MMscfd), representing around 2% of total gas produced. On the Eastern Assets, gas supply to AGPC continued to support lower flaring levels, with average flared volumes of approximately 5 MMscfd in 2Q 2026 (1Q 2026: ~8 MMscfd; 2Q 2025: ~9 MMscfd), equivalent to around 5% of gas produced during the quarter. Average flare at all locations are now within regulatory thresholds, with flare fees dropping significantly on both western and eastern assets (*see cost of sales section in Financial Review*).

Offshore, flare intensity reduced by 3% compared with 1Q 2026, supported by improved compressor reliability and gas optimisation initiatives. The Group continues to progress its medium-term flare reduction programme across the offshore assets.

Emissions Intensity by operated assets	Unit	2Q 2026	1Q 2026	QoQ change	6M 2026	6M 2025	YoY change
Onshore operated	kgCO_2/boe	16.4	23.7	(31)%	19.5	30.8	(37)%
Offshore operated	kgCO_2/boe	45.9	47.3	(3)%	46.6	50.4	(8)%
Group	**kgCO_2/boe**	**31.2**	**35.7**	**(13)%**	**33.5**	**41.0**	**(18)%**

Seplat Energy

Financial review

The supportive oil price environment continued through 2Q 2026, driven by ongoing geopolitical tension in the Middle East. Brent crude benchmark averaged $86.66/bbl in the first half of 2026, up 23% from $70.59/bbl in 6M 2025, while our average realised crude oil price rose 30% to $94.13/bbl (6M 2025: $72.58/bbl). We note the continued strong realised premium to Brent, reflects both strong demand for Nigerian crude and some benefit of timing of our liftings. We also benefitted from positive price momentum for NGLs (up 18% to $41.71/bbl) and dry gas sales (up 5% to $3.13/mscf). Overall, the strong price realisations provide the backdrop for a robust set of financial results, further enhanced by lower overall costs, with an effective tax rate of 71% in 6M 2026, compared to 91% in 6M 2025, driving strong earnings growth.

Revenue

Description	Units	2Q 2026	1Q 2026	QoQ change	6M 2026	6M 2025	YoY change
Crude & condensate volumes lifted	mmbbl	8.7	8.7	— %	17.4	17.8	(2) %
NGLs volumes lifted	mmbbl	0.9	1.1	(21) %	2.0	0.3	602 %
Dry gas sales volume	Bscf	14.9	12.8	16 %	27.7	31.7	(13) %
Average realised oil price	US$/bbl	102.59	86.16	19 %	94.13	72.58	30 %
Average Brent crude oil price	US$/bbl	96.00	77.61	24 %	86.66	70.59	23 %
Premium to Brent	US$/bbl	6.59	8.55	(23) %	7.47	1.99	275 %
Average realised NGL price	US$/bbl	37.60	44.44	(15) %	41.71	35.30	18 %
Average realised dry gas price	US$/mscf	3.10	3.10	— %	3.13	2.97	5 %
Crude & condensate revenue	US$m	888.8	745.7	19 %	1,634.5	1,293.2	26 %
Gas revenue*	US$m	57.9	44.2	31 %	102.1	94.6	8 %
NGLs revenue	US$m	32.6	50.9	(36) %	83.4	9.9	743 %
Total revenue	**US$m**	**979.3**	**840.7**	**16 %**	**1,820.0**	**1,397.7**	**30 %**
(Overlift)/underlift	US$m	25.0	(92.0)	(127) %	(67.0)	42.6	(257) %
Total revenue adjusted for (overlift)/underlift	**US$m**	**1,004.3**	**748.7**	**34 %**	**1,753.0**	**1,440.3**	**22 %**
Crude oil revenue adjusted for (overlift)/underlift	US$m	913.8	653.7	40 %	1,567.5	1,335.8	17 %

* Includes $141k of LPG revenue for 6M 2026; Gas revenue for 6M 2026 includes $16.5m for ANOH wet gas sales, of which $11.7 million was recorded in 2Q 2026 and $4.8 million in 1Q 2026. Upstream (wet gas) revenue from the ANOH gas plant is computed on a net back basis of 35% dry gas sales, 50% condensate and LPG sales.

Total revenue from oil & gas sales for 6M 2026 rose 30% to $1,820.0 million, from $1,397.7 million in 6M 2025, underpinned by strong growth in NGLs sales volume and better price realisations across all product segments. The group recorded an overlift of $67.0 million in 6M 2026 (6M 2025: $42.6 million underlift). Adjusting total revenue for the overlift/underlift, 6M 2026 revenue settled at $1,753.0 million, 22% higher than 6M 2025's $1,440.3 million.

Across product segments, 6M 2026 crude and condensate revenue rose 26% to $1,634.5 million (6M 2025: $1,293.2 million), driven by higher realised crude oil price which rose 30% to $94.13/bbl, offsetting the impact of the 2% decline in crude and condensate lifting. Crude and condensates contribution to group revenue in 6M 2026 was 90% (6M 2025: 93%).

Dry gas revenue fell during the period due to lower volumes, however reported gas revenue increased 8% during the period to $102.1 million (6M 2025: $94.6 million), due to the inclusion of $16.5m wet gas revenue from ANOH. Dry gas sales volumes declined 13% to 27.7 bcf (6M 2025: 31.7 bcf), offsetting the 5% increase in realised dry gas price in 6M 2026.

NGLs revenue rose 743% to $83.4 million in 6M 2026, from $9.9 million in 6M 2025. The increase in NGLs revenue reflects the success of the replacement of the Inlet Gas Exchanger (IGE) unit at the East Area Project (EAP) facility which has seen NGLs production grow and lifting frequency increase. In the period, NGLs volumes lifted rose 602% to 2.0 MMbbls, compared to 0.3 MMbbls in 6M 2025. NGL revenue down 36% QoQ due to weaker pricing, product mix effects and lower sales volumes. NGLs contributed 4.6% of total revenue in 6M 2026 (6M 2025: <1%).

Cost of Sales

Description	Units	2Q 2026	1Q 2026	QoQ change	6M 2026	6M 2025	YoY change
Non-Production Cost:	**US$'m**	**335.5**	**270.6**	**24 %**	**606.2**	**607.9**	**— %**
Royalties	US$'m	169.7	116.5	46 %	286.1	252.0	14 %
Depletion, Depreciation, & Amortisation	US$'m	153.2	141.2	9 %	294.4	332.9	(12)%
Regulatory fees/levies*	US$'m	12.6	13.0	(3)%	25.6	23.0	11 %
Production Cost:	**US$'m**	**198.3**	**199.7**	**(1)%**	**398.0**	**305.2**	**30 %**
Crude Handling Fees	US$'m	26.2	17.1	53 %	43.3	38.6	12 %
Barging & Trucking	US$'m	7.5	6.5	16 %	14.0	13.5	3 %
Operational & Maintenance Expenses	US$'m	164.6	176.1	(7)%	340.7	253.1	35 %
Production Opex per boe	**US$/boe**	**14.6**	**17.1**	**(14)%**	**15.8**	**12.5**	**26 %**
Cost of Sales	US$'m	533.8	470.3	14 %	1,004.1	913.1	10 %
Gross Profit	**US$'m**	**445.5**	**370.5**	**20 %**	**815.9**	**484.6**	**68 %**

*Regulatory fees & levies include NDDC and NESS levies

In 6M 2026, group production costs which encompass expenses related to crude-handling charges ('CHC'), barging/trucking, and operations & maintenance, rose 30% to $398.0 million, compared to $305.2 million in 6M 2025. The increase in production costs is primarily due to expenses incurred in the restoration of Yoho production platform, alongside asset integrity investment in our offshore assets. On a cost per barrel basis, production cost rose 26% to $15.8/boe, from $12.5/boe in 6M 2025. We note that, excluding the impact of costs incurred for the Yoho restoration project, unit production opex would have been $14.0/boe. Unit production opex improved 14% QoQ to $14.6/boe in 2Q 2026, supported by improved production. While we expect further improvements in 2H 2026 as production restarts at Yoho, and NGL production resumes from Oso. we raise our FY 2026 unit production opex guidance to $14.5-$15.5/boe, reflecting higher Yoho restoration costs.

The business continued to benefit from the conclusion of the End of Routine Flaring ('EORF') projects. Gas flare fees (included in Operational and Maintenance Expenses) declined 39% to $16.3 million (6M 2025: $26.8 million).

Non-production costs declined to $606.2 million (6M 2025: $607.9 million). The slightly lower non-production costs for the period is due to reduction in DD&A charge which offset the increase in royalties and regulatory fees. The decline in DD&A charge reflects the update to the reserve base following the updated competence person report (CPR) completed in 4Q 2025. The 46% QoQ increase in royalties was largely due to the higher oil price environment. The benefits of Petroleum Industry Act (PIA) conversion onshore continued to be seen, despite the higher price environment as group royalty per boe declined 20% to $6.9/bbl (6M 2025: $8.6/bbl).

Overall, gross profit for the group rose 68% to $815.9 million (6M 2025: $484.6 million).

Operating profit and Adjusted EBITDA

Description	Units	2Q 2026	1Q 2026	QoQ change	6M 2026	6M 2025	YoY change
Other Income	US$'m	62.3	(91.3)	(168)%	(29.1)	51.0	(157)%
General and Administrative Expenses	US$'m	(74.6)	(46.4)	61 %	(121.0)	(135.1)	(10)%
Impairment Loss	US$'m	10.8	(5.4)	(300)%	5.4	(3.0)	(276)%
Fair Value Loss	US$'m	(1.5)	(13.8)	(89)%	(15.3)	(9.7)	58 %
Operating Profit	**US$'m**	**442.4**	**213.5**	**107 %**	**655.9**	**387.8**	**69 %**
Adjusted EBITDA	**US$'m**	**567.3**	**371.3**	**53 %**	**938.6**	**735.0**	**28 %**

General and Administrative ('G&A') expenses amounted to $121.0 million, 10% lower than 6M 2025's $135.1 million. Lower G&A expenses during the period was due to the benefits of cost optimisation efforts across the Group. G&A cost per boe for the Group was $4.8/boe (6M 2025: $5.6/boe), within 2026 guidance of $4.5/boe - $5.0/boe.

The other income/(loss) line is primarily made up of the overlift of $67.0 million, minimized by crude marketing income of $16.7 million and realized and unrealized FX gains of $10.4 million and $7.2 million respectively, compared to underlift of $42.6 million recorded in 6M 2025 helped by crude marketing income of $3.0 million and unrealized FX gains of $1.7 million respectively.

Overall, we reported operating profit of $655.9 million (operating margin: 36%) in 6M 2026, 69% higher than the $387.8 million (operating margin: 28%) reported in 6M 2025.

After adjusting for non-cash items such as impairment, fair value, and exchange gains or losses, the adjusted EBITDA for the period was $938.6 million (6M 2025: $735.0 million), resulting in a margin of 52% (6M 2025: 53%).

Taxation

The income tax expense of $410.9 million (6M 2025: $265.5 million) includes a current tax charge of $475.6 million (6M 2025: $358.4 million) and a deferred tax credit of $64.6 million (6M 2025: $92.9 million). This reflects an effective tax rate ('ETR') of 71%, lower than the 91% reported in 6M 2025. The reduction in ETR is largely driven by the conversion of our onshore assets (excluding Elcrest) to the fiscal terms of the Petroleum Industry Act (PIA), under which the applicable tax rate is 60%, compared to 85% under the Petroleum Profits Tax (PPT). In addition, deferred tax recoverability has been recognised at this lower 60% rate, further contributing to the reduction in ETR.

The 6M 2026 tax numbers were computed based on the 2026 full-year ETR estimate in line with IAS 34. Cash taxes paid year-to-date totalled $340.8 million, representing 35% of pre-tax cash flows from operations.

Net result

Description	Units	2Q 2026	1Q 2026	QoQ change	6M 2026	6M 2025	YoY change
Profit before Tax	**US$'m**	**409.4**	**165.6**	**147 %**	**574.9**	**292.9**	**96 %**
Total Income tax expense	US$'m	283.3	127.6	122 %	410.9	265.5	55 %
Net Income	**US$'m**	**126.1**	**37.9**	**232 %**	**164.0**	**27.4**	**498 %**
Profit Attributable to Holders of Equity	US$'m	125.7	33.8	272 %	159.5	23.6	576 %
Earnings per Share	**US$c'shr**	**0.21**	**0.06**	**272 %**	**0.27**	**0.04**	**563 %**

Profit before tax rose 96%, amounting to $574.9 million, compared to $292.9 million in 6M 2025. Profit after tax for the period was $164.0 million (6M 2025: $27.4 million). The growth in profit after tax benefitted from better price realisations across our product mix as well as lower overall costs.

The profit attributable to equity holders of the parent Company, representing shareholders, was $159.5 million in 6M 2026, which resulted in basic earnings per share of $0.27 for the period 563% higher than in the prior year (6M 2025: $0.04/share).

Cash flows from operating activities

Description	Units	2Q 2026	1Q 2026	QoQ change	6M 2026	6M 2025	YoY change
Profit before tax	US$'m	**409.4**	**165.6**	**147 %**	**574.9**	**292.9**	96 %
Non Cash Adjustments	US$'m	192.6	221.6	(13) %	414.2	476.2	(13) %
Working Capital Changes	US$'m	45.9	(49.2)	(193) %	(3.3)	(3.0)	9 %
Pre-tax Cashflow from Operating Activities	**US$'m**	**647.9**	**337.9**	**92 %**	**985.9**	**766.2**	**29%**
Cash Taxes	US$'m	(248.1)	(92.7)	168 %	(340.8)	(213.5)	60 %
Others*	US$'m	(7.0)	(1.8)	287 %	(8.8)	(65.8)	(87) %
Post-tax Cashflow from Operating Activities	**US$'m**	**392.8**	**243.4**	**61 %**	**636.3**	**486.9**	**31 %**

*Others include hedge premium and contribution to plan assets

In 6M 2026, the Company generated pre-tax cashflow from operating activities of $985.9 million (6M 2025: $766.2 million). The improvement reflects the impact of better price realisation during the period.

Net cash flow from operating activities amounted to $636.3 million in 6M 2026, compared to $486.9 million in 6M 2025. This figure includes cash tax payments of $340.8 million, hedge premium payment of $4.3 million, and restricted cash movement of $4.5 million during the current period, while in the previous year, cash tax payments were $213.5 million, hedge premium of $1.7 million was paid, and restricted cash movement was $0.8 million.

Cash call collection from our JV partners remained positive in the period. In 6M 2026, on the NEPL/Seplat JV for Western Assets and Elcrest, we received $195.4 million in cash calls from our JV partner, lowering the receivables balance on the JV to $42.2 million (FY 2025: $84.5 million).

For our NUIMS/Seplat JV and SEPNU/NNPC JV for our Eastern Assets and SEPNU, we received $596.2 million in cash call settlement in 6M 2026, bringing outstanding cash call obligations on both JVs to $129.2 million (6M 2025: $201.7 million). The legacy cash call discussions remain ongoing and agreements have been reached with NUIMS on $188 million of $325 million outstanding with payments pending. Audit and reconciliation process for the balance of the legacy receivables continue with our JV partner.

Cash flows from investing activities

Description	Units	2Q 2026	1Q 2026	QoQ change	6M 2026	6M 2025	YoY change
Post-tax Cashflow from Operating Activities	**US$'m**	**392.8**	**243.4**	**61 %**	**636.3**	**486.9**	**31 %**
Capital Expenditure	US$'m	(67.2)	(42.6)	58 %	(109.8)	(96.5)	14 %
Free Cashflow	**US$'m**	**325.6**	**200.8**	**62 %**	**526.4**	**390.4**	**35 %**
Additional Investment in Joint Venture	US$'m	—	—	nm	—	(20.0)	nm
Others*	US$'m	3.5	2.9	21 %	6.4	6.7	(5) %
Net cash outflows used in investing activities	**US$'m**	**(63.7)**	**(39.7)**	**60 %**	**(103.4)**	**(109.7)**	**(6)%**

*Others include Interest received, and deposit for asset held for sale.

In 6M 2026, the cash capital expenditure on oil & gas assets during the period was $107.7 million (6M 2025: $95.7 million), up 12% from prior year. Aggregate capital expenditure (including non-oil & gas capex) for the period was $109.8 million. The total net cash outflow from investing activities was $103.4 million, a 6% decrease relative to 6M 2025's $109.7 million due to the additional investment of $20.0million in AGPC in 1Q 2025.

As a result of the operating performance in 6M 2026, the business generated $526.4 million of reported free cashflow, 35% higher than 6M 2025's $390.4 million.

Cash flows from financing activities

Description	Units	2Q 2026	1Q 2026	QoQ change	6M 2026	6M 2025	YoY change
Repayments of Loans and Borrowings	US$'m	(200.0)	—	nm	(200.0)	(919.3)	(78.2) %
Proceeds from Loans and Borrowings	US$'m	—	—	nm	—	650.0	nm
Interest paid on Loans and Borrowings	US$'m	(12.6)	(36.9)	(66) %	(49.4)	(49.5)	(0.1) %
Other Finance Costs	US$'m	(8.2)	(15.5)	(47) %	(23.7)	(40.5)	(41.6) %
Dividends paid	US$'m	(103.7)	—	nm	(103.7)	(67.7)	53.3 %
Shares purchased for employees	US$'m	(31.2)	(25.0)	25 %	(56.2)	—	nm
Net cash outflows used in financing activities	**US$'m**	**(355.6)**	**(77.4)**	**360 %**	**(433.0)**	**(426.9)**	**1 %**

Net cash outflow from financing activities was $433.0 million, compared to an outflow of $426.9 million in 6M 2025. The slightly higher cash outflow from financing activities relative to 6M 2025 reflects increased dividend payments made to shareholders during the period.

During the period, we repaid and cancelled $200.0 million on the Advanced payment facility which was used to finance the acquisition of Mobil Producing Nigeria Unlimited (MPNU) shallow water assets.

Excluding debt principal repayments, the main components of financing cash outflow were dividend payments of $103.7 million, interest payment on loans and borrowings of $49.4 million, purchase of shares for the employee long term incentive plan costing $56.2 million, and $23.7 million in other finance costs made up of fees associated with the refinancing of the Company's undrawn $400.0 million revolving credit facility and lease payments.

Debt Movements

Advanced payment facility ('APF')

In 2Q 2026, the Company repaid and cancelled $200 million under the APF. The current outstanding drawdown amount is $100 million.

Revolving credit facility ('RCF')

As we disclosed in our FY 2025 results, on 31 January 2026, the Company refinanced and upscaled its existing facility to a new $400 million revolving credit facility (up from $350 million previously), while at the same time lowering the borrowing cost with the new facility interest rate set at SOFR plus 4.5% (down from SOFR plus 5% plus CAS of 0.26%), achieving a saving of 76bps. The facility matures in October 2029 and is currently undrawn.

Liquidity

The balance sheet continues to remain healthy with a solid liquidity position.

Description	Units	6M 2026	6M 2025	FY2025
Senior loan notes (Eurobonds)*	US$'m	651.3	650.0	649.7
Westport Reserve Based Lending (RBL) facility*	US$'m	53.6	31.4	53.5
$400 million Revolving credit facility*	US$'m	0.0	100.4	—
$300 million Advance payment facility*	US$'m	99.6	303.4	302.4
Offtake facilities*	US$'m	0.0	10.5	—
Total borrowings*	US$'m	**804.5**	**1,095.7**	**1,005.6**
Cash and cash equivalents (exclusive of restricted cash)	**US$'m**	**433.8**	**419.4**	**332.3**
Net Debt	US$'m	370.7	676.3	673.3
Adjusted EBITDA **	US$'m	1,479.0	1,272.7	1,275.4
Net Debt-to-Trailing Twelve Months EBITDA	x	0.25	0.53	0.53

* Including amortised interest and accrual for the RCF (undrawn) commitment fee
** data shows trailing 12-month (TTM) adjusted EBITDA

Seplat Energy ended the period with gross debt of $804.5 million 20% lower than at end 2025 (YE 2025: $1,005.6 million) and cash at bank of $433.8 million (YE 2025: $332.3 million), resulting in net debt of $370.7 million (YE 2025: $673.3 million). The net debt position is 45% lower than year end 2025.

We continue to monitor the Net Debt-to-EBITDA ratio of the Company with a corporate policy of maintaining our net leverage ratio below 2.0x (Debt covenant - 3.0x). At the end of June 2026, the balance sheet remained strong, and our Net Debt-to-EBITDA ratio improved to 0.25x, from 0.53x at the end of 2025, significantly inside our corporate policy.

Dividend

The Board has approved a quarterly dividend of USD 12.0 cents per share for 2Q 2026 (subject to appropriate WHT) comprised of the minimum quarterly base dividend (USD 5.0 cents per share), and a special dividend of USD 7.0 cents per share. This represents a 161% increase in total dividend paid relative to 2Q 2025. The decision to pay a special dividend in 2Q 2026 was underpinned by the Company's strong financial position, favourable commodity price impact, and solid outlook for the rest of the year.
Based on operational performance year to date and management confidence in the outlook for the remainder of the year. The Company now plans to distribute USD 45.0 cents per share ($270 million) for the full year 2026. This excludes the potential additional Transaction dividend related to the sale of a 10% working interest in the NNPCL-SEPNU JV to our partner NNPC Limited.

Reporting Period	Proposed Dividend (US$ cents per share)	Announcement Date	Qualification Date (LSE)	Qualification Date (NGX)	Payment Date
Q1 2026	9.0	30 April 2026	5 June 2026	5 June 2026	19 June 2026
Q2 2026	12.0	30 July 2026	13 August 2026	13 August 2026	28 August 2026
Total 2026 YTD	**21.0**				

Hedging

Seplat Energy's hedging policy aims to guarantee appropriate levels of cash flow assurance in times of oil price weakness and volatility.

We completed our 2026 hedging program at the start of July 2026, hedging a total of 24.0 MMbbls at a weighted average cost of $1.16/bbl, and a weighted average strike price of $52.29/bbl. We will continue to monitor developments in the oil market and make our hedging decisions accordingly. Our simple put option hedge strategy remains unchanged.

Oil Hedges (Brent Put Options)	Unit	1Q 2026	2Q 2026	3Q 2026	4Q 2026
Volumes hedged	MMbbls	6.00	6.00	6.00	6.00
Price hedged	US$/bbl	52.50	50.00	51.67	55.00
Puts cost	US$/bbl	1.21	1.18	1.36	0.88

Credit ratings

Seplat maintains corporate credit ratings with Moody's Investor Services (Moody's), Standard & Poor's Rating Services (S&P) and Fitch Ratings (Fitch). The current corporate ratings are as follows: (i) Moody's B2 (stable); (ii) S&P B+ (stable); (iii) Fitch B (stable).

In May 2026, S&P upgraded Seplat's long-term issuer credit rating to B+ (stable) from B (positive). This was primarily driven by S&P's decision to lift Nigeria's sovereign rating to 'B' from 'B-'. The agency also noted Seplat's robust stand-alone creditworthiness, supported by expectations of strong cash flow. Fitch reviewed and affirmed our long term issuer default rating at B (stable) and Moody's did similar in June 2026.

Interim sustainability report for 6 months ended 30 June 2026

Governance

During 2Q 2026, the Sustainability Management Committee continued oversight of key sustainability initiatives, including the Group's Biodiversity Action Plan, water management, the End of Routine Flaring programme, community investment activities and human capital performance. During the period, the 2025 Social Performance Report was published, while the Independent Regulatory Compliance Audit progressed to 78% completion and remains on track for delivery in 2H 2026.

The Board Sustainability Committee, Risk Management and HSE Committee, Energy Transition Committee, and the Board Finance and Audit Committee each met once in 2Q 2026 to consider sustainability-related topics within their respective mandates.

Strategy

The Group's disclosures on strategy are presented in the Sustainability section of the recently released 2025 Annual Report which can be accessed here

Risk Management

The Group's risk disclosures are presented in the 2025 Annual Report which can be accessed here

Metrics and Target

Description of performance measure **Our Commitments/Targets are set for only our operated assets (excluding SEPNU)**		**6M 2026**	**6M 2025**	**2Q 2026**	**1Q 2026**	**Commentary**
GHG Intensity	Onshore	19.5	30.8	16.4	23.7	Maintained low flaring levels across the portfolio. Western Asset flaring reduced to ~6 MMscfd (2% of gas produced), while Eastern Asset flaring reduced to ~5 MMscfd (5% of gas produced), supported by flare reduction projects and gas transfer to AGPC. Offshore flare intensity improved by 3% quarter-on-quarter due to improved compressor reliability and gas optimisation initiatives.
	Offshore	46.6	50.4	45.9	47.3	
	Group	**33.5**	**41.0**	**31.2**	**35.7**	
Gross Scope 1 emissions ($ktCO_2e$)	Onshore	294.6	500.9	141.3	153.3	
	Offshore	1,897.7	2,126.6	934.2	945.5	
	Group	**2,174.3**	**2,627.5**	**1,075.5**	**1,098.8**	
Methane emissions (tCO_2e)	Onshore	92.7	131.9	51.0	41.8	
	Offshore	127.4	156.4	62.2	65.3	
	Group	**220.2**	**288.3**	**113.2**	**107.0**	
Scope 3 emissions- reporting (number of categories reported)	Report eight Scope 3 emissions categories by 2026 report	6	6	6 categories currently reported and work ongoing towards 8 In 2Q 2026, onboarding of Priority Group 1 (PG1) suppliers onto the Group's Scope 3 emissions data collection platform commenced, supported by supplier training sessions. The 98 PG1 suppliers represent approximately 65% of the value of purchase orders issued in 2025.		
Afforestation (number of trees planted)	Tree4Life project- plant 1 million trees by 2030	Completed the transplantation of 50,000 trees during the period, with tagging and monitoring activities ongoing.				
Biodiversity	Complete Biodiversity Assessment of Seplat Offshore Operational areas and develop a consolidated BAP for Seplat Group.	Biodiversity initiatives progressed during the quarter, including commencement of internal awareness programmes and mobilisation of offshore biodiversity assessment studies. The assessment programme commenced in 2Q 2026 is expected to continue through 4Q 2026.				
Water & Wastewater management	Drive water consumption accuracy and commence measurement in offshore operations	• Achieved 35% closure of identified gaps. • Tracking ongoing to drive further closure with follow-up verification to confirm effectiveness of implemented corrections • Completed the offshore Water Footprint Audit to validate reporting accuracy and identify data gaps, with implementation of corrective actions underway.				

*Emissions data are based on gross production numbers

Seplat Energy

Outlook

The key activities for 2026 remain largely on track for delivery, production and capex guidance are maintained; unit operating cost guidance is revised. The prevailing price environment remains elevated compared to our base case planning assumption for the year, however, we remain committed to the current year work programme. Beyond guidance we continue to focus on driving cost efficiencies and other tangible benefits from the integration of offshore into the Group.

Production guidance

2026 production guidance reiterated at 135-155 kboepd, tracking towards the mid-point.

Seplat Energy's production operations improved materially in 2Q 2026, bringing overall production into our guidance range. In 2H 2026 we expect continued growth. The growth is driven by the return of Yoho (onstream 3Q 2026), increased contribution from new well stock (ongoing), ANOH ramp-up and the completion of Oso-BRT phase 1 (now 4Q 2026).

Given 1H 2026 production performance, full year production is expected to be around the mid-point of current guidance

Capex guidance

Working interest capital expenditure guidance is reiterated in the range of $360 million - $440 million.

6M 2026 cash capital investment was lower than planned, largely due to timing on certain engineering costs and well-specific execution delays. That said, cash capex run rate is expected to increase over the remaining quarters of 2026, given increased drilling activity (the Group is expected to have 8 rigs active in 2H 2026 vs. 5 rigs in 1H 2026) and as such FY 2026 guidance is maintained.

Opex guidance

Unit operating cost guidance for the Company is revised up the range of $14.5-15.5/boe.

6M 2026 unit operating cost was above plan primarily due to the additional costs incurred at Yoho (equivalent to $1.8/boe in 6M 2026). On the basis of expected improvements in production in the second half of the year, underlying unit operating costs are expected to decline. However, given higher cost incurred in the restoration of Yoho we revise our guidance higher by $1.0/boe to $14.5-15.5/boe.

We note that we are targeting recovery of a portion of Yoho costs through our insurance. Guidance on this potential recovery will be provided when the outcome of the process is clear.

Other Financial and Strategic guidance

G&A: Unit G&A costs in 6M 2026 were $4.8/boe, within 2026 guidance of $4.5-5.0/boe, 2026 guidance is reiterated.

Tax: Given the continued elevated price environment, we update our FY2026 cash tax guidance. Assuming 2026 average oil price of $80/bbl for 2H 2026, we expect FY 2026 cash taxes of $600-650 million (previously $400-500 million at $65/bbl).

Dividend: With respect to the dividend, given the continued positive oil price environment and continued production growth cash generation is expected to remain above plan in the near term. As such, we anticipate distributing total dividends for the year related to underlying business performance of $270 million, equivalent to USD 45.0 cents/share. Of this USD 21 cents/share has been declared for 1Q and 2Q combined.

Over the 2026-2030 5 year period the Company has committed to return at least $1.0 billion to shareholders via dividends. The plan targets distributions of 40-50% of free cash flow over the five year cycle (2026-2030).

SEPNU Divestment

Today, Seplat announced that it has signed a legally binding Heads of Agreement with NNPC Limited for the sale of a 10% working interest in the assets held within the NNPCL/SEPNU Joint Venture. The headline transaction value of $281.6 million is approximately 25% of the gross transaction consideration paid to date by Seplat for its acquisition of SEPNU (please see associated RNS).

The effective date for the transaction is 1 April 2026, and completion is expected in 2H 2026. Post completion Seplat will retain a 30% working interest in the joint venture assets and will continue as operator.

Given the Company's strong financial position, the company intends to use approximately 50% of the proceeds to reduce gross debt, with the remaining 50% being returned to shareholders as a transaction dividend. Subject to completion the company intends to distribute $140 million (USD 23.3 cents/share) as a Transaction dividend. This planned dividend will be in addition to the underlying business performance dividend described above. As a result, planned 2026 dividends to shareholders are expected to total $410.0 million (or USD 68.3 c/shr).

Impact on 2026 guidance

As described above, 2026 guidance remains in place pending completion of the transaction, at which point we will update guidance. To note that our 40% working interest offshore represents approximately 80 kboepd at the midpoint of our 2026 production guidance.

Impact on 2030 targets

- **2030 production target**: as previously guided, and subject to completion, our 2030 target of 200 kboepd (net WI) adjusts to 170 kboepd (net WI).
- **Shareholder Returns**: commitment to distribute 40-50% of FCF through the 2026-2030 cycle, firmly on track to deliver the target of returning at least $1 billion in cumulative distributions.

Impact on 2P reserves

Considering our most recent reserves update, the Transaction would result in group 2P reserves being adjusted down by approximately 13% to 872.9 million boe. An update to group 2P reserves will be provided following completion of the Transaction.

Other information

Free Float

With a free float of 37.0% as at 30 June 2026, Seplat Energy PLC is compliant with the Nigerian Exchange's free float requirements for companies listed on the Premium Board.

Share Dealing Policy

We confirm that to the best of our knowledge that there has been compliance with the Company's Share Dealing Policy during the period.

Directors' Interest in Shares

In accordance with Section 301 of the Companies and Allied Matters Act, 2020, the interests of the Directors (and of persons connected with them) in the share capital of the Company (all of which are beneficial unless otherwise stated) are as follows:

	31 December 2024	31 December 2025		30 June 2026	
	No. of Ordinary Shares	No. of Ordinary Shares	As a percentage of Ordinary Shares in issue	No. of Ordinary Shares	As a percentage of Ordinary Shares in issue
Udoma Udo Udoma [1]	55,071	55,071	0.01 %	55,071	0.01 %
Roger Brown	4,006,169	4,878,671	0.81 %	6,523,861[4]	1.09 %
Samson Ezugworie	547,983	630,955	0.11 %	630,955	0.11 %
Eleanor Adaralegbe	234,209	659,691	0.11 %	1,018,254[5]	0.17 %
Bashirat Odunewu	0	0	— %	0	— %
Nathalie Delapalme	0	0	— %	0	— %
Emma FitzGerald	0	0	— %	0	— %
Kazeem Raimi	6,577	6,577	— %	6,577	— %
Ernest Ebi	50,000	50,000	0.01 %	50,000	0.01 %
Koosum Kalyan	0	0	— %	0	— %
Christopher Okeke	0	0	— %	59,994	0.01 %
Larry Ettah	0	0	n/a	0	— %
Tony O. Elumelu [2]	0	0	n/a	120,400,000	20.07 %
Oliver De Langavant [3]	0	0	— %	0	— %
Total	**4,900,009**	**6,280,965**	**1.05 %**	**128,744,712**	**21.46 %**

1) Udoma Udo Udoma indirectly holds 22,571 of his 55,071 shares through Tierce Investments Ltd.
2) Tony O. Elumelu indirectly holds 120,400,000 shares through Heirs Group (Heirs Energies Ltd & Heirs Holdings Ltd), which are entities controlled by Tony O. Elumelu and members of his family.
3) Oliver De Langavant resigned from the Board of directors on 22nd January 2026.
4) 1,645,190 additional shares transferred as LTIP vested shares at nil cost.
5) 358,563 additional shares transferred as LTIP vested shares at nil cost.

Substantial Interest in Shares

At 30 June 2026, the following shareholders held more than 5.0% of the issued share capital of the Company:

Shareholder	Number of holdings	%
Heirs Group (Heirs Energies Ltd & Heirs Holdings Ltd)	120,400,000	20.07
Petrolin Group	81,015,319	13.50
Professional Support	50,019,178	8.34
Sustainable Capital	37,118,983	6.19

Principal risks and uncertainties

The Board of Directors is responsible for defining the Company's overall risk management strategy and setting its risk appetite, including determining the level of risk that Seplat Energy is willing to accept. Details of the critical risks and uncertainties facing Seplat Energy as of year-end are outlined in the Risk Management section of the 2025 Annual Report and Accounts. Our risk categories have remained largely consistent and aligned with industry benchmarks. These categories are:

1 Operational and Safety
2 Strategic and Commercial
3 Conduct, Culture & Integrity
4 Political and Security
5 Climate Change and Energy Transition

Responsibility Statement

For the six months ended 30 June 2026

The directors confirm to the best of their knowledge that:

1) The condensed set of financial statements have been prepared in accordance with IAS 34 'Interim Financial Report';
2) The interim management report includes a fair review of the information required by UK DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and
3) The interim management report includes a fair review of the information required by UK DTR 4.2.8R disclosure of related parties' transactions and changes therein.

A list of current Directors is included on the company website: www.seplatenergy.com.

By order of the Board,

U.U. Udoma
Chairman

FRC/2013/NBA/00000001796

30 Jul 2026

R.T. Brown
Chief Executive Officer

FRC/2014/PRO/DIR/003/00000017939

30 Jul 2026

E. Adaralegbe
Chief Financial Officer

FRC/2017/ICAN/00000017591

30 Jul 2026

pwc

Report on review of condensed consolidated interim financial statements

To the Members of Seplat Energy Plc

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Seplat Energy Plc and its subsidiaries (the "Group") as at 30 June 2026 and the related condensed consolidated interim statement of profit or loss and other comprehensive income, condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows for the six-month period then ended and notes, comprising material accounting policy information and other explanatory information. The directors are responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting'.

Abisola Atitebi
For: **PricewaterhouseCoopers**
Chartered Accountants
Lagos, Nigeria

30 July 2026

Engagement Partner: Abisola Atitebi
FRC/2021/PRO/ICAN/004/00000023658

PricewaterhouseCoopers
FF Millenium Towers, 13/14 Ligali Ayorinde Street, Victoria Island, Lagos, Nigeria

www.pwc.com/ng

Unaudited condensed consolidated interim financial statements for the six months ended 30 June 2026 (NGN)

30 July 2026

Reliable energy, limitless potential

Condensed consolidated interim statement of profit or loss and other comprehensive income

For the half year ended 30 June 2026

	Notes	**Half year ended 30 June 2026**	Half year ended 30 June 2025	**3 Months ended 30 June 2026**	3 Months ended 30 June 2025
		Unaudited	Unaudited	**Unaudited**	Unaudited
		₦ million	₦ million	**₦ million**	₦ million
Revenue from contracts with customers	7	**2,502,181**	2,166,717	**1,338,736**	939,205
Cost of sales	8	**(1,380,469)**	(1,415,473)	**(729,675)**	(723,394)
Gross profit		**1,121,712**	751,244	**609,061**	215,811
Other (loss)/income -net	9	**(39,987)**	79,070	**86,420**	146,363
General and administrative expenses	10	**(166,360)**	(209,442)	**(102,195)**	(111,027)
Impairment reversal/(loss) on financial assets	11	**7,376**	(4,718)	**14,912**	(3,908)
Fair value loss	12	**(21,009)**	(14,966)	**(1,872)**	(7,313)
Operating profit		**901,732**	601,188	**606,326**	239,926
Finance income	13	**9,133**	8,275	**5,086**	4,307
Finance costs	13	**(116,132)**	(150,549)	**(51,625)**	(101,025)
Finance cost - net	13	**(106,999)**	(142,274)	**(46,539)**	(96,718)
Share of (loss)/profit from joint venture accounted for using the equity method		**(4,318)**	(4,803)	**1,524**	(3,743)
Profit before taxation		**790,415**	454,111	**561,311**	139,465
Income tax expense	14	**(564,937)**	(411,592)	**(388,342)**	(132,330)
Profit for the period		**225,478**	42,519	**172,969**	7,135
Attributable to:					
Equity holders of the parent		**219,235**	36,597	**172,472**	5,918
Non-controlling interests		**6,243**	5,922	**497**	1,217
		225,478	42,519	**172,969**	7,135
Earnings per share for the period					
Basic earnings per share ₦	26	**365.43**	62.19	**287.48**	10.06
Diluted earnings per share ₦	26	**365.43**	62.19	**287.48**	10.06
Profit for the period		**225,478**	42,519	**172,969**	7,135
Other comprehensive loss:					
Items that may be reclassified to profit or loss (net of tax):					
Foreign currency translation difference		**(103,168)**	(10,637)	**(12,896)**	(13,017)
Total comprehensive income for the period (net of tax)		**122,310**	31,882	**160,073**	(5,882)
Attributable to:					
Equity holders of the parent		**129,903**	31,811	**160,033**	(1,248)
Non-controlling interests		**(7,593)**	71	**40**	(4,634)
		122,310	31,882	**160,073**	(5,882)

The above interim condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

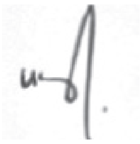
Condensed consolidated interim statement of financial position

As at 30 June 2026

	Notes	30 June 2026 Unaudited ₦ million	31 Dec 2025 Audited ₦ million
Assets			
Non-current assets			
Oil & gas properties	16	**4,154,118**	4,477,741
Other property, plant and equipment		**471,565**	517,515
Right-of-use assets		**131,959**	163,697
Intangible assets		**716,649**	812,866
Other assets		**125,251**	130,343
Investment accounted for using equity method		**353,938**	372,835
Long-term prepayments		**20,647**	22,462
Deferred tax assets	14.1	**232,456**	289,581
Other financial assets at amortised cost	21	**3,201**	—
Total non-current assets		**6,209,784**	6,787,040
Current assets			
Inventory		**487,133**	489,087
Trade and other receivables	17	**590,972**	683,086
Short-term prepayments		**41,094**	47,729
Contract assets	18	**111,472**	29,159
Derivative financial assets	19.1	**3,862**	17,352
Other financial assets at amortised cost	21	**980**	—
Restricted cash	20.2	**180,402**	181,347
Cash and cash equivalents	20	**598,347**	476,970
Total current assets		**2,014,262**	1,924,730
Asset held for sale		**16,923**	17,611
Total assets		**8,240,969**	8,729,381
Equity and liabilities			
Equity attributable to shareholders			
Issued share capital	22.2	**300**	300
Share premium	22.2	**83,884**	150,802
Share based payment reserve	22.2	**13,023**	24,985
Treasury shares	22.2	**(80,022)**	(100,270)
Capital contribution	22.2	**5,932**	5,932
Retained earnings	22.2	**419,026**	342,409
Foreign currency translation reserve	22.2	**2,108,750**	2,198,082
Non-controlling interest		**13,403**	20,996
Total shareholder's equity		**2,564,296**	2,643,236
Non-current liabilities			
Interest bearing loans and borrowings	23	**1,013,395**	1,339,135
Lease liabilities		**46,357**	67,027
Provision for decommissioning obligation		**1,149,644**	1,168,622
Deferred tax liability	14.1	**1,539,182**	1,742,201
Defined benefit plan	24.1	**2,849**	3,904
Total non-current liabilities		**3,751,427**	4,320,889
Current liabilities			
Interest bearing loans and borrowings	23	**96,198**	104,154
Lease liabilities		**40,409**	29,162
Derivative financial liability	19.2	**11,010**	9,041
Trade and other payables	25	**1,289,972**	1,310,242
Other provisions		**4,784**	4,901
Current tax liabilities		**482,873**	307,756
Total current liabilities		**1,925,246**	1,765,256
Total liabilities		**5,676,673**	6,086,145
Total shareholders' equity and liabilities		**8,240,969**	8,729,381

The above interim condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

The financial statements of Seplat Energy Plc and its subsidiaries (The Group) for the six months ended 30 June 2026 were authorised for issue on 30 July 2026 in accordance with a resolution of the Directors signed on its behalf by:



U. U. Udoma
FRC/2013/NBA/00000001796
Chairman
30 July 2026

R.T Brown
FRC/2014/PRO/DIR/00000017939
Chief Executive Officer
30 July 2026

E. Adaralegbe
FRC/2017/ICAN/006/00000017591
Chief Financial Officer
30 July 2026

Condensed consolidated interim statement of changes in equity

For the period ended 30 June 2026

	Issued share capital	Share premium	Share based payment reserve	Treasury shares	Capital contribution	Retained earnings	Foreign currency translation reserve	Non-controlling interest	Total equity
	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million
At 1 January 2025- restated	**297**	**87,375**	**15,558**	**(3,570)**	**5,932**	**312,635**	**2,393,009**	**11,127**	**2,822,363**
Profit for the period	–	–	–	–	–	36,597	–	5,922	42,519
Other comprehensive loss	–	–	–	–	–	–	(4,787)	(5,850)	(10,637)
Total comprehensive income for the period	**–**	**–**	**–**	**–**	**–**	**36,597**	**(4,787)**	**71**	**31,882**
Transactions with owners in their capacity as owners:									
Dividend paid	–	–	–	–	–	(104,871)	–	–	(104,871)
Share based payments	–	–	15,922	–	–	–	–	–	15,922
Vested shares	–	25,860	(25,866)	6	–	–	–	–	–
Total	**–**	**25,860**	**(9,944)**	**6**	**–**	**(104,871)**	**–**	**–**	**(88,949)**
At 30 June 2025 (unaudited)	**297**	**113,235**	**5,614**	**(3,564)**	**5,932**	**244,361**	**2,388,222**	**11,198**	**2,765,296**
At 1 January 2026	**300**	**150,802**	**24,985**	**(100,270)**	**5,932**	**342,409**	**2,198,082**	**20,996**	**2,643,236**
Profit for the period	**–**	**–**	**–**	**–**	**–**	**219,235**	**–**	**6,243**	**225,478**
Other comprehensive loss	**–**	**–**	**–**	**–**	**–**	**–**	**(89,332)**	**(13,836)**	**(103,168)**
Total comprehensive income for the period	**–**	**–**	**–**	**–**	**–**	**219,235**	**(89,332)**	**(7,593)**	**122,310**
Transactions with owners in their capacity as owners:									
Dividend paid	**–**	**–**	**–**	**–**	**–**	**(142,618)**	**–**	**–**	**(142,618)**
Share based payments	**–**	**–**	**18,600**	**–**	**–**	**–**	**–**	**–**	**18,600**
Vested Shares	**–**	**(66,918)**	**(30,562)**	**97,480**	**–**	**–**	**–**	**–**	**–**
Share repurchased	**–**	**–**	**–**	**(77,232)**	**–**	**–**	**–**	**–**	**(77,232)**
Total	**–**	**(66,918)**	**(11,962)**	**20,248**	**–**	**(142,618)**	**–**	**–**	**(201,250)**
At 30 June 2026 (unaudited)	**300**	**83,884**	**13,023**	**(80,022)**	**5,932**	**419,026**	**2,108,750**	**13,403**	**2,564,296**

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Condensed consolidated interim statement of cash flows

For the half year ended 30 June 2026

	Notes	**Half year ended 30 June 2026 ₦ million**	Half year ended 30 June 2025 ₦ million
Cash flows from operating activities			
Cash generated from operations	15	**1,355,338**	1,187,687
Tax paid		**(468,534)**	(330,908)
Contribution to plan assets		**–**	(80,619)
Hedge premium paid		**(5,939)**	(20,095)
Restricted cash	20.3	**(6,122)**	(1,296)
Net cash inflows from operating activities		**874,743**	754,769
Cash flows from investing activities			
Payment for acquisition of oil and gas properties	16	**(148,047)**	(148,419)
Additional investment in Joint venture		**–**	(31,004)
Payment for acquisition of other property, plant and equipment		**(2,946)**	(1,150)
Deposit for asset held for sale		**–**	2,170
Interest received		**9,133**	8,275
Net cash outflows used in investing activities		**(141,860)**	(170,128)
Cash flows from financing activities			
Repayment of loans and borrowings		**(274,958)**	(1,425,003)
Proceeds from loans and borrowings		**–**	1,007,617
Dividend paid		**(142,618)**	(104,871)
Shares purchased for LTIP scheme		**(77,232)**	–
Interest paid on lease liability		**(3,595)**	(6,444)
Lease payment - principal portion		**(9,494)**	(13,637)
Payments of other financing charges*		**(19,444)**	(42,690)
Interest paid on loans and borrowings		**(67,967)**	(76,698)
Net cash outflows used in financing activities		**(595,308)**	(661,726)
Net increase/(decrease) in cash and cash equivalents		**137,575**	(77,085)
Cash and cash equivalents at beginning of the period		**476,970**	721,385
Effects of exchange rate changes on cash and cash equivalents		**(16,198)**	(3,018)
Cash and cash equivalents at end of the period	20	**598,347**	641,282

*Other financing charges of ₦19.4 billion (2025: ₦42.7 billion) largely relate to commitment fees and other transaction costs incurred in refinancing of the $400 million Revolving Credit Facility.

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The above interim condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the condensed consolidated interim financial statements

For the half year ended 30 June 2026

1. Corporate structure and business

Seplat Energy Plc (formerly called Seplat Petroleum Development Company Plc, hereinafter referred to as 'Seplat' or the 'Company'), the parent of the Group, was incorporated on 17 June 2009 as a private limited liability company and re-registered as a public company on 3 October 2014, under the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004. The Company commenced operations on 1 August 2010. The Company is principally engaged in oil and gas exploration and production and gas processing activities. The Company's registered address is: Seplat House, No. 1, Lekki Expressway, Victoria Island, Lagos, Nigeria..

The Company acquired, pursuant to an agreement for assignment dated 31 January 2010 between the Company, SPDC, TOTAL and AGIP, a 45% participating interest in OML 4, OML 38 and OML 41 located in Nigeria.

On 7 November 2010, Newton Energy Limited ('Newton Energy'), an entity previously beneficially owned by the same shareholders as Seplat, became a subsidiary of the Company. On 1 June 2013, Newton Energy acquired from Pillar Oil Limited ('Pillar Oil') a 40% Participant interest in producing assets: the Umuseti/Igbuku marginal field area located within OPL 283 (the 'Umuseti/Igbuku Fields').

On 11 December 2013, the Group incorporated a new subsidiary, Seplat East Swamp Company Limited with the principal activity of oil and gas exploration and production.

On 11 December 2013, Seplat Gas Company Limited ('Seplat Gas') was incorporated as a private limited liability company to engage in oil and gas exploration and production and gas processing.

On 21 August 2014, the Group incorporated a new subsidiary, Seplat Energy UK Limited (formerly called Seplat Petroleum Development UK Limited). The subsidiary provides technical, liaison and administrative support services relating to oil and gas exploration activities.

In 2015, the Group purchased a 40% participating interest in OML 53, onshore northeastern Niger Delta (Seplat East Onshore Limited), from Chevron Nigeria Ltd.

In 2017, the Group incorporated a new subsidiary, ANOH Gas Processing Company Limited. The principal activity of the Company is the processing of gas from OML 53 using the ANOH gas processing plant. The Group divested some of its ownership interest in this Company to Nigerian Gas Processing and Transportation Company (NGPTC) which was effective from 18 April 2019, hence this investment qualifies as a joint arrangement and has continued to be recognised as investment in joint venture.

On 16 January 2018, the Group incorporated a subsidiary, Seplat West Limited ('Seplat West'). Seplat West was incorporated to manage the producing assets of Seplat Plc.

On 31 December 2019, Seplat Energy Plc, acquired 100% of Eland Oil and Gas Plc's issued and yet to be issued ordinary shares. Eland is an independent oil and gas company that holds interest in subsidiaries and joint ventures that are into production, development and exploration in West Africa, particularly the Niger Delta region of Nigeria.

On acquisition of Eland Oil and Gas Plc (Eland), the Group acquired indirect interest in existing subsidiaries of Eland.

Eland Oil & Gas (Nigeria) Limited, is a subsidiary acquired through the purchase of Eland and is into exploration and production of oil and gas.

Westport Oil Limited, which was also acquired through purchase of Eland is a financing company.

Elcrest Exploration and Production Company Limited (Elcrest) who became an indirect subsidiary of the Group purchased a 45 percent interest in OML 40 in 2012. Elcrest is a Joint Venture between Eland Oil and Gas (Nigeria) Limited (45%) and Starcrest Nigeria Energy Limited (55%). It has been consolidated because Eland is deemed to have power over the relevant activities of Elcrest to affect variable returns from Elcrest at the date of acquisition by the Group. (See details in Note 4.1.v) The principal activity of Elcrest is exploration and production of oil and gas.

Wester Ord Oil & Gas (Nigeria) Limited, who also became an indirect subsidiary of the Group acquired a 40% stake in a licence, Ubima, in 2014 via a joint operations agreement. The principal activity of Wester Ord Oil & Gas (Nigeria) Limited is exploration and production of oil and gas. In 2022, Wester Ord Oil and Gas (Nigeria) divested it's interest in Ubima.

Other entities acquired through the purchase of Eland are Tarland Oil Holdings Limited (a holding company), Brineland Petroleum Limited (dormant company) and Destination Natural Resources Limited (dormant company).

On 1 January 2020, Seplat Energy Plc transferred its 45% participating interest in OML 4, OML 38 and OML 41 ("transferred assets") to Seplat West Limited. As a result, Seplat ceased to be a party to the Joint Operating Agreement in respect of the transferred assets and became a holding company. Seplat West Limited became a party to the Joint Operating Agreement in respect of the transferred assets and assumed its rights and obligations.

On 20 May 2021, following a special resolution by the Board in view of the Company's strategy of transitioning into an energy Company promoting renewable energy, sustainability, and new energy, the name of the Company was changed from Seplat Petroleum Development Company Plc to Seplat Energy Plc under the Companies and Allied Matters Act 2020.

On 7 February 2022, the Group incorporated a subsidiary, Seplat Energy Offshore Limited. The Company was incorporated for oil and gas exploration and production.

On 26 April 2023, Seplat Gas Company Limited was changed to Seplat Midstream Company Limited. This subsidiary was incorporated to engage in oil and gas exploration and production and gas processing. The company is yet commence operations.

On 14 June 2023, the Group entered into a joint venture agreement with Pol Gas Limited which birthed Pine Gas Processing Limited. Both parties subscribed to equal proportion of ordinary shares. The Company was incorporated for processing natural gas, storage, marketing, transportation, trading, supply and distribution of natural gas and petroleum products derived from natural gas. The company is yet to commence operations.

On 7 August 2024, the Group incorporated a subsidiary, Seplat Energy Investment Limited. The Company was incorporated for oil and gas exploration and production.

On 12 December 2024, the Group acquired 100% of Mobil Producing Nigeria Unlimited and later changed the name on 19 December 2024 to Seplat Energy Producing Nigeria Unlimited. The Company was acquired for the purpose of oil and gas exploration and production.

On 23 December 2025, the Group announced the completion of the conversion of our operated onshore assets to the Petroleum Industry Act (PIA) fiscal regime, replacing the Petroleum Profit Tax (PPT) regime. This change relates to the assets; OMLs 4, 38 & 41, now called Western Assets and OML 53, now called Eastern Assets.
In compliance with the Petroleum Industry Act (PIA) requirement to

relinquish undeveloped acreage, we carried out a review exercise of the asset. Following this exercise, for the Western Assets, the Group retained 73% of the original licensed area held under the PPT, equivalent to 1,861 sq km of 2,571 sq km. For the Eastern Assets, the Group retained 40% of the original licensed area under PPT, equivalent to 529 sq km of 1,322 sq km. This relinquishment has no impact on production, nor does it impact on our reported 2P reserves and 2C resources. The Western Assets portfolio now comprises seven Petroleum Mining Licenses (PMLs)—PMLs 68, 69, 70, 71, 72, 73, and 74—and twelve Petroleum Prospecting Licenses (PPLs), namely PPLs 2A13, 2A14, 2A15, 2A16, 2A17, 2A18, 2A19, 2A20, 2A21, 2A22, 2A23, and 2A24. The Eastern Assets portfolio now comprises three PMLs - PMLs 75, 76 & 77 and four PPLs namely PPLs 2A25, 2A26, 2A27 & 2A28.

The Company together with its subsidiaries as shown below are collectively referred to as the Group.

Subsidiary	Date of incorporation	Country of incorporation and place of business	Percentage holding	Principal activities	Nature of holding
Eland Oil & Gas Limited	28 August 2009	United Kingdom	100%	Holding company	Direct
Eland Oil & Gas (Nigeria) Limited	11 August 2010	Nigeria	100%	Oil and Gas Exploration and Production	Indirect
Elcrest Exploration and Production Nigeria Limited	6 January 2011	Nigeria	45%	Oil and Gas Exploration and Production	Indirect
Westport Oil Limited	8 August 2011	Jersey	100%	Financing	Indirect
Brineland Petroleum Limited	18 February 2013	Nigeria	49%	Dormant	Indirect
Newton Energy Limited	1 June 2013	Nigeria	99.9%	Oil & gas exploration and production	Direct
Seplat East Swamp Company Limited	11. December 2013	Nigeria	99.9%	Oil & gas exploration and production	Direct
Seplat Midstream Company Limited	11 December 2013	Nigeria	99.9%	Oil and Gas exploration and production and gas processing	Direct
Tarland Oil Holdings Limited	16 July 2014	Jersey	100%	Holding Company	Indirect
Wester Ord Oil and Gas Limited	16 July 2014	Jersey	100%	Holding Company	Indirect
Wester Ord Oil & Gas (Nigeria) Limited	18 July 2014	Nigeria	100%	Oil and Gas Exploration and Production	Indirect
Seplat Energy UK Limited	21 August 2014	United Kingdom	100%	Technical, liaison and administrative support services relating to oil & gas exploration and production	Direct
Seplat East Onshore Limited	12 December 2014	Nigeria	99.9%	Oil & gas exploration and production	Direct
Seplat West Limited	16 January 2018	Nigeria	99.9%	Oil & gas exploration and production	Direct
Seplat Energy Offshore Limited	7 February 2022	Nigeria	100%	Oil and Gas exploration and production	Direct
Seplat Energy Investment Limited	7 August 2024	Nigeria	100%	Oil and Gas exploration and production	Direct
Seplat Energy Producing Nigeria Unlimited (formerly Mobil Producing Nigeria Unlimited)	16 June 1969	Nigeria	100%	Oil and Gas exploration and production	Direct

2. Significant changes in the current accounting period

During the period, the Board of Seplat Energy Plc announced the appointment of Mr. Tony O. Elumelu, CFR, as a Non-Executive Director, effective 22 January 2026, following the resignation of Mr. Olivier De Langavant from the Board on the same date. The change followed the sale of Maurel & Prom S.A.'s 20.07% shareholding in Seplat Energy Plc to Heirs Holdings Limited and Heirs Energies Limited.

On 9 June 2026, the Board further announced a planned leadership succession as follows:

- Mr. Roger Brown will retire as Chief Executive Officer and as an Executive Director on 31 July 2026. Engr. Effiong Okon has been appointed as Chief Executive Officer and Executive Director with effect from 1 August 2026.
- The Chairman of the Board, Senator Udoma Udo Udoma, CON, has notified the Board of his intention to retire on 31 December 2026, and the Board has elected Mr. Tony O. Elumelu, CFR, as the next Chairman of Seplat Energy Plc, effective 1 January 2027.

3. Summary of material accounting policies

3.1 Introduction to summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements. These accounting policies have been applied to all the periods presented, unless otherwise stated. The Interim condensed consolidated financial statements are for the Group consisting of Seplat Energy Plc and its subsidiaries.

3.2 Basis of preparation

The Interim condensed consolidated financial statements of the Group for the six months ended 30 June 2026 have been prepared in accordance with IAS 34 (Interim Financial Reporting) as issued by the International Accounting Standards Board (IASB). Additional information required by National regulations is included where appropriate.

The financial statements comprise the statement of profit or loss and other comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the notes to the financial statements.

The financial statements have been prepared under the going concern and historical cost convention, except for financial instruments measured at fair value on initial recognition, derivative financial instruments, and defined benefit plans – plan assets measured at fair value. The financial statements are presented in Nigerian Naira , and all values are rounded to the nearest million (₦ million), except when otherwise indicated.

Nothing has come to the attention of the directors to indicate that the Group will not remain a going concern for at least twelve months from the date of these financial statements.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2025.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual IFRS compliant consolidated financial statements for the year ended 31 December 2025, except for the adoption of new and amended standards which are set out below.

3.3 New and amended standards adopted by the Group

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2026. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

a) Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- Clarifications of the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the 'settlement date' and an accounting policy choice is introduced (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI)

  The amendments had no impact on the Group's interim condensed financial statements.

b) Annual Improvements to IFRS Accounting Standards— Volume 11

In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statements of Cash Flows.

The amendments had no impact on the Group's interim condensed financial statements.

c) Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity, and they:

- Clarify the application of the 'own-use' requirements for in-scope contracts
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts
- Add new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows

  The amendments had no impact on Group's interim condensed financial statements.

3.4 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective. Details of these new standards and interpretations are set out below:

a) IFRS 18 - Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

b) IFRS 19 - Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

c) 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 their 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 interests in the associate or joint venture. The amendments apply prospectively. There is currently no effective date for this amendment.

d) IFRS 20-Regulatory Assets and Regulatory Liabilities

On 27 May 2026, the International Accounting Standards Board issued IFRS 20 Regulatory Assets and Regulatory Liabilities. IFRS 20 sets out the requirements for the recognition, measurement, presentation and disclosure of regulatory assets, regulatory liabilities, regulatory income and regulatory expense.

IFRS 20 introduces requirements that will result in information that supplements the information an entity already provides by applying IFRS accounting standards, including IFRS 15 Revenue from Contracts with Customers. Such information enables users of financial statements to understand the total allowed compensation for regulatory goods or services supplied in each reporting period and the related rights and obligations. The income, expenses, assets and liabilities an entity reports by applying IFRS 20 supplement, but do not replace, the information the entity provides by applying IFRS 15 and other IFRS accounting standards.

IFRS 20 is effective for reporting periods beginning on or after 1 January 2029, with earlier application permitted.

3.5 Basis of consolidation

i. Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control.

The consolidated financial information comprises the financial statements of the Company and its subsidiaries as at 30 June 2026. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Subsidiaries are consolidated from the date on which control is obtained by the Group and are deconsolidated from the date control ceases.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

ii. Change in the ownership interest of subsidiary

The acquisition method of accounting is used to account for business combinations by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of financial position respectively.

Intercompany transaction balances and unrealized gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

iii. Disposal of subsidiary

Where the Group disposes a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interests;
- Derecognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss; and
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

iv. Joint arrangements

Under IFRS 11 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Interest in the joint venture is accounted for using the equity method, after initially being recognised at cost in the consolidated statement of financial position. All other joint arrangements of the Group are joint operations.

v. Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investment in associates is accounted for using the equity method of accounting (see (vi) below) after initially being recognised at cost.

vi. Equity method

Under the equity method of accounting, the Group's investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of loss in an equity accounting investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other party.

Unrealised gains on transactions between the Group and its associate and joint venture are eliminated to the extent of the Group's interest in the entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of equity accounted investees are changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments is tested for impairment in accordance with the policy described in Note 3.14.

vii. Changes in ownership interest

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the group.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

viii. Accounting for loss of control

When the Group ceases to consolidate a subsidiary because of a joint control, it does the following:

- deconsolidates the assets (including goodwill), liabilities and non-controlling interest (including attributable other comprehensive income) of the former subsidiary from the consolidated financial position;
- any retained interest (including amounts owed by and to the former subsidiary) in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or a joint venture;
- any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred directly to retained earnings if required by other IFRSs;
- the resulting gain or loss, on loss of control, is recognised together with the profit or loss from the discontinued operation for the period before the loss of control; and
- the gain or loss on disposal will comprise of the gain or loss attributable to the portion disposed of and the gain or loss on remeasurement of the portion retained. The latter is disclosed separately in the notes to the financial statements. If the ownership interest in a joint venture is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

ix. Non-controlling interest

The Group recognises non-controlling interests in an acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis.

x. Gain on bargain purchase

A gain on bargain purchase arises when the fair value of the identifiable net assets acquired in a business combination exceeds the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree, if any.

The Group recognises, any gain on a bargain purchase immediately in profit or loss. The gain is measured as the excess of the fair value of the identifiable net assets acquired over the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree, if any.

3.6 Functional and presentation currency

Items included in this financial statements are measured using the presentation currency which is Nigerian Naira.

The financial statements are presented in Nigerian Naira as required by the regulator.

a) Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end are generally recognised in profit or loss. They are deferred in equity if attributable to net investment in foreign operations.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss or other comprehensive income depending on where fair value gain or loss is reported.

b) Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of the reporting date.
- income and expenses for statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not - a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and all resulting exchange differences are recognised in other comprehensive income.
- Equity items for each statement of financial position presented are translated at the historical rates.

On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

3.7 Oil and gas accounting

i. Pre-licensing costs

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

ii. Exploration license cost

Exploration license costs are capitalised within intangible assets. License costs paid in connection with a right to explore in an existing exploration area are capitalised and amortised on a straight-line basis over the life of the license.

License costs are reviewed at each reporting date to confirm that there is no indication that the carrying amount exceeds the recoverable amount. This review includes confirming that exploration drilling is still under way or firmly planned, or that it has been determined, or work is under way to determine that the discovery is economically viable based on a range of technical and commercial considerations and sufficient progress is being made to establish development plans and timing. If no future activity is planned or the license has been relinquished or has expired, the carrying value of the license is written off through profit or loss. The exploration license costs are initially recognised at cost and subsequently amortised on a straight line based on the economic life. They are subsequently carried at cost less accumulated amortisation and impairment losses. The amortization rate for the intangible asset is 5% with useful life of 20 years.

iii. Acquisition of producing assets

Upon acquisition of producing assets which do not constitute a business combination, the Group identifies and recognises the individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for, intangible assets in IAS 38 Intangible Assets) and liabilities assumed. The purchase price paid for the group of assets is allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase.

iv. Exploration and evaluation expenditures

Geological and geophysical exploration costs are charged to profit or loss as incurred.

Exploration and evaluation expenditures incurred by the entity are accumulated separately for each area of interest. Such expenditures comprise net direct costs and an appropriate portion of related overhead expenditure, but do not include general overheads or administrative expenditure that is not directly related to a particular area of interest. Each area of interest is limited to a size related to a known or probable hydrocarbon resource capable of supporting an oil operation.

Costs directly associated with an exploration well, exploratory stratigraphic test well and delineation wells are temporarily suspended (capitalised) until the drilling of the well is complete and the results have been evaluated. These costs include employee remuneration, materials and fuel used, rig costs, delay rentals and payments made to contractors. If hydrocarbons ('proved reserves') are not found, the exploration expenditure is written off as a dry hole and charged to profit or loss. If hydrocarbons are found, the costs continue to be capitalised.

Suspended exploration and evaluation expenditure in relation to each area of interest is carried forward as an asset provided that one of the following conditions is met:

- the costs are expected to be recouped through successful development and exploitation of the area of interest or alternatively, by its sale;
- exploration and/or evaluation activities in the area of interest have not, at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves; and
- active and significant operations in, or in relation to, the area of interest.

Exploration and/or evaluation expenditures which fail to meet at least one of the conditions outlined above are written off. In the event that an area is subsequently abandoned or exploration activities do not lead to the discovery of proved or probable reserves, or if the Directors consider the expenditure to be of no value, any accumulated costs carried forward relating to the specified areas of interest are written off in the year in which the decision is made. While an area of interest is in the development phase, amortisation of development costs is not charged pending the commencement of production. Exploration and evaluation costs are transferred from the exploration and/or evaluation phase to the development phase upon commitment to a commercial development.

v. Development expenditures

Development expenditure incurred by the Group is accumulated separately for each area of interest in which economically recoverable reserves have been identified to the satisfaction of the Directors. Such expenditure comprises net direct costs and, in the same manner as for exploration and evaluation expenditure, an appropriate portion of related overhead expenditure directly related to the development property. All expenditure incurred prior to the commencement of commercial levels of production from each development property is carried forward to the extent to which recoupment is expected to be derived from the sale of production from the relevant development property.

3.8 Revenue recognition (IFRS 15)

IFRS 15 uses a five-step model for recognising revenue to depict transfer of goods or services. The model distinguishes between promises to a customer that are satisfied at a point in time and those that are satisfied over time.

It is the Group's policy to recognise revenue from a contract when it has been approved by both parties, rights have been clearly identified, payment terms have been defined, the contract has commercial substance, and collectability has been ascertained as probable. Collectability of customer's payments is ascertained based on the customer's historical records, guarantees provided, the customer's industry and advance payments made if any.

Revenue is recognised when control of goods sold has been transferred. Control of an asset refers to the ability to direct the use of and obtain substantially all of the remaining benefits (potential cash inflows or savings in cash outflows) associated with the asset. For crude oil, this occurs when the crude products are lifted by the customer (buyer) Free on Board at the Group's loading facility. Revenue from the sale of oil is recognised at a point in time when performance obligation is satisfied. For gas sales, revenue is recognised when the product passes through the custody transfer point to the customer. Revenue from the sale of gas is recognised over time using the practical expedient of the right to invoice.

Overlifts and underlifts represent differences between crude oil lifted and the Group's entitlement based on its share of production. With regard to underlifts, if the over-lifter does not meet the definition of a customer or the settlement of the transaction is non-monetary, a receivable and other income is recognised. When an overlift occurs, other income is debited, and a corresponding liability is accrued. Overlifts are measured by reference to the observable lifted price at the date of lifting. Underlifts are measured at current market value at each reporting date. Changes in the underlift position are recognised in profit or loss as other (loss)/income. Instances, where Seplat controls the storage of crude and petroleum products at a terminal, differences between product sold and the Group's entitlement are termed an overlift or inventory.

Definition of a customer

A customer is a party that has contracted with the Group to obtain crude oil or gas products in exchange for a consideration, rather than to share in the risks and benefits that result from sale. The Group has entered into collaborative arrangements with its Joint arrangement partners to share in the production of oil. Collaborative arrangements with its Joint arrangement partners to share in the production of oil are accounted for differently from arrangements with customers as collaborators share in the risks and benefits of the transaction, and therefore, do not meet the definition of customers. Revenue arising from these arrangements are recognised separately in other income.

Contract enforceability and termination clauses

It is the Group's policy to assess that the defined criteria for establishing contracts that entail enforceable rights and obligations are met. The criteria provide that the contract has been approved by both parties, rights have been clearly identified, payment terms have been defined, the contract has commercial substance, and collectability has been ascertained as probable. Revenue is not recognised for contracts that do not create enforceable rights and obligations to parties in a contract. The Group also does not recognise revenue for contracts that do not meet the revenue recognition criteria. In such cases where consideration is received it recognises a contract liability and only recognises revenue when the contract is terminated.

The Group may also have the unilateral rights to terminate an unperformed contract without compensating the other party. This could occur where the Group has not yet transferred any promised goods or services to the customer and the Group has not yet received, and is not yet entitled to receive, any consideration in exchange for promised goods or services.

Identification of performance obligation

At inception, the Group assesses the goods or services promised in the contract with a customer to identify as a performance obligation, each promise to transfer to the customer either a distinct good or series of distinct goods. The number of identified performance obligations in a contract will depend on the number of promises made to the customer. The delivery of barrels of crude oil or units of gas are usually the only performance obligation included in oil and gas contract with no additional contractual promises. Additional performance obligations may arise from future contracts with the Group and its customers.

The identification of performance obligations is a crucial part in determining the amount of consideration recognised as revenue. This is due to the fact that revenue is only recognised at the point where the performance obligation is fulfilled, Management has therefore developed adequate measures to ensure that all contractual promises are appropriately considered and accounted for accordingly.

Transaction price is the amount allocated to the performance obligations identified in the contract. It represents the amount of revenue recognised as those performance obligations are satisfied. Complexities may arise where a contract includes variable consideration, significant financing component or consideration payable to a customer.

Variable consideration not within the Group's control is estimated at the point of revenue recognition and reassessed periodically. The estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. As a practical expedient, where the Group has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the Group's performance completed to date, the Group may recognise revenue in the amount to which it has a right to invoice.

Significant financing component (SFC) assessment is carried out (using a discount rate that reflects the amount charged in a separate financing transaction with the customer and also considering the Group's incremental borrowing rate) on contracts that have a repayment period of more than 12 months.

As a practical expedient, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between when it transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

Instances when SFC assessment may be carried out include where the Group receives advance payment for agreed volumes of crude oil or receives take or pay deficiency payment on gas sales. Take or pay gas sales contract ideally provides that the customer must sometimes pay for gas even when not delivered to the customer. The customer, in future contract years, takes delivery of the product without further payment. The portion of advance payments that represents significant financing component will be recognised as interest expense.

Consideration payable to a customer is accounted for as a reduction of the transaction price unless the payment to the customer is in exchange for a distinct goods or services that the customer transfers to the Group.

Breakage

The Group enters into take or pay contracts for sale of gas where the buyer may not ultimately exercise all of their rights to the gas. The take or pay quantity not taken is paid for by buyer called take or pay deficiency payment. The Group assesses if there is a reasonable assurance that it will be entitled to a breakage amount. Where it establishes that a reasonable assurance exists, it recognises the expected breakage amount as revenue in proportion to the pattern of rights exercised by the customer. However, where the Group is not reasonably assured of a breakage amount, it would only recognise the expected breakage amount as revenue when the likelihood of the customer exercising its remaining rights becomes remote.

Contract modification and contract combination

Contract modifications relate to a change in the price and/or scope of an approved contract. Where there is a contract modification, the Group assesses if the modification will create a new contract or change the existing enforceable rights and obligations of the parties to the original contract. Contract modifications are treated as new contracts when the performance obligations are separately identifiable and transaction price reflects the standalone selling price of the crude oil or the gas to be sold. Revenue is adjusted prospectively when the crude oil or gas transferred is separately identifiable and the price does not reflect the standalone selling price. Conversely, if there are remaining performance obligations which are not separately identifiable, revenue will be recognised on a cumulative catch-up basis when crude oil or gas is transferred.

The Group combines contracts entered into at near the same time (less than 12 months) as one contract if they are entered into with the same or related party customer, the performance obligations are the same for the contracts and the price of one contract depends on the other contract.

Portfolio expedients

As a practical expedient, the Group may apply the requirements of IFRS 15 to a portfolio of contracts (or performance obligations) with similar characteristics if it expects that the effect on the financial statements would not be materially different from applying IFRS to individual contracts within that portfolio.

Contract assets and liabilities

The Group recognises contract assets for unbilled revenue from crude oil and gas sales. The Group recognises contract liability for consideration received for which performance obligation has not been met.

Disaggregation of revenue from contract with customers

The Group derives revenue from three types of products, oil, gas and natural gas liquids. The Group has determined that the disaggregation of revenue based on the criteria of type of products meets the disaggregation of revenue disclosure requirement of IFRS 15. It depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. See further details in note 6.1.1.

3.9 Property, plant and equipment

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

The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, the initial estimate of any decommissioning obligation and, for qualifying assets, borrowing costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Expenditure on major maintenance refits or repairs comprises the cost of replacement assets or parts of assets, inspection costs and overhaul costs. Where an asset or part of an asset that was separately depreciated and is now written off is replaced and it is probable that future economic benefits associated with the item will flow to the entity, the expenditure is capitalised. Inspection costs associated with major maintenance programmes are capitalised and amortised over the period to the next inspection. Overhaul costs for major maintenance programmes are capitalised as incurred as long as these costs increase the efficiency of the unit or extend the useful life of the asset. All other maintenance costs are expensed as incurred.

Depreciation

Oil and Gas Production Assets are depreciated on a unit-of-production basis over estimated proved reserves. Specifically, well assets are depreciated over proved developed reserves while production facilities are depreciated over proved reserves.

Gas plants and other property, plant and equipment are depreciated on a straight line basis over their estimated useful lives. Depreciation commences when an asset is available for use.

Assets under construction are not depreciated. The depreciation rate for each class is as follows:

Plant and machinery	10%-20%
Motor vehicles	25%-30%
Office furniture and IT equipment	10%-33.33%
Building	4%
Land	-
Intangible assets	5%
Leasehold improvements	Over the unexpired portion of the lease

The expected useful lives and residual values of property, plant and equipment are reviewed on an annual basis and, if necessary, changes in useful lives are accounted for prospectively.

Gains or losses on disposal of property, plant and equipment are determined as the difference between disposal proceeds and carrying amount of the disposed assets. These gains or losses are included in the statement of profit or loss.

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

3.10. Right-of-use assets

The Group recognises right-of-use assets at the commencement date of a lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets include the amount of lease liabilities recognised, initial direct costs incurred, decommissioning costs (if any), and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Short-term leases and leases of low value

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e. low value assets). Low-value assets are assets with lease amount of less than $5,000 when new. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

3.11 Lease liabilities

At the commencement date of a lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. The weighted average incremental borrowing rate for the Group is 10.5%. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset. The lease term refers to the contractual period of a lease.

The Group has elected to exclude non-lease components in calculating lease liabilities and instead treat the related costs as an expense in the statement of profit or loss.

3.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. These costs may arise from; specific borrowings used for the purpose of financing the construction of a qualifying asset, and those that arise from general borrowings that would have been avoided if the expenditure on the qualifying asset had not been made. The general borrowing costs attributable to an asset's construction is calculated by reference to the weighted average cost of general borrowings that are outstanding during the period.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in the statement of profit or loss in the period in which they are incurred.

3.13 Finance income and costs

Finance income

Finance income is recognised in the statement of profit or loss as it accrues using the effective interest rate (EIR), which is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the amortised cost of the financial instrument. The determination of finance income takes into account all contractual terms of the financial instrument as well as any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest rate (EIR), but not future credit losses.

Finance costs

Finance costs includes borrowing costs, interest expense calculated using the effective interest rate method, finance charges in respect of lease liabilities, the unwinding of the effect of discounting provisions, and the amortisation of discounts and premiums on debt instruments that are liabilities.

The Group applies the IBOR reform Phase 2 amendments which allows as a practical expedient for changes to the basis for determining contractual cash flows to be treated as changes to a floating rate of interest, provided certain conditions are met. The conditions include that the change is necessary as a direct consequence of IBOR reform and that the transition takes place on an economically equivalent basis.

3.14 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently. Other non –financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. This should be at a level not higher than an operating segment.

If any such indication of impairment exists or when annual impairment testing for an asset group is required, the entity makes an estimate of its recoverable amount. Such indicators include changes in the Group's business plans, changes in commodity prices, evidence of physical damage and, for oil and gas properties, significant downward revisions of estimated recoverable volumes or increases in estimated future development expenditure.

The recoverable amount is the higher of an asset's fair value less costs of disposal ('FVLCD') and value in use ('VIU'). The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets, in which case, the asset is tested as part of a larger cash generating unit to which it belongs. Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount.

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

In calculating VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset/CGU. In determining FVLCD, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment – exploration and evaluation assets

Exploration and evaluation assets are tested for impairment once commercial reserves are found before they are transferred to oil and gas assets, or whenever facts and circumstances indicate impairment. An impairment loss is recognised for the amount by which the exploration and evaluation assets' carrying amount exceeds their recoverable amount. The recoverable amount is the higher of the exploration and evaluation assets' fair value less costs to sell and their value in use.

Impairment – proved oil and gas production properties

Proved oil and gas properties are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

3.15 Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows comprise cash at banks and at hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

3.16 Restricted cash

Restricted cash represents deposits with banks set aside for the settlement of the abandonment and decommissioning liabilities, host community development fund, unclaimed dividends, bank guarantee on garnishees against court judgements and for the purpose of covering the costs payable on the stamping and registering the security documents on loans and borrowings. These amounts are subject to legal restrictions and are therefore not available for general use by the Group.

3.17 Inventories

Inventories comprise crude oil and natural gas liquids, and materials and supplies, including tubulars, casings, spares and well materials used in production and operational activities.

Inventories are measured at the lower of cost and net realisable value. Cost is determined using the weighted average method and includes purchase price and other directly attributable costs incurred in bringing inventories to their present location and condition.

For crude oil and natural gas liquids, net realisable value is based on estimated selling prices in the ordinary course of business, less estimated costs to sell. For materials and supplies, which are consumed in operations rather than held for resale, net realisable value is assessed based on expected recoverability through use, taking into account obsolescence, excess quantities and expected future utilisation.

3.18 Prepayments

Prepayments are non-financial assets which result when payments are made in advance of the receipt of goods and services. They are recognised when the Group expects to receive future economic benefits equivalent to the value of the prepayments. The receipt or consumption of the services results in a reduction in the prepayment and a corresponding increase in expenses or assets for that reporting period.

3.19 Contract asset

Contract asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due. The impairment of contract assets is measured, presented and disclosed on the same basis as financial assets that are within the scope of IFRS 9.

3.20. Other asset

The Group's interest in the oil and gas reserves of OML 55 has been classified as other asset. On initial recognition, it is measured at the fair value of future recoverable oil and gas reserves. Subsequently, the other asset is recognised at amortised cost less impairment.

3.21. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors has appointed a Senior leadership team to assess the financial performance and position of the Group and makes strategic decisions. The Senior leadership team consist of Chief Executive Officer; Chief Financial Officer; Chief Operating Officer; Managing Director Offshore; Managing Director Onshore; Technical Director; Gas and New Energy Director; Director, Legal and Company Secretariat; Director, Strategy, Planning & Business Development; Director, External Affairs and Social Performance; Director, Corporate Services. See further details in note 6.

3.22. Financial instruments

IFRS 9 provides guidance on the recognition, classification and measurement of financial assets and financial liabilities; derecognition of financial instruments; impairment of financial assets and hedge accounting. IFRS 9 also significantly amends other standards dealing with financial instruments such as IFRS 7 Financial Instruments: Disclosures.

a) Classification and measurement

Financial assets - Initial recognition and measurement

It is the Group's policy to initially recognise financial asset at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss which are expensed in profit or loss.

Classification and subsequent measurement are dependent on the Group's business model for managing the asset and the cash flow characteristics of the asset.

Subsequent measurement

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

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

On this basis, the Group may classify its financial instruments at amortised cost, fair value through profit or loss and at fair value through other comprehensive income.

All the Group's financial assets as at 30 June 2026 satisfy the conditions for classification at amortised cost under IFRS 9 except for derivatives which are classified at fair value through profit or loss.

Financial assets at amortised cost

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

The Group's financial assets at amortised cost include trade receivables, NEPL receivables, NUIMS receivables, other receivables, cash and bank balances and bonds. They are included in current assets, except for maturities greater than 12 months after the reporting date. Interest income from these assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in finance income/cost.

Financial assets at fair value through OCI

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Group does not have financial assets measured at fair value through OCI.

Financial assets at fair value through profit or loss

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

The Group has derivative instruments under this category.

Financial liabilities - Initial recognition, measurement and presentation

Financial liabilities of the Group are classified and measured at fair value on initial recognition and subsequently at amortised cost net of directly attributable transaction costs, except for derivatives which are classified and subsequently recognised at fair value through profit or loss

Fair value gains or losses for financial liabilities designated at fair value through profit or loss are accounted for in profit or loss except for the amount of change that is attributable to changes in the Group's own credit risk which is presented in other comprehensive income. The remaining amount of change in the fair value of the liability is presented in profit or loss.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. The Group currently holds derivative financial liability at fair value through profit or loss.

Financial liabilities at amortised cost

This is the category most relevant to the Group. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. The Group's financial liabilities at amortised cost include trade and other payables and interest-bearing loans and borrowings

b) Impairment of financial assets

Recognition of impairment provisions under IFRS 9 is based on the expected credit loss (ECL) model. The ECL model is applicable to financial assets classified at amortised cost and contract assets under IFRS 15: Revenue from Contracts with Customers. The measurement of ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date, about past events, current conditions and forecasts of future economic conditions.

The Group applies the simplified approach or the three-stage general approach to determine impairment of financial assets at amortised cost depending on their respective nature. The simplified approach is applied for trade receivables and contract assets while the general approach is applied to NEPL receivables, NUIMS receivables, other receivables, cash and bank balances and bonds.

The simplified approach requires expected lifetime losses to be recognised from initial recognition of the receivables. This involves determining the expected loss rates using a provision matrix that is based on the Group's historical default rates observed over the expected life of the receivable and adjusted forward-looking estimates. This is then applied to the gross carrying amount of the receivable to arrive at the loss allowance for the period.

The three-stage approach assesses impairment based on changes in credit risk since initial recognition using the past due criterion and other qualitative indicators such as increase in political concerns or other macroeconomic factors and the risk of legal action, sanction or other regulatory penalties that may impair future financial performance.

Financial assets classified as stage 1 have their ECL measured as a proportion of their lifetime ECL that results from possible default events that can occur within one year, while assets in stage 2 or 3 have their ECL measured on a lifetime basis.

Under the three-stage approach, the ECL is determined by projecting the probability of default (PD), loss given default (LGD) and exposure at default (EAD) for each ageing bucket and for each individual exposure. The PD is based on default rates determined by external rating agencies for the counterparties. The LGD is determined based on management's estimate of expected cash recoveries after considering the historical pattern of the receivable, and it assesses the portion of the outstanding receivable that is deemed to be irrecoverable at the reporting period. The EAD is the total amount of outstanding receivable at the reporting period. These three components are multiplied together and adjusted for forward looking information, such as the gross domestic product (GDP) in Nigeria and crude oil prices, to arrive at an ECL which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the related financial assets and the amount of the loss is recognised in profit or loss.

c) Significant increase in credit risk and default definition

The Group assesses the credit risk of its financial assets based on the information obtained during periodic review of publicly available information, industry trends and payment records. Based on the analysis of the information provided, the Group identifies the assets that require close monitoring.

Furthermore, financial assets that have been identified to be more than 30 days past due on contractual payments are assessed to have experienced significant increase in credit risk. These assets are grouped as part of Stage 2 financial assets where the three-stage approach is applied.

In line with the Group's credit risk management practices, a financial asset is defined to be in default when contractual payments have not been received at least 90 days after the contractual payment period. Subsequent to default, the Group carries out active recovery strategies to recover all outstanding payments due on receivables. Where the Group determines that there are no realistic prospects of recovery, the financial asset and any related loss allowance is written off either partially or in full.

d) Write off policy

The Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. Indicators that there is no ceasing enforcement activity and;

- where the Group's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.
- The Group may write - off financial assets that are still subject to enforcement activity. The outstanding contractual amounts of such assets written off during the period ended 30 June 2026 was Nil (2025: Nil).

The Group seeks to recover amounts it legally owed in full, but which have been partially written off due to no reasonable expectation of full recovery.reasonable expectation of recovery include;

e) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and the transfer qualifies for derecognition. Gains or losses on derecognition of financial assets are recognised as finance income/cost.

Financial liabilities

The Group derecognises a financial liability when it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised immediately in the statement of profit or loss.

In the context of IBOR reform, the Group's assessment of whether a change to an amortised cost financial instrument is substantial, is made after applying the practical expedient introduced by IBOR reform Phase 2. This requires the transition from an IBOR to an RFR to be treated as a change to a floating interest rate, as described in Note 3.13 above.

f) Modification

When the contractual cash flows of a financial instrument are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial instrument, the Group recalculates the gross carrying amount of the financial instrument and recognises a modification gain or loss immediately within finance income/(cost)-net at the date of the modification. The gross carrying amount of the financial instrument is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial instrument's original effective interest rate.

g) Offsetting of financial assets and financial liabilities

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

The legally enforceable right is not contingent on future events and is enforceable in the normal course of business, and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

h) Derivatives

The Group uses derivative financial instruments such as forward exchange contracts to hedge its foreign exchange risks as well as put options to hedge against its oil price risk. However, such contracts are not accounted for as designated hedges. Derivatives are initially recognised at fair value on the date a derivative contract is entered and subsequently remeasured to their fair value at the end of each reporting period. Any gains or losses arising from changes in the fair value of derivatives are recognised within operating profit in the statement of profit or loss for the period. An analysis of the fair value of derivatives is provided in Note 5, Financial risk management.

The Group accounts for financial assets with embedded derivatives (hybrid instruments) in their entirety on the basis of its contractual cash flow features and the business model within which they are held, thereby eliminating the complexity of bifurcation for financial assets. For financial liabilities, hybrid instruments are bifurcated into hosts and embedded features. In these cases, the Group measures the host contract at amortised cost and the embedded features is measured at fair value through profit or loss.

For the purpose of the maturity analysis, embedded derivatives included in hybrid financial instruments are not separated. The hybrid instrument, in its entirety, is included in the maturity analysis for non-derivative financial liabilities.

i) Fair value of financial instruments

The Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When available, the Group measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as active if quoted prices are readily available and represent actual and regularly occurring market transactions on an arm's length basis.

If a market for a financial instrument is not active, the Group establishes fair value using valuation techniques. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, and discounted cash flow analysis. The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Group, incorporates all factors that market participants would consider in setting a price, and is consistent with accepted economic methodologies for pricing financial instruments.

Inputs to valuation techniques reasonably represent market expectations and measure the risk-return factors inherent in the financial instrument. The Group calibrates valuation techniques and tests them for validity using prices from observable current market transactions in the same instrument or based on other available observable market data.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price – i.e., the fair value of the consideration given or received. However, in some cases, the fair value of a financial instrument on initial recognition may be different to its transaction price. If such fair value is evidenced by comparison with other observable current market transactions in the same instrument (without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets, then the difference is recognised in the income statement on initial recognition of the instrument. In other cases, the difference is not recognised in the income statement immediately but is recognised over the life of the instrument on an appropriate basis or when the instrument is redeemed, transferred, or sold, or the fair value becomes observable.

3.23 Share capital

On issue of ordinary shares, any consideration received net of any directly attributable transaction costs is included in equity. Issued share capital has been translated at the exchange rate prevailing at the date of the transaction and is not retranslated after initial recognition.

3.24 Treasury shares

Own equity instruments held by the Group are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the share premium.

3.25 Earnings per share and dividends

Basic EPS

Basic earnings per share is calculated on the Company's profit or loss after taxation and based on the weighted average of issued and fully paid ordinary shares at the end of the period.

Diluted EPS

Diluted EPS is calculated by dividing the profit or loss after taxation by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares (after adjusting for outstanding share options arising from the share-based payment scheme) into ordinary shares.

Dividend

Dividends on ordinary shares are recognised as a liability in the period in which they are approved.

3.26 Post-employment benefits

Defined contribution scheme

The Group contributes to a defined contribution scheme for its employees in compliance with the provisions of the Pension Reform Act 2014. The scheme is fully funded and is managed by licensed Pension Fund Administrators. Membership of the scheme is automatic upon commencement of duties at the Group. The Group's contributions to the defined contribution scheme are charged to the statement of profit and loss account in the year to which they relate.

The employer contributes 17% while the employee contributes 3% of the qualifying employee's salary.

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment. The Group operates a defined contribution plan and it is accounted for based on IAS 19 Employee benefits.

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Under defined contribution plans the entity's legal or constructive obligation is limited to the amount that it agrees to contribute to the fund.

Thus, the amount of the post-employment benefits received by the employee is determined by the amount of contributions paid by an entity (and perhaps also the employee) to a post-employment benefit plan or to an insurance company, together with investment returns arising from the contributions. In consequence, actuarial risk (that benefits will be less than expected) and investment risk (that assets invested will be insufficient to meet expected benefits) fall, in substance, on the employee.

Defined benefit scheme

The Group operates a defined benefit pension plan. The Group previously operated a gratuity plan, which was discontinued in 2025. The defined benefit pension plan requires contributions to be made to a separately administered fund. The Group also provides certain additional post-employment benefits to employees. These benefits are unfunded.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method and is calculated annually by independent actuaries. The liability or asset recognised in the statement of financial position represents the present value of the defined benefit obligation at the reporting date, less the fair value of plan assets (if any). The defined benefit obligation is determined using market yields at the reporting date on Nigerian government bonds with maturities that approximate the expected timing of the benefit payments.

Remeasurement gains and losses, arising from changes in financial and demographic assumptions and experience adjustments, are recognised immediately in other comprehensive income and accumulated in retained earnings. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment; and
- The date that the Group recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit obligation and the fair value of the plan assets.

The Group recognises the following changes in the net defined benefit obligation under employee benefit expenses in general and administrative expenses:

- Service costs comprises current service costs, past-service costs, gains and losses on curtailments and non-routine settlements.
- Net interest cost

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date; then they are discounted.

3.27 Provisions

Provisions are recognised when

i) the Group has a present legal or constructive obligation as a result of past events;
ii) it is probable that an outflow of economic resources will be required to settle the obligation as a whole; and
iii) the amount can be reliably estimated.

Provisions are not recognised for future operating losses. In measuring the provision:

- risks and uncertainties are taken into account;
- the provisions are discounted (where the effects of the time value of money is considered to be material) using a pre-tax rate that is reflective of current market assessments of the time value of money and the risk specific to the liability;
- when discounting is used, the increase of the provision over time is recognised as interest expense;
- future events such as changes in law and technology, are taken into account where there is subjective audit evidence that they will occur; and
- gains from expected disposal of assets are not taken into account, even if the expected disposal is closely linked to the event giving rise to the provision.

Decommissioning

Liabilities for decommissioning costs are recognised as a result of the constructive obligation of past practice in the oil and gas industry, when it is probable that an outflow of economic resources will be required to settle the liability and a reliable estimate can be made. The estimated costs, based on current requirements, technology and price levels, prevailing at the reporting date, are computed based on the latest assumptions as to the scope and method of abandonment.

Provisions are measured at the present value of management's best estimates of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a finance cost. The corresponding amount is capitalised as part of the oil and gas properties and is amortised on a unit-of-production basis as part of the depreciation, depletion and amortisation charge. Any adjustment arising from the estimated cost of the restoration and abandonment cost is capitalised, while the charge arising from the accretion of the discount applied to the expected expenditure is treated as a component of finance costs.

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

3.28 Contingencies

A contingent asset or contingent liability is a possible asset or obligation that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of uncertain future events. The assessment of the existence of the contingencies will involve management judgement regarding the outcome of future events.

3.29 Income taxation

i. Current income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

ii. Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

iii. Uncertainty over income tax treatments

The Group examines where there is an uncertainty regarding the treatment of an item, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates. It considers each uncertain tax treatment separately or together as a group, depending on which approach better predicts the resolution of the uncertainty. The factors it considers include:

- how it prepares and supports the tax treatment; and
- the approach that it expects the tax authority to take during an examination.

If the Group concludes that it is probable that the tax authority will accept an uncertain tax treatment that has been taken or is expected to be taken on a tax return, it determines the accounting for income taxes consistently with that tax treatment. If it concludes that it is not probable that the treatment will be accepted, it reflects the effect of the uncertainty in its income tax accounting in the period in which that determination is made (for example, by recognising an additional tax liability or applying a higher tax rate).

The Group measures the impact of the uncertainty using methods that best predicts the resolution of the uncertainty. The Group uses the most likely method where there are two possible outcomes, and the expected value method when there are a range of possible outcomes.

The Group assumes that the tax authority with the right to examine and challenge tax treatments will examine those treatments and have full knowledge of all related information. As a result, it does not consider detection risk in the recognition and measurement of uncertain tax treatments. The Group applies consistent judgements and estimates on current and deferred taxes. Changes in tax laws or the presence of new tax information by the tax authority is treated as a change in estimate in line with IAS 8 - Accounting policies, changes in accounting estimates and errors.

Judgements and estimates made to recognise and measure the effect of uncertain tax treatments are reassessed whenever circumstances change or when there is new information that affects those judgements. New information might include actions by the tax authority, evidence that the tax authority has taken a particular position in connection with a similar item, or the expiry of the tax authority's right to examine a particular tax treatment. The absence of any comment from the tax authority is unlikely to be, in isolation, a change in circumstances or new information that would lead to a change in estimate.

3.30. Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and

- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

3.31. Share based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions) or cash amounts based on the value of the Group's equity instruments (cash-settled transactions).

a) Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised in employee benefits expense together with a corresponding increase in equity (share-based payment reserve), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date and for fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award provided the original terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss. The dilutive effect of outstanding awards is reflected as additional share dilution in the computation of diluted earnings per share.

b) Cash-settled transactions

A liability is recognised for the fair value of cash-settled transactions.The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefits expense. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The fair value is determined using a binomial model. The approach used to account for vesting conditions when measuring equity-settled transactions also applies to cash-settled transactions.

4. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated historical financial information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

4.1 Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated historical financial information:

I) Deferred tax asset

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable.

II) Foreign currency translation reserve

The Group has used the CBN rate to translate its Dollar currency to its Naira presentation currency. Management has determined that this rate is available for immediate delivery. If the rate was 10% higher or lower, revenue in Naira would have increased/decreased by ₦250.2 billion (2025: ₦40.4 billion). See Note 31 for the applicable translation rates.

III) Consolidation of Elcrest

On acquisition of 100% shares of Eland Oil and Gas Limited, the Group acquired indirect holdings in Elcrest Exploration and Production (Nigeria) Limited. Although the Group has an indirect holding of 45% in Elcrest, Elcrest has been consolidated as a subsidiary for the following basis:

- Eland Oil and Gas Limited has controlling power over Elcrest due to its representation on the board of Elcrest, and clauses contained in the Share Charge agreement and loan agreement which gives Eland the right to control 100% of the voting rights of shareholders.
- Eland Oil and Gas Limited is exposed to variable returns from the activities of Elcrest through dividends and interests.
- Eland Oil and Gas Limited has the power to affect the amount of returns from Elcrest through its right to direct the activities of Elcrest and its exposure to returns.

IV) Revenue recognition

Performance obligations

The judgments applied in determining what constitutes a performance obligation will impact when control is likely to pass and therefore when revenue is recognised i.e. over time or at a point in time. The Group has determined that only one performance obligation exists in oil contracts which is the delivery of crude oil to specified ports. Revenue is therefore recognised at a point in time.

For gas contracts, the performance obligation is satisfied through the delivery of a series of distinct goods. Revenue is recognised over time in this situation as gas customers simultaneously receive and consume the benefits provided by the Group's performance. The Group has elected to apply the 'right to invoice' practical expedient in determining revenue from its gas contracts. The right to invoice is a measure of progress that allows the Group to recognise revenue based on amounts invoiced to the customer. Judgement has been applied in evaluating that the Group's right to consideration corresponds directly with the value transferred to the customer and is therefore eligible to apply this practical expedient.

Transactions with Joint Operating arrangement (JOA) partners

The treatment of underlift and overlift transactions is judgmental and requires a consideration of all the facts and circumstances including the purpose of the arrangement and transaction. The transaction between the Group and its JOA partners involves sharing in the production of crude oil, and for which the settlement of the transaction is non-monetary. The JOA partners have been assessed to be partners not customers. Therefore, shortfalls or excesses below or above the Group's share of production are recognised in other income/ (expenses) - net.

V) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors has appointed a steering committee which assesses the financial performance and position of the Group and makes strategic decisions. The steering committee, which has been identified as being the Chief Executive Officer; Chief Financial Officer; Chief Operating Officer; Managing Director Offshore; Managing Director Onshore; Technical Director; Gas and New Energy Director; Director, Legal and Company Secretariat; Director, Strategy, Planning & Business Development; Director, External Affairs and Social Performance; Director, Corporate Services. See further details in note 6.

VI) Leases

Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). For leases of warehouses, retail stores and equipment, the following factors are normally the most relevant

- If there are significant penalty payments to terminate (or not extend), the group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the group is typically reasonably certain to extend (or not terminate).
- Otherwise, the group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Most extension options in offices and vehicles leases have not been included in the lease liability, because the group could replace the assets without significant cost or business disruption.

4.2 Estimates and assumptions

The key assumptions concerning the future and the other key source 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 described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

The following are some of the estimates and assumptions made:

I) Defined benefit plans

The cost of the defined benefit retirement plan and the present value of the retirement obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and changes in inflation rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers market yield on federal government bonds in currencies consistent with the currencies of the post-employment benefit obligation and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation.

The rates of mortality assumed for employees are the rates published in 67/70 ultimate tables, published jointly by the Institute and Faculty of Actuaries in the UK.

II. Oil and gas reserves

Proved oil and gas reserves are used in the units of production calculation for depletion as well as the determination of the timing of well closure for estimating decommissioning liabilities and impairment analysis. There are numerous uncertainties inherent in estimating oil and gas reserves. Assumptions that are valid at the time of estimation may change significantly when new information becomes available. Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may ultimately result in the reserves being restated.

III. Share-based payment reserve

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share award or appreciation right, volatility and dividend yield and making assumptions about them. The Group measures the fair value of equity-settled transactions with employees at the grant date.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Such estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

IV. Provision for decommissioning obligations

Provisions for environmental clean-up and remediation costs associated with the Group's drilling operations are based on current constructions, technology, price levels and expected plans for remediation. Actual costs and cash outflows can differ from estimates because of changes in public expectations, prices, discovery and analysis of site conditions and changes in clean-up technology.

V. Property, plant and equipment

The Group assesses its property, plant and equipment, including exploration and evaluation assets, for possible impairment if there are events or changes in circumstances that indicate that carrying values of the assets may not be recoverable, or at least at every reporting date.

If there are low oil prices or natural gas prices during an extended period, the Group may need to recognise significant impairment charges. The assessment for impairment entails comparing the carrying value of the cash-generating unit with its recoverable amount, that is, higher of fair value less cost to dispose and value in use. Value in use is usually determined on the basis of discounted estimated future net cash flows. Determination as to whether and how much an asset is impaired involves management estimates on highly uncertain matters such as future commodity prices, the effects of inflation on operating expenses, discount rates, production profiles and the outlook for regional market supply-and-demand conditions for crude oil and natural gas.

During the year, the Group carries out an impairment assessment on OML 4,38 and 41, OML 56, OML 53, OML 40, OML 67, OML 68, OML 70 and OML 104. The Group uses the higher of the fair value less cost to dispose and the value in use in determining the recoverable amount of the cash-generating unit. In determining the value, the Group uses a forecast of the annual net cash flows over the life of proved plus probable reserves, production rates, oil and gas prices, future costs (excluding (a) future restructurings to which the entity is not yet committed; or (b) improving or enhancing the asset's performance) and other relevant assumptions based on the year-end Competent Persons Report (CPR). The pre-tax future cash flows are adjusted for risks specific to the forecast and discounted using a pre-tax discount rate which reflects both current market assessment of the time value of money and risks specific to the asset.

Management considers whether a reasonable possible change in one of the main assumptions will cause an impairment and believes otherwise.

VI. Useful life of other property, plant and equipment

The Group recognises depreciation on other property, plant and equipment on a straight-line basis in order to write-off the cost of the asset over its expected useful life. The economic life of an asset is determined based on existing wear and tear, economic and technical ageing, legal and other limits on the use of the asset, and obsolescence. If some of these factors were to deteriorate materially, impairing the ability of the asset to generate future cash flow, the Group may accelerate depreciation charges to reflect the remaining useful life of the asset or record an impairment loss.

VII. Income taxes

The Group is subject to income taxes by the Nigerian tax authority, which does not require significant judgement in terms of provision for income taxes, but a certain level of judgement is required for recognition of deferred tax assets. Management is required to assess the ability of the Group to generate future taxable economic earnings that will be used to recover all deferred tax assets. Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. The estimates are based on the future cash flow from operations taking into consideration the oil and gas prices, volumes produced, operational and capital expenditure.

VIII. Impairment of financial assets

he loss allowances for financial assets are based on assumptions about risk of default, expected loss rates and maximum contractual period. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 5.1.3.

IX. Intangible assets

The contract based intangible assets (licence) were acquired as part of a business combination. They are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight-line bases over their estimated remaining useful lives of the asset. The fair value of contract based intangible assets is estimated using the multi period excess earnings method. This requires a forecast of revenue and all cost projections throughout the useful life of the intangible assets. A contributory asset charge that reflects the return on assets is also determined and applied to the revenue but subtracted from the operating cash flows to derive the pre-tax cash flow. The post-tax cashflows are then obtained by deducting out the tax using the effective tax rate.

Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service.

X. Inventories - Operational Spares

The Group holds inventories comprising spare parts and consumables used in production and operational activities. These items are not held for resale but are consumed in the maintenance and operation of assets and are accounted for in accordance with IAS 2.
Inventories are measured at the lower of cost and net realisable value.

For operational spares, net realisable value is assessed with reference to their expected future use in operations and replacement cost.

The determination of whether spares are recoverables requires management judgement, particularly in assessing:

- Expected future utilisation of the related assets
- Forecast production profiles
- Technological obsolescence risk
- Physical condition and shelf life
- Current replacement cost Where spare parts are slow-moving, obsolete or no longer expected to be utilised in operations, a write-down is recognised.

Due to the judgement involved in assessing future usage and recoverability, there is estimation uncertainty associated with the carrying amount of operational spares. Changes in operational plans or asset life assumptions could result in a material adjustment to inventory values in future reporting periods.

5. Financial risk management

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks such as market risk (including foreign exchange risk, interest rate risk and commodity price risk), credit risk and liquidity risk. The Group's risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The management of financial risks is carried out by the corporate finance team under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity

Risk	Exposure arising from	Measurement	Management
Market risk – foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in US dollars.	Cash flow forecasting Sensitivity analysis	Match and settle foreign denominated cash inflows with the relevant cash outflows to mitigate any potential foreign exchange risk.
Market risk – interest rate	Long term borrowings at variable rate	Sensitivity analysis	None
Market risk – commodity prices	Derivative financial instruments	Sensitivity analysis	Oil price hedges
Credit risk	Cash and bank balances, trade receivables, investments and derivative financial instruments.	Ageing analysis Credit ratings	Diversification of bank deposits
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

5.1.1 Credit risk

Credit risk refers to the risk of a counterparty defaulting on its contractual obligations resulting in financial loss to the Group. Credit risk arises from investments, cash and bank balances as well as credit exposures to customers (i.e., Shell western, Pillar, Azura, Geregu Power, Sapele Power, ExxonMobil and Nigerian Gas Marketing Company (NGMC) receivables), and other parties (i.e., NUIMS JV receivables, NEPL JV receivables and other receivables)

a) Risk management

The Group is exposed to credit risk from its sale of crude oil to ExxonMobil, Waltersmith, Chevron, Vitol S.A and Shell western. The Group has in place a 30-day payment term bill of lading date in the offtake agreement with Shell Western Supply and Trading Limited. The Group is exposed to further credit risk from outstanding cash calls from NEPL and NUIMS.

In addition, the Group is exposed to credit risk in relation to the sale of gas to its customers.

The credit risk on cash and bank balances is managed through the diversification of banks in which the balances are held. The risk is limited because the majority of deposits are with banks that have an acceptable credit rating assigned by an international credit agency. The Group's maximum exposure to credit risk due to default of the counterparty is equal to the carrying value of its financial assets.

In addition, the Group is exposed to credit risk in relation to the sale of gas to its customers.

The credit risk on cash and bank balances is managed through the diversification of banks in which the balances are held. The risk is limited because the majority of deposits are with banks that have an acceptable credit rating assigned by an international credit agency. The Group's maximum exposure to credit risk due to default of the counterparty is equal to the carrying value of its financial assets.

b) Estimation uncertainty in measuring impairment loss

The table below shows information on the sensitivity of the carrying amounts of the Company's financial assets to the methods, assumptions and estimates used in calculating impairment losses on those financial assets at the end of the reporting period. These methods, assumptions and estimates have a significant risk of causing material adjustments to the carrying amounts of the Group's financial assets.

i. Significant unobservable inputs

The table below demonstrates the sensitivity of the Company's profit before tax to movements in the probability of default (PD) and loss given default (LGD) for financial assets, with all other variables held constant:

	Effect on profit before tax	**Effect on other components of equity before tax**
	30 June 2026	**30 June 2026**
Increase/decrease in loss given default	**₦ million**	**₦ million**
+10%	**(257)**	**—**
-10%	**257**	**—**

	Effect on profit before tax	Effect on other components of equity before tax
	31 Dec 2025	31 Dec 2025
Increase/decrease in loss given default	₦ million	₦ million
+10%	(3,846)	—
-10%	3,846	—

The table below demonstrates the sensitivity of the Group's profit before tax to movements in probabilities of default, with all other variables held constant:

	Effect on profit before tax	**Effect on other components of equity before tax**
	30 June 2026	**30 June 2026**
Increase/decrease in probability of default	**₦ million**	**₦ million**
+10%	**258**	**—**
-10%	**(258)**	**—**

Increase/decrease in probability of default	Effect on profit before tax 31 Dec 2025 ₦ million	Effect on other components of equity before tax 31 Dec 2025 ₦ million
+10%	(1,068)	—
-10%	1,068	—

The table below demonstrates the sensitivity of the Company's profit before tax to movements in the forward-looking macroeconomic indicators with all other variables held constant:

Increase/decrease in forward looking macroeconomic indicators	**Effect on profit before tax 30 June 2026 ₦ million**	**Effect on other components of equity before tax 30 June 2026 ₦ million**
+10%	**252**	**–**
-10%	**(252)**	**–**

Increase/decrease in forward looking macroeconomic indicators	Effect on profit before tax 31 Dec 2025 ₦ million	Effect on other components of equity before tax 31 Dec 2025 ₦ million
+10%	(613)	—
-10%	613	—

5.1.2 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group manages liquidity risk by ensuring that sufficient funds are available to meet its commitments as they fall due.

The Group uses both long-term and short-term cash flow projections to monitor funding requirements for activities and to ensure there are sufficient cash resources to meet operational needs. Cash flow projections take into consideration the Group's debt financing plans and covenant compliance. Surplus cash held is transferred to the treasury department which invests in interest bearing current accounts and time deposits.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed maturity periods. The table has been drawn based on the undiscounted cash flows of the financial liabilities based on the earliest date on which the Group can be required to pay.

30 June 2026	Effective interest rate %	Less than 1 year ₦ million	1 – 2 year ₦ million	2 – 3 years ₦ million	3 – 5 years ₦ million	Total ₦ million
Non-derivatives						
Fixed interest rate borrowings						
$650 million Senior notes	9.125%	81,804	81,804	81,804	978,273	1,223,685
Variable interest rate borrowings						
The Mauritius Commercial Bank Ltd	6.5% + SOFR	2,437	5,999	11,315	11,631	31,382
Stanbic IBTC Bank Plc	6.5% + SOFR	2,194	5,400	10,183	10,467	28,244
Standard Bank of South Africa	6.5% + SOFR	1,219	3,000	5,657	5,815	15,691
First City Monument Ltd (FCMB)	6.5% + SOFR	1,170	2,880	5,431	5,583	15,064
Zenith Bank Plc	6.5% + SOFR	781	1,920	3,620	3,721	10,042
$300 million Advance Payment Facility (APF)						
ExxonMobil Financing	5% + SOFR+CAS	12,317	144,076	—	—	156,393
Total variable interest borrowings		20,118	163,275	36,206	37,217	256,816
Other non-derivatives						
Trade and other payables**		1,093,186	—	—	—	1,093,186
Lease liability		42,066	28,788	17,787	7,357	95,998
		1,135,252	28,788	17,787	7,357	1,189,184
Total		1,237,174	273,867	135,797	1,022,847	2,669,685

Derivative liability of ₦11.01 billion (2025: ₦9.04 billion) are expected to be settled within the next 12 months. Hence, it would be classified under less than one year for the purpose of liquidity and maturity analysis.

** Trade and other payables (exclude non-financial liabilities such as provisions, taxes, pension and other non-contractual payables)

31 December 2025	Effective interest rate %	Less than 1 year ₦ million	1 – 2 year ₦ million	2 – 3 years ₦ million	3 - 5 years ₦ million	Total ₦ million
Non-derivatives						
Fixed interest rate borrowings						
$650 million Senior notes	9.125%	85,129	85,129	85,129	1,060,611	1,315,998
Variable interest rate borrowings						
The Mauritius Commercial Bank Ltd	6.5% + SOFR	2,582	2,583	11,224	17,888	34,277
Stanbic IBTC Bank Plc	6.5% + SOFR	2,324	2,323	10,101	16,098	30,846
Standard Bank of South Africa	6.5% + SOFR	1,292	1,292	5,612	8,943	17,139
First City Monument Ltd (FCMB)	6.5% + SOFR	1,240	1,240	5,387	8,586	16,453
Zenith Bank Plc	6.5% + SOFR	827	827	3,591	5,724	10,969
$300 million Advance Payment Facility (APF)						
ExxonMobil Financing	5%+SOFR+CAS	41,309	451,231	—	—	492,540
Total variable interest borrowings		49,574	459,496	35,915	57,239	602,224
Other non-derivatives						
Trade and other payables**		1,203,071	—	—	—	1,203,071
Lease liability		52,800	27,726	23,436	—	103,962
		1,255,871	27,726	23,436	—	1,307,033
Total		1,390,574	572,351	144,480	1,117,850	3,225,255

** Trade and other payables (exclude non-financial liabilities such as provisions, taxes, pension and other non-contractual payables)

5.1.3 Fair value measurements

Set out below is a comparison by category of carrying amounts and fair value of all financial instruments:

	Carrying amount		Fair value	
	30 June 2026 ₦ million	31 Dec 2025 ₦ million	**30 June 2026 ₦ million**	31 Dec 2025 ₦ million
Financial assets measured at amortised cost				
Trade and other receivables*	**570,703**	663,315	**570,703**	663,315
Cash and cash equivalents	**598,347**	476,970	**598,347**	476,970
Restricted cash	**180,402**	181,347	**180,402**	181,347
Other financial assets at amortised cost	**4,181**	—	**3,871**	—
	1,353,633	1,321,632	**1,353,323**	1,321,632
Financial assets measured at fair value				
Derivative financial assets	**3,862**	17,352	**3,862**	17,352
	3,862	17,352	**3,862**	17,352
Financial liabilities				
Interest bearing loans borrowings**	**1,109,593**	1,443,289	**1,098,028**	1,462,032
Trade and other payables***	**1,093,186**	1,203,071	**1,093,186**	1,203,071
	2,202,779	2,646,360	**2,191,214**	2,665,103
Financial liabilities at fair value				
Derivative financial liabilities	**(11,010)**	(9,041)	**(11,010)**	(9,041)
	(11,010)	(9,041)	**(11,010)**	(9,041)

* Trade and other receivables exclude underlift, Geregu Power, Sapele Power and NGMC VAT receivables, cash advances and advance payments.

** In determining the fair value of the interest-bearing loans and borrowings, non-performance risks of the Group as at period-end were assessed to be insignificant.

*** Trade and other payables exclude non-financial liabilities such as provisions, taxes, overlift, pension and other non-contractual payables.

5.1.4 Fair Value Hierarchy

As at the reporting period, the Group had classified its financial instruments into the three levels prescribed under the accounting standards. There were no transfers of financial instruments between fair value hierarchy levels during the period.

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The fair value of the financial instruments is included at the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of the Group's derivative financial instruments has been determined using a proprietary pricing model that uses marked to market valuation. The valuation represents the mid-market value and the actual close-out costs of trades involved. The market inputs to the model are derived from observable sources. Other inputs are unobservable but are estimated based on the market inputs or by using other pricing models. The derivative financial instruments are in level 2.

The fair value of the Group's interest-bearing loans and borrowings is determined by using discounted cash flow models that use market interest rates as at the end of the period. The interest-bearing loans and borrowings are in level 2.

The fair value of other financial assets at amortised cost is determined by reference to quoted prices in an active market, i.e FMDQ. Accordingly, these other financial assets at amortised cost are classified within Level 1 of the fair value hierarchy.

6. Segment reporting

Business segments are based on the Group's internal organisation and management reporting structure. The Group's business segments are the two core businesses: Oil and Gas. The Oil segment deals with the exploration, development and production of crude oil while the Gas segment deals with the production and processing of gas. These two reportable segments make up the total operations of the Group.

For the half year ended 30 June 2026, revenue from the gas segment of the business constituted 10% (2025: 7%) of the Group's revenue and about 50% of the Group's profit - mostly due to positive fiscal regime associated with the gas business. Management is committed to continued growth of the gas segment and will procure the required infrastructure for this segment of the business. The gas business is positioned separately within the Group and reports directly to the New Energy & Midstream Gas Director (chief operating decision maker). As the gas business segment's revenues, results and cash flows are largely independent of other business units within the Group, it is regarded as a separate segment.The result is two reporting segments, Oil and Gas. There were no inter segment sales during the reporting periods under consideration, therefore all revenue was from external customers.

Amounts relating to the gas segment are determined using the gas cost centres, with the exception of depreciation. Depreciation relating to the gas segment is determined by applying a percentage which reflects the proportion of the Net Book Value of oil and gas properties that relates to gas investment costs (i.e., cost for the gas processing and other gas facilities).

The Group accounting policies are also applied in the segment reports.

6.1 Segment profit disclosure

	Half year ended 30 June 2026	Half year ended 30 June 2025	**3 Months ended 30 June 2026**	3 Months ended 30 June 2025
	₦ million	₦ million	**₦ million**	₦ million
Oil	**113,890**	15,514	**113,206**	20,284
Gas	**111,588**	27,005	**59,763**	(13,149)
Total profit for the period	**225,478**	42,519	**172,969**	7,135

	Half year ended 30 June 2026	Half year ended 30 June 2025	**3 Months ended 30 June 2026**	3 Months ended 30 June 2025
Oil	**₦ million**	₦ million	**₦ million**	₦ million
Revenue from contracts with customers				
Crude oil sales (Note 7)	**2,247,113**	2,004,720	**1,215,183**	852,210
Cost of sales and general and administrative expenses	**(1,425,488)**	(1,551,751)	**(768,788)**	(771,699)
Other (loss)/income	**(49,657)**	73,885	**84,137**	142,322
Operating profit before impairment	**771,968**	526,854	**530,532**	222,833
Impairment reversal/(loss)	**3,962**	(570)	**4,321**	(996)
Fair value loss	**(21,009)**	(14,966)	**(1,872)**	(7,314)
Operating profit	**754,921**	511,318	**532,981**	214,523
Finance income (Note 13)	**8,823**	8,275	**4,776**	4,307
Finance expenses (Note 13)	**(116,132)**	(150,549)	**(51,625)**	(101,025)
Profit before taxation	**647,612**	369,044	**486,132**	117,805
Income tax expense (Note 14)	**(533,722)**	(353,530)	**(372,926)**	(97,521)
Profit for the period	**113,890**	15,514	**113,206**	20,284

Other loss/income in the Oil business includes foreign exchange loss and majorly changes in overlift. Note 9 provides details for the combined business.

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Gas	Half year ended 30 June 2026 ₦ million	Half year ended 30 June 2025 ₦ million	3 Months ended 30 June 2026 ₦ million	3 Months ended 30 June 2025 ₦ million
Revenue from contracts with customers				
Gas sales	**140,348**	146,659	**79,214**	79,167
Natural gas liquid sales	**114,720**	15,338	**44,339**	7,828
Cost of sales and general and administrative expenses	**(121,341)**	(73,164)	**(63,082)**	(62,721)
Other income	**9,670**	5,183	**2,283**	4,041
Operating profit before impairment	**143,397**	94,016	**62,754**	28,315
Impairment reversal/(loss)	**3,414**	(4,147)	**10,591**	(2,911)
Operating profit	**146,811**	89,869	**73,345**	25,404
Finance income (Note 13)	**310**	–	**310**	–
Share of (loss)/profit from joint venture accounted for using the equity method	**(4,318)**	(4,802)	**1,524**	(3,742)
Profit before taxation	**142,803**	85,067	**75,179**	21,662
Income tax expense (Note 14)	**(31,215)**	(58,062)	**(15,416)**	(34,811)
Profit/(loss) for the period	**111,588**	27,005	**59,763**	(13,149)

Impairment reversal/loss recognised in the gas segment relate to MSN, Azura, Transcorp, Geregu Power, Sapele Power and NGMC. See Note 11 for further details.

Other income on the gas segment relates to foreign exchange gains.

The increase in the cost of sales and general and administrative expenses in the gas segment is attributable to Natural gas liquids(NGL) related costs following the increase in NGL production during the period.

6.1.1 Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of commodities at a point in time or over time and from different geographical regions.

	Half year ended 30 June 2026 Oil ₦ million	Half year ended 30 June 2026 Gas ₦ million	Half year ended 30 June 2026 Natural Gas Liquid ₦ million	Half year ended 30 June 2026 Total ₦ million	Half year ended 30 June 2025 Oil ₦ million	Half year ended 30 June 2025 Gas ₦ million	Half year ended 30 June 2025 Natural gas liquid ₦ million	Half year ended 30 June 2025 Total ₦ million
Geographical markets								
Canada	—	—	—	—	95,733	—	—	95,733
Cote D'Ivoire	41,247	—	—	41,247	77,153	—	—	77,153
France	104,201	—	—	104,201	102,464	—	—	102,464
Germany	—	—	—	—	111,718	—	—	111,718
Ghana	—	—	—	—	—	—	7,676	7,676
India	30,706	—	—	30,706	454,278	—	—	454,278
Indonesia	390,592	—	—	390,592	194,477	—	—	194,477
Italy	100,544	—	—	100,544	200,364	—	—	200,364
Japan	—	—	19,226	19,226	—	—	—	—
Kenya	—	—	—	—	—	—	7,662	7,662
Malaysia	93,023	—	—	93,023	99,382	—	—	99,382
Namibia	—	—	23,595	23,595	—	—	—	—
Netherlands	78,517	—	—	78,517	155,697	—	—	155,697
Nigeria	285,797	140,348	33,124	459,269	18,865	146,659	—	165,524
Portugal	84,836	—	—	84,836	81,922	—	—	81,922
Singapore	442,604	—	38,775	481,379	—	—	—	—
South Africa	61,347	—	—	61,347	72,416	—	—	72,416
Spain	62,277	—	—	62,277	160,187	—	—	160,187
Turkey	—	—	—	—	3,447	—	—	3,447
Thailand	383,036	—	—	383,036	—	—	—	—
UK	—	—	—	—	2,206	—	—	2,206
Uruguay	78,180	—	—	78,180	63,238	—	—	63,238
USA	10,206	—	—	10,206	107,741	—	—	107,741
Vietnam	—	—	—	—	3,432	—	—	3,432
Revenue from contracts with customers	2,247,113	140,348	114,720	2,502,181	2,004,720	146,659	15,338	2,166,717
Geographical region								
Africa	388,392	140,348	56,719	585,459	168,434	146,659	15,338	330,431
Asia	1,339,961	—	58,001	1,397,962	751,569	—	—	751,569
Europe	430,374	—	—	430,374	818,005	—	—	818,005
Americas	88,386	—	—	88,386	266,712	—	—	266,712
Revenue from contracts with customers	2,247,113	140,348	114,720	2,502,181	2,004,720	146,659	15,338	2,166,717

	Half year ended 30 June 2026 Oil ₦ million	Half year ended 30 June 2026 Gas ₦ million	Half year ended 30 June 2026 Natural Gas Liquid ₦ million	Half year ended 30 June 2026 Total ₦ million	Half year ended 30 June 2025 Oil ₦ million	Half year ended 30 June 2025 Gas ₦ million	Half year ended 30 June 2025 Natural Gas Liquid ₦ million	Half year ended 30 June 2025 Total ₦ million
Timing of revenue recognition								
At a point in time	**2,247,113**	**—**	**114,720**	**2,361,833**	2,004,720	—	15,338	2,020,058
Over time	**—**	**140,348**	**—**	**140,348**	—	146,659	—	146,659
Revenue from contracts with customers	**2,247,113**	**140,348**	**114,720**	**2,502,181**	2,004,720	146,659	15,338	2,166,717

	3 Months ended 30 June 2026 Oil ₦ million	3 Months ended 30 June 2026 Gas ₦ million	3 Months ended 30 June 2026 Natural gas liquid ₦ million	3 Months ended 30 June 2026 Total ₦ million	3 Months ended 30 June 2025 Oil ₦ million	3 Months ended 30 June 2025 Gas ₦ million	3 Months ended 30 June 2025 Natural Gas Liquid ₦ million	3 Months ended 30 June 2025 Total ₦ million
Geographical markets								
Canada	**—**	**—**	**—**	**—**	95,733	—	—	95,733
Cote D'Ivoire	**41,247**	**—**	**—**	**41,247**	1,659	—	—	1,659
France	**2,367**	**—**	**—**	**2,367**	96,944	—	—	96,944
Germany	**—**	**—**	**—**	**—**	2,404	—	—	2,404
Ghana	**—**	**—**	**—**	**—**	—	—	166	166
India	**30,706**	**—**	**—**	**30,706**	324,059	—	—	324,059
Indonesia	**172,038**	**—**	**—**	**172,038**	109,593	—	—	109,593
Italy	**100,544**	**—**	**—**	**100,544**	94,974	—	—	94,974
Kenya	**—**	**—**	**—**	**—**	—	—	7,662	7,662
Malaysia	**—**	**—**	**—**	**—**	3,995	—	—	3,995
Namibia	**—**	**—**	**23,595**	**23,595**	—	—	—	—
Netherlands	**1,112**	**—**	**—**	**1,112**	3,351	—	—	3,351
Nigeria	**239,397**	**79,214**	**18,996**	**337,607**	10,168	79,167	—	89,335
Portugal	**—**	**—**	**—**	**—**	1,764	—	—	1,764
Singapore	**137,088**	**—**	**1,748**	**138,836**	—	—	—	—
South Africa	**35,165**	**—**	**—**	**35,165**	4,185	—	—	4,185
Spain	**62,277**	**—**	**—**	**62,277**	99,023	—	—	99,023
Turkey	**—**	**—**	**—**	**—**	75	—	—	75
Thailand	**383,036**	**—**	**—**	**383,036**	—	—	—	—
UK	**—**	**—**	**—**	**—**	48	—	—	48
Uruguay	**—**	**—**	**—**	**—**	1,361	—	—	1,361
USA	**10,206**	**—**	**—**	**10,206**	2,800	—	—	2,800
Vietnam	**—**	**—**	**—**	**—**	74	—	—	74
Revenue from contracts with customers	**1,215,183**	**79,214**	**44,339**	**1,338,736**	852,210	79,167	7,828	939,205
Geographical region								
Africa	**315,809**	**79,214**	**42,591**	**437,614**	16,012	79,167	7,828	103,007
Asia	**722,868**	**—**	**1,748**	**724,616**	437,721	—	—	437,721
Europe	**166,300**	**—**	**—**	**166,300**	298,583	—	—	298,583
Americas	**10,206**	**—**	**—**	**10,206**	99,894	—	—	99,894
Revenue from contracts with customers	**1,215,183**	**79,214**	**44,339**	**1,338,736**	852,210	79,167	7,828	939,205

	3 Months ended 30 June 2026	3 Months ended 30 June 2026	3 Months ended 30 June 2026	3 Months ended 30 June 2026	3 Months ended 30 June 2025	3 Months ended 30 June 2025	3 Months ended 30 June 2025	3 Months ended 30 June 2025
	Oil	Gas	Natural gas liquid	Total	Oil	Gas	Natural Gas Liquid	Total
	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million
Timing of revenue recognition								
At a point in time	**1,215,183**	**—**	**44,339**	**1,259,522**	852,210	—	7,828	860,038
Over time	**—**	**79,214**	**—**	**79,214**	—	79,167	—	79,167
Revenue from contracts with customers	**1,215,183**	**79,214**	**44,339**	**1,338,736**	852,210	79,167	7,828	939,205

The Group's transactions with its major customers, Shell Western, Chevron, and ExxonMobil, constitute about 95% (₦2.12 trillion) (H1 2025: 81%, ₦1.6 trillion) of the total revenue from oil segment. Also, the Group's transactions with NGML, MSN, Egbin Power and Azura (₦92.90 billion) (H1 2025: ₦110.5 billion) accounted for most of the revenue from gas segment.

The current period data reflects location of the final buyers based on information extracted from bill of lading.

6.1.2 Impairment reversal/(loss) on financial assets by reportable segments

	Half year ended 30 June 2026			Half year ended 30 June 2025		
	Oil	Gas	Total	Oil	Gas	Total
	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million
Impairment reversal/(loss) recognised during the period	**3,962**	**3,414**	**7,376**	(570)	(4,148)	(4,718)

	3 Months ended 30 June 2026			3 Months ended 30 June 2025		
	Oil	Gas	Total	Oil	Gas	Total
	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million
Impairment reversal/(loss) recognised during the period	**4,321**	**10,591**	**14,912**	(996)	(2,912)	(3,908)

6.2 Segment assets

Segment assets are measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the reporting segment and the physical location of the asset. The Group had no non-current assets domiciled outside Nigeria.

	Oil	Gas	Total
Total segment assets	₦ million	₦ million	₦ million
30 June 2026	**6,869,755**	**1,371,214**	**8,240,969**
31 December 2025	7,521,563	1,207,818	8,729,381

6.3 Segment liabilities

Segment liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segment.

	Oil	Gas	Total
Total segment liabilities	₦ million	₦ million	₦ million
30 June 2026	**4,925,652**	**751,021**	**5,676,673**
31 December 2025	5,429,717	656,428	6,086,145

7. Revenue from contract with customers

	Half year ended 30 June 2026	Half year ended 30 June 2025	**3 Months ended 30 June 2026**	3 Months ended 30 June 2025
	₦ million	₦ million	**₦ million**	₦ million
Crude oil sales	**2,247,113**	2,004,720	**1,215,183**	852,210
Gas sales	**140,348**	146,659	**79,214**	79,167
Natural gas liquid sales	**114,720**	15,338	**44,339**	7,828
	2,502,181	2,166,717	**1,338,736**	939,205

The major off-takers for crude oil are Chevron, Vitol, Shell West, and ExxonMobil. The major off-takers for gas are Azura, MSN Energy, Egbin Power, and Nigerian Gas Marketing Company. The major off-taker for natural gas liquid is ExxonMobil.

8. Cost of Sales

	Half year ended 30 June 2026	Half year ended 30 June 2025	**3 Months ended 30 June 2026**	3 Months ended 30 June 2025
	₦ million	₦ million	**₦ million**	₦ million
Royalties	**393,392**	390,663	**232,222**	193,132
Depletion, Depreciation and Amortisation	**388,217**	492,102	**201,594**	257,764
Depreciation of Right of Use Assets	**16,554**	23,876	**7,772**	9,387
Crude handling fees	**59,566**	59,792	**35,908**	31,204
Nigeria Export Supervision Scheme (NESS) fee	**2,383**	1,986	**1,444**	1,986
Niger Delta Development Commission Levy	**32,793**	33,706	**15,802**	14,141
Barging/Trucking	**19,212**	20,987	**10,247**	12,346
Operational & Maintenance expenses	**468,352**	392,361	**224,686**	203,434
	1,380,469	1,415,473	**729,675**	723,394

Operational & maintenance expenses relates mainly to maintenance costs, warehouse operations expenses, security expenses, community expenses, clean-up costs, fuel supplies and catering services. Also included in operational and maintenance expenses is gas flare penalty of ₦18.2 billion (H1 2025: ₦41.5 billion) reflecting the early gains on completion of end of routine flaring projects in the onshore business.

Barging and Trucking costs relates to costs on the OML 40 Gbetiokun field.

9. Other (loss)/income - net

	Half year ended 30 June 2026	Half year ended 30 June 2025	**3 Months ended 30 June 2026**	3 Months ended 30 June 2025
	₦ million	₦ million	**₦ million**	₦ million
(Overlift)/Underlift	**(92,147)**	66,024	**35,172**	147,223
Realised gain on foreign exchange	**14,313**	–	**10,118**	–
Unrealised gain/(loss) on foreign exchange	**10,009**	2,662	**14,039**	(6,334)
Others	**27,838**	10,384	**27,091**	5,474
	(39,987)	79,070	**86,420**	146,363

Overlifts and underlifts represent differences between crude oil lifted and the Group's entitlement based on its share of production. Overlifts are measured by reference to the observable lifted price at the date of lifting. Underlifts are measured at current market value. Movements during the period are recognised within other (loss)/income.

Gain on foreign exchange is principally due to the translation of Naira, Pounds and Euro denominated monetary assets and liabilities.

Others include tariffs from the usage of the Group's pipeline by others.

10. General and administrative expenses

	Half year ended 30 June 2026	Half year ended 30 June 2025	**3 Months ended 30 June 2026**	3 Months ended 30 June 2025
	₦ million	₦ million	**₦ million**	₦ million
Depreciation and amortisation	**2,673**	26,873	**1,450**	13,605
Depreciation of right of use assets	**10,547**	14,529	**5,250**	11,769
Professional & Consulting Fees	**12,808**	14,761	**6,471**	9,168
Auditor's remuneration	**319**	232	**200**	173
Directors Emoluments (Executives)	**1,580**	2,465	**672**	1,333
Directors Emoluments (Non - Executives)	**2,659**	3,533	**1,334**	2,042
Employee benefits	**65,297**	71,112	**40,948**	37,231
Share-based benefits	**36,760**	15,922	**30,154**	7,110
Donation	**37**	82	**16**	25
Flights and other travel costs	**5,259**	12,822	**3,163**	7,216
Other general expenses	**28,421**	47,111	**12,537**	21,355
	166,360	209,442	**102,195**	111,027

Depreciation expenses reflect depreciation on non-field related assets.

Share based benefits includes equity settled share-based payment expense of ₦18.60 billion(H1 2025: ₦15.9 billion); and cash settled share-based payment expense of ₦18.16 billion (H1 2025: Nil).

Included in the Other general expenses are IT\Communications Consumables of ₦5.29 billion (H1 2025: ₦15.40 billion), Contract Labour ₦4.83 billion (H1 2025: ₦11.60 billion), Repairs and Maintenance Expenses of ₦6.56 billion (H1 2025: ₦8.68 billion) Software License/Maintenance Fees of ₦5.16 billion (H1 2025: ₦3.70 billion) and Office/guest house rental of ₦4.41 billion (H1 2025: ₦1.6 billion).

10.1 Below are details of non-audit services provided by the auditors:

Entity	Service	PwC office	Fees (₦'million)	Period
Seplat Energy Plc	Remuneration committee advice	PwC UK	152	2026

11. Impairment reversal/(loss)

	Half year ended 30 June 2026	Half year ended 30 June 2025	**3 Months ended 30 June 2026**	3 Months ended 30 June 2025
	₦ million	₦ million	**₦ million**	₦ million
Impairment reversal/(loss) on financial assets-net (Note 11.1)	**7,376**	(4,718)	**14,912**	(3,908)
	7,376	(4,718)	**14,912**	(3,908)

11.1 Impairment reversal/(loss) on financial assets - net

	Half year ended 30 June 2026 ₦ million	Half year ended 30 June 2025 ₦ million	3 Months ended 30 June 2026 ₦ million	3 Months ended 30 June 2025 ₦ million
Impairment reversal/(loss) on:				
NUIMS receivables	**–**	(258)	**—**	(258)
NEPL receivables	**2,470**	(312)	**1,327**	(738)
Trade receivables (Gas customers)*	**3,188**	(4,006)	**10,426**	(2,769)
Contract asset	**(468)**	(142)	**(538)**	(143)
Other receivables	**2,186**	—	**3,697**	—
Total impairment reversal/(loss)	**7,376**	(4,718)	**14,912**	(3,908)

*Impairment (loss)/reversal on trade receivables relate to Gas customers (Azura, MSN, Transcorp, Sapele Power, NGMC and Geregu Power).

12. Fair value loss

	Half year ended 30 June 2026 ₦ million	Half year ended 30 June 2025 ₦ million	3 Months ended 30 June 2026 ₦ million	3 Months ended 30 June 2025 ₦ million
Hedge premium expenses	**(18,711)**	(11,464)	**(8,637)**	(7,994)
Fair value (loss)/gain on derivatives (Note 19)	**(2,298)**	(3,502)	**6,765**	681
	(21,009)	(14,966)	**(1,872)**	(7,313)

Fair value (loss)/gain on derivatives represents changes in the fair value of hedging receivables charged to profit or loss.

13. Finance income/(cost)

	Half year ended 30 June 2026 ₦ million	Half year ended 30 June 2025 ₦ million	3 Months ended 30 June 2026 ₦ million	3 Months ended 30 June 2025 ₦ million
Finance Income				
Interest income on fixed deposit	**8,823**	8,275	**4,776**	4,307
Interest income on investments	**310**	–	**310**	–
Finance Income	**9,133**	8,275	**5,086**	4,307
Finance Charges				
Interest on loans and borrowings	**(85,944)**	(115,237)	**(36,709)**	(84,954)
Interest on lease liabilities	**(3,595)**	(6,444)	**(1,707)**	(2,678)
Unwinding of discount on provision for decommissioning	**(26,593)**	(28,868)	**(13,209)**	(13,393)
	(116,132)	(150,549)	**(51,625)**	(101,025)
Finance cost - net	**(106,999)**	(142,274)	**(46,539)**	(96,718)

Finance costs decreased due to lower gross debt in the period.

14. Taxation

The major components of income tax expense for the period ended 30 June 2026 and 2025 are:

	Half year ended 30 June 2026	Half year ended 30 June 2025	**3 Months ended 30 June 2026**	3 Months ended 30 June 2025
	₦ million	₦ million	**₦ million**	₦ million
Current tax:				
Current tax expense on profit for the period	**611,379**	536,834	**450,310**	222,995
Education Tax	**–**	17,458	**–**	5,357
NASENI Levy	**–**	1,229	**–**	1,084
Police Levy	**–**	28	**–**	25
Development levy	**42,418**	–	**27,155**	–
Total current tax	**653,797**	555,549	**477,465**	229,461
Deferred tax:				
Deferred tax credit to profit or loss (Note 14.1)	**(88,860)**	(143,957)	**(89,123)**	(97,131)
Total tax expense in statement of profit or loss	**564,937**	411,592	**388,342**	132,330
Total tax charged for the period	**564,937**	411,592	**388,342**	132,330
Effective tax rate	**71 %**	91 %	**69 %**	95 %

In accordance with IAS 34: Interim Financial Reporting, income tax expense for the interim period has been determined using the estimated weighted average annual effective income tax rate expected for the full financial year. This estimate is reviewed at each interim reporting date and adjusted, where necessary, to reflect changes in the expected annual tax rate.

Income tax expense for the Group is analysed by Oil segment - Half year ended ₦533.7 billion (H1 2025: ₦353.5 billion); 3 months ended ₦372.9 billion (H1 2025: ₦97.5 billion) and Gas Segment - Half year ended ₦31.2 billion (H1 2025: ₦58.1 billion); 3 months ended ₦15.4 billion (H1 2025: ₦34.8 billion).

The Group has applied the provisions of the Nigeria Tax Act 2025 which became effective in January 2026 and require Education Tax, the NASENI Levy, and the Police Trust Fund Levy to be consolidated into Development Levy.

14.1 Deferred tax

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

	Balance as at 1 January 2026	**(Charged) /credited to profit or loss**	**Credited to other comprehensive income**	**Exchange difference**	**Balance as at 30 June 2026**
	₦ million	**₦ million**	**₦ million**	**₦ million**	**₦ million**
Deferred tax assets	289,581	**(45,665)**	**—**	**(11,460)**	**232,456**
Deferred tax liabilities	(1,742,201)	**134,525**	**—**	**68,494**	**(1,539,182)**
	(1,452,620)	**88,860**	**—**	**57,034**	**(1,306,726)**

	Balance as at 1 January 2025	(Charged) /credited to profit or loss	Credited to other comprehensive income	Exchange difference	Balance as at 30 June 2025
	₦ million	₦ million	₦ million	₦ million	₦ million
Deferred tax assets	353,954	(11,670)	—	(1,250)	341,034
Deferred tax liabilities	(1,615,677)	155,627	—	4,324	(1,455,726)
	(1,261,723)	143,957	—	3,074	(1,114,692)

In line with the requirements of IAS 12, the Group offset the deferred tax assets against the deferred tax liabilities arising from similar transactions.

15. Computation of cash generated from operations

	Notes	Half year ended 30 June 2026 ₦ million	Half year ended 30 June 2025 ₦ million
Profit before tax		**790,415**	454,111
Adjusted for:			
Depletion, depreciation and amortisation		**390,890**	518,975
Depreciation of right-of-use asset		**27,101**	38,405
Impairment (reversal)/loss on financial assets	11.1	**(7,376)**	4,718
Interest income	13	**(9,133)**	(8,275)
Interest expense on bank loans	13	**85,944**	115,237
Interest on lease liabilities	13	**3,595**	6,444
Unwinding of discount on provision for decommissioning	13	**26,593**	28,868
Fair value loss on derivatives	12	**2,298**	3,503
Hedge premium expenses	12	**18,711**	11,464
Unrealised foreign exchange gain	9	**(10,009)**	(2,662)
Share based payment expenses	10	**36,760**	15,922
Share of loss from joint venture		**4,318**	4,802
Defined benefit plan	24.1	**(251)**	850
Changes in working capital: (excluding the effects of exchange differences)			
Trade and other receivables		**73,062**	(18,492)
Inventories		**(17,100)**	(32,727)
Prepayments		**5,689**	30,391
Contract assets		**(83,656)**	8,839
Trade and other payables		**17,487**	7,314
Cash generated from operations		**1,355,338**	1,187,687

16. Oil and gas properties

During the six months ended 30 June 2026, the Group acquired oil and gas properties amounting to ₦148.05 billion billion (Dec 2025: ₦396 billion)

17. Trade and other receivables

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Financial instruments		
Trade receivables (Note 17.1)	**255,962**	193,504
NEPL receivables (Note 17.2)	**57,783**	121,337
NUIMS receivables (Note 17.3)	**178,719**	289,437
Receivables from ANOH (Note 17.5)	**6,201**	5,029
Other receivables (Note 17.4)	**72,038**	54,008
Non-financial instruments		
Other receivables (Note 17.4)*	**7,564**	2,965
Underlift	**–**	7,603
Advances to suppliers-others	**12,705**	9,203
	590,972	683,086

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17.1 Trade receivables

Included in the trade receivables are:

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Geregu	**7,848**	17,964
Waltersmith	**283**	3,767
Sapele Power	**12,239**	12,649
NGMC	**1,418**	373
MSN ENERGY	**29,596**	21,701
Pillar	**6,540**	13,247
Shell Western	**–**	46,839
Azura	**6,906**	3,619
Transcorp Power	**7,740**	7,027
ExxonMobil	**229,913**	117,798
Others - crude injectors	**2,218**	505
Impairment allowance	**(48,739)**	(51,985)
Total	**255,962**	193,504

Reconciliation of trade receivables

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Balance as at 1 January	**245,492**	567,051
Additions during the period	**2,299,051**	3,598,263
Receipt for the period	**(2,232,253)**	(4,108,584)
Exchange difference	**(7,589)**	188,762
Gross carrying amount	**304,701**	245,492
Less: Impairment allowance	**(48,739)**	(51,988)
Balance as at	**255,962**	193,504

Reconciliation of impairment allowance on trade receivables

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Loss allowance as at 1 January	**51,988**	32,134
(Decrease)/increase in loss allowance	**(3,188)**	21,739
Exchange difference	**(61)**	(1,885)
Loss allowance as at	**48,739**	51,988

17.2 NEPL receivables

The outstanding cash calls due to Seplat from its JOA partner, NEPL is ₦60.45 billion (Dec 2025 :₦126.6 billion).

Reconciliation of NEPL receivables

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Balance as at 1 January	**126,606**	67,954
Addition during the period	**202,640**	550,220
Receipts during the period	**(269,117)**	(519,088)
Exchange difference	**325**	27,520
Gross carrying amount	**60,454**	126,606
Less: impairment allowance	**(2,671)**	(5,269)
Balance as at	**57,783**	121,337

Reconciliation of impairment allowance on NEPL receivables

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Loss allowance as at 1 January	**5,269**	4,339
(Decrease)/increase in loss allowance	**(2,470)**	1,813
Exchange difference	**(128)**	(883)
Loss allowance as at	**2,671**	5,269

17.3 NUIMS receivables

The outstanding cash calls due to Seplat from its JOA partner, NUIMS is ₦178.72 billion (Dec 2025: ₦289.4 billion).

Reconciliation of NUIMS receivables

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Balance as at 1 January	**289,437**	454,571
Addition during the period	**714,568**	1,518,443
Receipts during the period	**(819,113)**	(1,755,049)
Exchange difference	**(6,173)**	71,472
Balance as at	**178,719**	289,437

17.4 Other receivables

Reconciliation of other receivables

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Balance as at 1 January	**143,037**	173,107
Addition during the period	**26,196**	10,586
Receipts for the period	**(5,041)**	(41,828)
Exchange difference	**(4,139)**	1,172
Gross carrying amount	**160,053**	143,037
Less: impairment allowance	**(80,451)**	(86,064)
Balance as at	**79,602**	56,973

Other receivables includes receivables from 3rd party injectors (tariff income) of ₦16.68 billion (Dec 2025: ₦17 billion), employee receivables of ₦15.8 billion, advances to Belema for OML 55 crude evacuation of ₦10.3 billion (Dec 2025: ₦5.34 billion), receivable from All Grace for Ubima Disposal of ₦23.4 billion (Dec 2025: ₦24.9 billion), receivable from Naptha for Abiala Marginal field of ₦3.9 billion (Dec 2025: ₦4.2 billion).

Reconciliation of impairment allowance on other receivables

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Loss allowance as at 1 January	**86,064**	79,667
Decrease in loss allowance	**(2,186)**	(2,048)
Exchange difference	**(3,427)**	8,445
Loss allowance as at	**80,451**	86,064

17.5 Receivables from joint venture (ANOH)

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Balance as at 1 January	**9,388**	7,253
Additions during the period	**1,107**	2,544
Exchange difference	**(104)**	(408)
Gross carrying amount	**10,391**	9,389
Less: impairment allowance	**(4,190)**	(4,360)
Balance as at	**6,201**	5,029

Reconciliation of impairment allowance on receivables from joint venture (ANOH)

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Loss allowance as at 1 January	**4,360**	4,664
Increase/(decrease) in loss allowance	**–**	–
Exchange difference	**(170)**	(304)
Loss allowance as at	**4,190**	4,360

18. Contract assets

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Revenue on gas sales	**35,599**	17,307
Revenue on oil sales	**78,729**	14,316
Impairment loss on contract assets	**(2,856)**	(2,464)
	111,472	29,159

A contract asset is an entity's right to consideration in exchange for goods or services that the entity has transferred to a customer. The Group has recognised an asset in relation to a contract with Sapele Power, Azura, NGMC, Transcorp Power, MSN Energy, Egbin Power, AGPC, Waltersmith, Shell Western and Chevron, for the delivery of oil and gas supplies which these customers have received but which has not been invoiced as at the end of the reporting period.
The terms of payments relating to the contract is between 30- 45 days from the invoice date. However, invoices are raised after delivery between 14-21 days when the receivable amount has been established and the right to the receivables crystalises. The right to the unbilled receivables is recognised as a contract asset. At the point where the gas receipt certificates and crude invoices are obtained from the customers (Sapele Power, Azura, NGMC, Transcorp Power, MSN Energy, Egbin Power, AGPC, Waltersmith, Shell Western and Chevron) upon volumes reconciliation with offtakers authorising the quantities, this will be reclassified from contract assets to trade receivables.

18.1 Reconciliation of contract assets

The movement in the Group's contract assets is as detailed below:

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Balance as at 1 January	**31,623**	24,173
Additions during the period	**301,555**	642,386
Amount billed during the period	**(217,651)**	(634,779)
Exchange difference	**(1,199)**	(157)
Gross contract assets	**114,328**	31,623
Impairment allowance	**(2,856)**	(2,464)
Balance as at	**111,472**	29,159

Reconciliation of impairment allowance on contract assets

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Loss allowance as at 1 January	**2,464**	255
Increase in loss allowance during the period	**468**	2,353
Exchange difference	**(76)**	(144)
Loss allowance as at	**2,856**	2,464

19. Derivative financial instruments

The Group uses its derivatives for economic hedging purposes and not as speculative investments. Derivatives are measured at fair value through profit or loss. They are presented as current liability to the extent they are expected to be settled within 12 months after the reporting period.

The fair value has been determined using a proprietary pricing model which generates results from inputs. The market inputs to the model are derived from observable sources. Other inputs are unobservable but are estimated based on the market inputs or by using other pricing models.

19.1 Derivative financial assets

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Opening Balance	**17,352**	–
Movement during the period	**(16,621)**	–
Addition	**3,849**	18,342
Exchange difference	**(718)**	(990)
Balance as at	**3,862**	17,352

19.2 Derivative financial liabilities

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Opening Balance	**(9,041)**	(6,073)
Reversal of prior period unrealized fair value	**8,660**	–
Prior year premium paid	**–**	330
Unrealised fair value	**(10,975)**	(3,886)
Exchange difference	**346**	588
Balance as at	**(11,010)**	(9,041)

19.3 For cashflow purposes:

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Prior year premium (note 19.2)	**–**	330
Hedge premium prepaid (note 19.1)	**3,849**	18,342
Hedge premium	**2,090**	28,834
	5,939	47,506

During the period ended 30 June 2026, the Group entered into economic crude oil hedge contracts with an average strike price of ₦71,489/bbl (Dec 2025: ₦75,925/bbl) for 10 million barrels (Dec 2025: 5.25 million barrels) at a cost of ₦15.1 billion (Dec 2025: ₦10.1 billion)

20. Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise of cash at bank, cash on hand and short-term deposits with a maturity of three months or less.

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Fixed deposits	**10,126**	69
Cash at bank	**588,559**	477,253
Gross cash and cash equivalents	**598,685**	477,322
Impairment allowance	**(338)**	(352)
Net cash and cash equivalents	**598,347**	476,970

20.1 Reconciliation of impairment allowance on cash and cash equivalents

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Loss allowance as at 1 January	**352**	376
Increase/ (decrease) in loss allowance	**–**	–
Exchange difference	**(14)**	(24)
Loss allowance as at	**338**	352

20.2 Restricted cash

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Restricted cash	**180,402**	181,347
	180,402	181,347

20.3 Movement in restricted cash

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Opening balance	**181,347**	202,983
Increase/(decrease) in restricted cash	**6,122**	(8,887)
Exchange difference	**(7,067)**	(12,749)
Closing balance	**180,402**	181,347

Included in the restricted cash is ₦169.0 billion (Dec 2025: ₦171.5 billion), which relates to SEPNU's decommissioning and abandonment deposit of ₦142.5 billion (Dec 2025: ₦148.26 billion), as well as the host community fund of ₦26.5 billion(Dec 2025:₦23.3 billion).

Also included in the restricted cash balance is ₦3.9 billion (Dec 2025: ₦3.5 billion) and ₦6.0 billion (Dec 2025: ₦4.9 billion) set aside in the stamping reserve account and debt service reserve account respectively for the revolving credit facility. The stamping reserve amount is to be used for the settlement of all fees and costs payable for the purposes of stamping and registering the Security Documents at the stamp duties office and at the Corporate Affairs Commission (CAC).

A garnishee order of ₦0.8 billion (Dec 2025: ₦804.9 million) is included in the restricted cash balance as at the end of the reporting period.

Also included in the restricted cash balance is ₦0.7 billion (Dec 2025: ₦0.6 billion) for unclaimed dividend.

These amounts are subject to legal restrictions and are therefore not available for general use by the Group.

21. Other financial assets at amortised cost

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Opening Balance	**–**	–
Addition	**3,871**	–
Interest Income	**310**	–
Gross carrying amount	**4,181**	–
Impairment allowance	**–**	–
Net carrying amount	**4,181**	–

Split into:

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Current	**980**	–
Non-current	**3,201**	–
	4,181	–

During the period, Seplat West Limited entered into a debt settlement agreement with Geregu Power PLC for outstanding gas sales receivables. As part of the settlement, and in line with the Presidential Power Sector Debt Reduction Programme, the company received NBET Finance Company PLC Series I (Tranche B) Bonds with a face value of ₦3,87 billion, bearing interest at 17.50% per annum and maturing in January 2033. The bonds have been recognised at amortised cost in accordance with the Group's accounting policy in Note 3.22.

22. Share capital

22.1 Authorised and issued share capital

	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Authorised ordinary share capital		
599,944,561 (Dec 2025: 599,944,561) ordinary shares denominated in Naira of 50 kobo per share	**300**	300
Issued and fully paid		
599,944,561 (Dec 2025: 599,944,561) issued shares denominated in Naira of 50 kobo per share	**300**	300

Fully paid ordinary shares carry one vote per share and the right to dividends. There were no restrictions on the Group's share capital.

22.2 Movement in share capital and other reserves

	Number of shares Shares	Issued share capital ₦ million	Share premium ₦ million	Share based payment reserve ₦ million	Treasury shares ₦ million	Capital Contribution ₦ million	Retained earnings ₦ million	Foreign currency translation reserve ₦ million	Total ₦ million
Opening balance as at 1 January 2026	**599,944,561**	**300**	**150,802**	**24,985**	**(100,270)**	**5,932**	**342,409**	**2,198,082**	**2,622,240**
Profit for the period	**–**	**–**	**–**	**–**	**–**	**–**	**219,235**	**–**	**219,235**
Other comprehensive loss	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(89,332)**	**(89,332)**
Dividend paid	**–**	**–**	**–**	**–**	**–**	**–**	**(142,618)**	**–**	**(142,618)**
Vested shares during the period	**–**	**–**	**(66,918)**	**(30,562)**	**97,480**	**–**	**–**	**–**	**–**
Share based payments	**–**	**–**	**–**	**18,600**	**–**	**–**	**–**	**–**	**18,600**
Share repurchased	**–**	**–**	**–**	**–**	**(77,232)**	**–**	**–**	**–**	**(77,232)**
Closing balance as at 30 June 2026	**599,944,561**	**300**	**83,884**	**13,023**	**(80,022)**	**5,932**	**419,026**	**2,108,750**	**2,550,893**

	Number of shares	Issued share capital	Share premium	Share based payment reserve	Treasury shares	Capital Contribution	Retained earnings	Foreign currency translation reserve	Total
	Shares	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million
Opening balance as at 1 January 2025	588,444,561	297	87,375	15,558	(3,570)	5,932	312,635	2,393,009	2,811,236
Profit for the period	–	–	–	–	–	–	243,179	–	243,179
Other comprehensive loss	–	–	–	–	–	–	(710)	(194,699)	(195,409)
Dividend paid	–	–	–	–	–	–	(212,695)	–	(212,695)
Reclassification of foreign currency translation reserve	–	–	–	–	–	–	–	(228)	(228)
Share based payments	–	–	–	36,510	–	–	–	–	36,510
Vested shares during the year	–	–	–	(27,083)	27,083	–	–	–	–
PAYE tax withheld on vested shares	–	–	–	–	(13,443)	–	–	–	(13,443)
Share repurchased	–	–	–	–	(46,910)	–	–	–	(46,910)
Shares issued	11,500,000	3	63,427	–	(63,430)	–	–	–	–
Closing balance as at 31 December 2025	599,944,561	300	150,802	24,985	(100,270)	5,932	342,409	2,198,082	2,622,240

22.3 Employee share-based payment scheme

As at 30 June 2026, the Group had 26,725,515 shares (Dec 2025: 49,999,973 shares). which are yet to fully vest. These shares have been assigned to certain employees and senior executives in line with its share-based incentive scheme. During the six months ended 30 June 2026, 22,229,727 shares were vested (Dec 2025: 13,342,715 shares).

22.4 Treasury shares

This relates to shares purchased from the market or issued by the company to fund the Group's Long-Term Incentive Plan. The programme commenced from 1 March 2021 and are held by the Trustees under the Trust for the benefit of the Group's employee beneficiaries covered under the Trust.

23. Interest bearing loans and borrowings

23.1 Reconciliation of interest bearings loans and borrowings

Below is the reconciliation on interest bearing loans and borrowings for 30 June 2026:

	Borrowings within 1 year	Borrowings above 1 year	Total
	₦ million	₦ million	₦ million
Balance as at 1 January 2026	**104,154**	**1,339,135**	**1,443,289**
Interest accrued	**85,944**	**–**	**85,944**
Principal paid	**(274,958)**	**–**	**(274,958)**
Interest repayment	**(67,967)**	**–**	**(67,967)**
Other financing charges	**(19,444)**	**–**	**(19,444)**
Transfers	**272,551**	**(272,551)**	**–**
Exchange differences	**(4,082)**	**(53,189)**	**(57,271)**
Carrying amount as at 30 June 2026	**96,198**	**1,013,395**	**1,109,593**

Below is the reconciliation on interest bearing loans and borrowings for 31 December 2025:

	Borrowings within 1 year	Borrowings due above 1 year	Total
	₦ million	₦ million	₦ million
Balance as at 1 January 2025	690,270	1,409,480	2,099,750
Additions	–	953,106	953,106
Interest accrued	213,239	–	213,239
Principal paid	(1,562,982)	–	(1,562,982)
Interest repayment	(152,600)	–	(152,600)
Transfers	930,362	(930,362)	–
Exchange differences	(14,135)	(93,089)	(107,224)
Carrying amount as at 31 Dec 2025	104,154	1,339,135	1,443,289

*Transfers represent the reclassification from non-current to current as contractual cash flows become due within the next 12 months as a result of the passage of time.

Other financing charges include term loan arrangement and commitment fees, annual bank charges, technical bank fee, agency fee and analytical services in connection with annual service charge. These costs do not form an integral part of the effective interest rate. As a result, they are not included in the measurement of the interest-bearing loan.

23.2 Amortised cost of borrowings

	30 June 2026	31 Dec 2025
	₦ million	₦ million
$650 million Senior notes – April 2021	**898,315**	932,497
$80 million Senior reserve based lending (RBL) facility	**73,961**	76,796
$300 million Advance Payment Facility	**137,317**	433,996
	1,109,593	1,443,289

$650 million Senior notes

On 21 March 2025, the Group refinanced the $650m notes due 2026 with a new $650m issuance maturing in 2030. The newly issued $650m notes due in 2030 carry a coupon rate of 9.125%, reflecting prevailing global market volatility at the time of issuance. The $650 million bond issuance was used exclusively to redeem the maturing $650 million note, with transaction costs covered from the company's cash reserves.The amortised cost for the senior notes as at the reporting period is ₦898.3 billion, $651.34 million (Dec 2025: ₦932.5 billion, $649.7 million) although the principal is $650 million.

$80 million Senior reserve-based lending (RBL) facility - refinanced facility

On 30 September 2025, the Group, through its subsidiary Westport, successfully completed the refinancing of the Westport RBL Facility. The new facility is an $80M RBL facility with Standard Bank (USD 35 million), Mauritius Commercial Bank (USD 25 million), First City Monument Bank (USD 12 million), and Zenith Bank (USD 8 million). Zenith Bank represents a new participant in this financing. The refinancing resulted in improved pricing terms, with the facility now carrying a margin of 6.5% for the first three years, increasing to 7.0% from year four onwards should the facility remain drawn.

These margins are more favourable than those under the previous senior (8.0% plus a CAS of 0.25%) and junior (10.5% plus a CAS of 0.25%) facilities. The final maturity date is five years from the effective date, with an 18-month moratorium on principal repayments. Current drawdown under the financing is $55.25 million, which is below the committed level of $80 million for the period up to and including 30 June 2027. The amortised cost for the senior notes as at the reporting period is ₦73.96 billion, $53.6 million (Dec 2025:₦76.7 billion, $53.6 million).

$400 million Revolving credit facility

The RCF was refinanced to $400 million on January 31, 2026. All in pricing improved to SOFR + 4.5% from SOFR + 5.26% (including a credit adjustment spread). The facility is no longer amortising and includes a bullet repayment at final maturity, with maturity extended to 30 September 2029, i.e., maturing before the $650 million senior notes. The facility is currently fully undrawn.

$300 million Advance payment facility

The $300 million APF was closed in December 2024 to provide financing for the completion of the MPNU acquisition. The facility was fully drawn however the Company has repaid and cancelled $200M under the APF in May and June 2026. The current outstanding drawdown amount is $100 million .

The APF bears interest at a rate of the aggregate of Term SOFR (including a credit adjustment spread of 0.25% per annum) plus 5% per annum and matures in December 2027. The amortised cost for the APF as at the reporting period is ₦137.31 billion, $99.56 million (Dec 2025: ₦433.9 billion, $302.3 million).

24. Employee benefit obligation

24.1 Defined benefit plan

During the reporting period, the defined benefit plan was presented as a net defined benefit liability of ₦2.85 billion (Dec. 2025: ₦3.9 billion).

Net defined benefit assets/(liabilities) recognised in the financial position	30 June 2026 ₦ million	Movement during the period ₦ million	31 Dec 2025 ₦ million
Present value of defined benefit obligation	**96,063**	**(4,170)**	100,233
Fair value of plan assets	**(93,214)**	**3,115**	(96,329)
	2,849	**(1,055)**	3,904

Movement during the period for the defined benefit assets/(liabilities):	30 June 2026 ₦ million
Income on plan asset (Note 15)	**(1,113)**
Current Service Cost (Note 15)	**862**
Exchange differences	**(804)**
	(1,055)

25. Trade and other payables

Financial Instruments	30 June 2026 ₦ million	31 Dec 2025 ₦ million
Trade payables	**552,627**	740,168
Accruals and other payables	**540,559**	462,903
Non-Financial Instruments		
Share based payment liability	**21,322**	3,229
NDDC levy	**18,391**	17,917
Royalties payable	**81,630**	86,025
Overlift	**75,443**	–
	1,289,972	1,310,242

Included in accruals and other payables are field accruals of ₦313.4 billion (Dec 2025: ₦146.1 billion), balance received for asset held for sale of₦13.7 billion (Dec 2025: ₦14.3 billion) and other vendors payable of $213.5 billion (Dec 2025: ₦301.4 billion).

Share based payment liability represents the obligations arising from LTIP awards granted to employees below Board level that will be cash settled.

Royalties payable include accruals in respect of crude oil and gas production for which payment is outstanding at the end of the period.

Overlifts represent crude oil lifted in excess of the Group's entitlement based on its share of production. They are measured by reference to the observable lifted price at the date of lifting, with the corresponding liability recognised in overlift payable.

26. Earnings per share EPS

Basic

Basic EPS is calculated on the Group's profit after taxation attributable to the parent entity, which is based on the weighted average number of issued and fully paid ordinary shares at the end of the period.

Diluted

Diluted EPS is calculated by dividing the profit after taxation attributable to the parent entity by the weighted average number of ordinary shares outstanding during the period plus all the dilutive potential ordinary shares (arising from outstanding share awards in the share-based payment scheme) into ordinary shares.

	Half year ended 30 June 2026 ₦ million	Half year ended 30 June 2025 ₦ million	3 Months ended 30 June 2026 ₦ million	3 Months ended 30 June 2025 ₦ million
Profit attributable to Equity holders of the parent	**219,235**	36,597	**172,472**	5,918
Profit attributable to Non-controlling interests	**6,243**	5,922	**497**	1,217
Profit for the period	**225,478**	42,519	**172,969**	7,135

	Shares '000	Shares '000	Shares '000	Shares '000
Weighted average number of ordinary shares in issue	**599,945**	588,445	**599,945**	588,445
Weighted average number of ordinary shares adjusted for the effect of dilution	**599,945**	588,445	**599,945**	588,445

Basic earnings per share for the period	₦	₦	₦	₦
Basic earnings per share	**365.43**	62.19	**287.48**	10.06
Diluted earnings per share	**365.43**	62.19	**287.48**	10.06
Profit used in determining basic/diluted earnings per share	**219,235**	36,597	**172,472**	5,918

The weighted average number of issued shares was calculated as a proportion of the number of months in which they were in issue during the reporting period.

27. Proposed dividend

For the second quarter ended 30 June 2026, the Group's directors declared an interim dividend of ₦165.50 per share, consisting of core dividend of ₦68.96 per share and special dividend of ₦96.54 per share. (Dec 2025: final dividend of ₦72.15 and special dividend of ₦47.62).

28. Related party relationships and transactions

The Group is controlled by Seplat Energy Plc (the parent Company).

During the period, Heirs Energies and Heirs Holding Limited acquired 20.07% of the issued share capital of the Seplat Energy PLC. These entities are controlled by Mr Tony O Elumelu CFR. He was appointed to the Board effective 22 January 2026. The remaining shares in the parent Company are widely held.

The following are details of transactions and balances with related parties. The terms of these transactions are at arm's length.

Entities controlled by Directors of the Group

United Bank for Africa: Mr. Tony Elumelu is a Director and shareholder of United Bank for Africa Plc ('UBA'). UBA provides the Group with joint venture–related banking services, financing, and direct banking support. The bank is also one of the Group's lenders under the ₦551.7 billion revolving credit facility ('RCF'), which remained undrawn as at the reporting date. At the end of the reporting period, the Group held balances of ₦114 billion with UBA, comprising joint venture and corporate balances.

Transcorp Power Limited: During the period, the Group engaged in gas sales transactions with Transcorp Power Limited, an entity associated with a Director of the Group (Mr. Tony Elumelu), amounting to ₦1.7 billion. As at the reporting date, amounts due from Transcorp Power Limited was ₦7.7 billion.

Transcorp Hotel Plc: Transcorp Hotels Plc is an entity associated with a Director of the Group (Mr. Tony Elumelu). During the period, Transcorp Hotels Plc provided hospitality services to the Group, with services rendered amounting to ₦492 million. The Group had no outstanding balance with Transcorp Hotels Plc as at the reporting date.

29. Commitments and contingencies

29.1 Contingent liabilities

The Group is involved in a number of legal suits as defendant. The estimated value of the contingent liabilities for the year ended 30 June 2026 is ₦459.66 billion, (Dec 2025: ₦395.77 billion). The contingent liability for the year is determined based on possible occurrences, though unlikely to occur. No provision has been made for this potential liability in these financial statements. Management and the Group's solicitors are of the opinion that the Group will suffer no loss from these claims.

30. Events after the reporting period

On 29 July 2026, the Group entered into an agreement to divest 25% of its participating interest in the NNPC/SEPNU JV, subject to regulatory approvals and other customary completion conditions. The agreed purchase price is $281.6 million, subject to lockbox adjustment. The transaction is a non-adjusting event after the reporting period and therefore has no impact on the amounts recognized in the Group's 6M 2026 financial statements as presented. The financial effect of the transaction will be determined on completion, considering the final completion date, the lockbox adjustment and other completion adjustments.

31. Exchange rates used in translating the accounts to Naira

The table below shows the exchange rates used in translating the accounts into Naira

	Basis	**30 June 2026** **N/$**	30 June 2025 N/$	31 Dec. 2025 N/$
Property, plant & equipment – opening balances	Historical rate	**1435.26**	1535.32	1535.32
Property, plant & equipment – additions	Average rate	**1,374.79**	1,550.18	1,517.09
Property, plant & equipment - closing balances	Closing rate	**1,379.18**	1,529.21	1435.26
Current assets	Closing rate	**1,379.18**	1,529.21	1435.26
Current liabilities	Closing rate	**1,379.18**	1,529.21	1435.26
Equity	Historical rate	**Historical**	Historical	Historical
Income and Expenses:	Overall Average rate	**1,374.79**	1,550.18	1,517.09

Unaudited condensed consolidated interim financial statements for the six months ended 30 June 2026 (USD)

30 July 2026

Reliable energy,
limitless potential

Condensed consolidated interim statement of profit or loss and other comprehensive income

For the half year ended 30 June 2026

	Notes	Half year ended 30 June 2026 Unaudited $'000	Half year ended 30 June 2025 Unaudited $'000	3 Months ended 30 June 2026 Unaudited $'000	3 Months ended 30 June 2025 Unaudited $'000
Revenue from contracts with customers	7	**1,820,044**	1,397,721	**979,299**	588,454
Cost of sales	8	**(1,004,130)**	(913,108)	**(533,841)**	(456,835)
Gross profit		**815,914**	484,613	**445,458**	131,619
Other (loss)/income -net	9	**(29,086)**	51,007	**62,260**	95,372
General and administrative expenses	10	**(121,007)**	(135,109)	**(74,639)**	(70,225)
Impairment reversal/(loss) on financial assets	11	**5,365**	(3,044)	**10,811**	(2,510)
Fair value loss	12	**(15,282)**	(9,654)	**(1,453)**	(4,609)
Operating profit		**655,904**	387,813	**442,437**	149,647
Finance income	13	**6,643**	5,338	**3,719**	2,722
Finance costs	13	**(84,472)**	(97,117)	**(37,857)**	(64,467)
Finance cost - net	13	**(77,829)**	(91,779)	**(34,138)**	(61,745)
Share of (loss)/profit from joint venture accounted for using the equity method		**(3,141)**	(3,098)	**1,081**	(2,399)
Profit before taxation		**574,934**	292,936	**409,380**	85,503
Income tax expense	14	**(410,925)**	(265,513)	**(283,312)**	(81,403)
Profit for the period		**164,009**	27,423	**126,068**	4,100
Attributable to:					
Equity holders of the parent		**159,468**	23,603	**125,679**	3,382
Non-controlling interests		**4,541**	3,820	**389**	718
		164,009	27,423	**126,068**	4,100
Earnings per share for the period					
Basic earnings per share $	26	**0.27**	0.04	**0.21**	0.01
Diluted earnings per share $	26	**0.27**	0.04	**0.21**	0.01
Profit for the period		**164,009**	27,423	**126,068**	4,100
Other comprehensive loss:					
Total comprehensive income for the period (net of tax)		**164,009**	27,423	**126,068**	4,100
Attributable to:					
Equity holders of the parent		**159,468**	23,603	**125,679**	3,382
Non-controlling interests		**4,541**	3,820	**389**	718
		164,009	27,423	**126,068**	4,100

The above interim condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Condensed consolidated interim statement of financial position

As at 30 June 2026

	Notes	30 June 2026 Unaudited $'000	31 Dec 2025 Audited $'000
Assets			
Non-current assets			
Oil & gas properties	16	**3,012,008**	3,119,818
Other property, plant and equipment		**341,916**	360,573
Right-of-use assets		**95,679**	114,054
Intangible assets		**519,618**	566,355
Other assets		**90,815**	90,815
Investment accounted for using equity method		**256,628**	259,769
Long-term prepayments		**14,970**	15,650
Deferred tax assets	14.1	**168,546**	201,762
Other financial assets at amortised cost	21	**2,321**	—
Total non-current assets		**4,502,501**	4,728,796
Current assets			
Inventory		**353,204**	340,766
Trade and other receivables	17	**428,493**	475,932
Short-term prepayments		**29,796**	33,254
Contract assets	18	**80,825**	20,315
Derivative financial assets	19.1	**2,800**	12,090
Other financial assets at amortised cost	21	**711**	—
Restricted cash	20.2	**130,804**	126,351
Cash and cash equivalents	20	**433,845**	332,326
Total current assets		**1,460,478**	1,341,034
Asset held for sale		**12,270**	12,270
Total assets		**5,975,249**	6,082,100
Equity and liabilities			
Equity attributable to shareholders			
Issued share capital	22.2	**1,868**	1,868
Share premium	22.2	**511,696**	560,371
Share based payment reserve	22.2	**34,260**	42,961
Treasury shares	22.2	**(54,622)**	(69,350)
Capital contribution	22.2	**40,000**	40,000
Retained earnings	22.2	**1,304,023**	1,248,293
Foreign currency translation reserve	22.2	**2,887**	2,887
Non-controlling interest		**19,166**	14,625
Total shareholder's equity		**1,859,278**	1,841,655
Non-current liabilities			
Interest bearing loans and borrowings	23	**734,779**	933,028
Lease liabilities		**33,612**	46,700
Provision for decommissioning obligation		**833,568**	814,225
Deferred tax liability	14.1	**1,116,009**	1,213,860
Defined benefit plan	24.1	**2,066**	2,720
Total non-current liabilities		**2,720,034**	3,010,533
Current liabilities			
Interest bearing loans and borrowings	23	**69,750**	72,568
Lease liabilities		**29,299**	20,318
Derivative financial liability	19.2	**7,983**	6,299
Trade and other payables	25	**935,321**	912,886
Other provisions		**3,469**	3,415
Current tax liabilities		**350,115**	214,426
Total current liabilities		**1,395,937**	1,229,912
Total liabilities		**4,115,971**	4,240,445
Total shareholders' equity and liabilities		**5,975,249**	6,082,100

The above interim condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

The financial statements of Seplat Energy Plc and its subsidiaries (The Group) for the six months ended 30 June 2026 were authorised for issue on 30 July 2026 in accordance with a resolution of the Directors signed on its behalf by:

U. U. Udoma
FRC/2013/NBA/00000001796
Chairman
30 July 2026

R.T Brown
FRC/2014/PRO/DIR/00000017939
Chief Executive Officer
30 July 2026

E. Adaralegbe
FRC/2017/ICAN/006/00000017591
Chief Financial Officer
30 July 2026

Condensed consolidated interim statement of changes in equity

For the period ended 30 June 2026

	Issued share capital	Share premium	Share based payment reserve	Treasury shares	Capital contribution	Retained earnings	Foreign currency translation reserve	Non-controlling interest	Total equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
At 1 January 2025- restated	**1,864**	**518,564**	**36,747**	**(5,609)**	**40,000**	**1,228,817**	**2,233**	**15,679**	**1,838,295**
Profit for the period	–	–	–	–	–	23,603	–	3,820	27,423
Total comprehensive income for the period	**–**	**–**	**–**	**–**	**–**	**23,603**	**–**	**3,820**	**27,423**
Transactions with owners in their capacity as owners:									
Dividend paid	–	–	–	–	–	(67,651)	–	–	(67,651)
Share based payments	–	–	10,271	–	–	–	–	–	10,271
Vested shares	–	16,682	(16,686)	4	–	–	–	–	–
Total	**–**	**16,682**	**(6,415)**	**4**	**–**	**(67,651)**	**–**	**–**	**(57,380)**
At 30 June 2025 (unaudited)	**1,864**	**535,246**	**30,332**	**(5,605)**	**40,000**	**1,184,769**	**2,233**	**19,499**	**1,808,338**
At 1 January 2026	**1,868**	**560,371**	**42,961**	**(69,350)**	**40,000**	**1,248,293**	**2,887**	**14,625**	**1,841,655**
Profit for the period	**–**	**–**	**–**	**–**	**–**	**159,468**	**–**	**4,541**	**164,009**
Total comprehensive income for the period	**–**	**–**	**–**	**–**	**–**	**159,468**	**–**	**4,541**	**164,009**
Transactions with owners in their capacity as owners:									
Dividend paid	**–**	**–**	**–**	**–**	**–**	**(103,738)**	**–**	**–**	**(103,738)**
Share based payments	**–**	**–**	**13,529**	**–**	**–**	**–**	**–**	**–**	**13,529**
Vested Shares	**–**	**(48,675)**	**(22,230)**	**70,905**	**–**	**–**	**–**	**–**	**–**
Share repurchased	**–**	**–**	**–**	**(56,177)**	**–**	**–**	**–**	**–**	**(56,177)**
Total	**–**	**(48,675)**	**(8,701)**	**14,728**	**–**	**(103,738)**	**–**	**–**	**(146,386)**
At 30 June 2026 (unaudited)	**1,868**	**511,696**	**34,260**	**(54,622)**	**40,000**	**1,304,023**	**2,887**	**19,166**	**1,859,278**

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Condensed consolidated interim statement of cash flows

For the half year ended 30 June 2026

	Notes	**Half year ended 30 June 2026 $'000**	Half year ended 30 June 2025 $'000
Cash flows from operating activities			
Cash generated from operations	15	**985,852**	766,155
Tax paid		**(340,804)**	(213,464)
Contribution to plan assets		**–**	(52,006)
Hedge premium paid		**(4,320)**	(12,963)
Restricted cash	20.3	**(4,453)**	(836)
Net cash inflows from operating activities		**636,275**	486,886
Cash flows from investing activities			
Payment for acquisition of oil and gas properties	16	**(107,687)**	(95,743)
Additional investment in Joint venture		**–**	(20,000)
Payment for acquisition of other property, plant and equipment		**(2,143)**	(742)
Deposit for asset held for sale		**–**	1,400
Interest received		**6,643**	5,338
Net cash outflows used in investing activities		**(103,187)**	(109,747)
Cash flows from financing activities			
Repayment of loans and borrowings		**(200,000)**	(919,250)
Dividend paid		**(103,738)**	(67,651)
Proceeds from loans & borrowings		**–**	650,000
Shares purchased for LTIP scheme		**(56,177)**	–
Interest paid on lease liability		**(2,615)**	(4,157)
Lease payment - principal portion		**(6,906)**	(8,797)
Payments of other financing charges*		**(14,143)**	(27,539)
Interest paid on loans and borrowings		**(49,438)**	(49,477)
Net cash outflows used in financing activities		**(433,017)**	(426,871)
Net increase/(decrease) in cash and cash equivalents		**100,071**	(49,732)
Cash and cash equivalents at beginning of the period		**332,326**	469,862
Effects of exchange rate changes on cash and cash equivalents		**1,448**	(770)
Cash and cash equivalents at end of the period	20	**433,845**	419,360

*Other financing charges of $14.1 million, (2025: $27.5 million) largely relate to commitment fees and other transaction costs incurred in refinancing of the $400 million Revolving Credit Facility..

The above interim condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the condensed consolidated interim financial statements

For the half year ended 30 June 2026

1. Corporate structure and business

Seplat Energy Plc (formerly called Seplat Petroleum Development Company Plc, hereinafter referred to as 'Seplat' or the 'Company'), the parent of the Group, was incorporated on 17 June 2009 as a private limited liability company and re-registered as a public company on 3 October 2014, under the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004. The Company commenced operations on 1 August 2010. The Company is principally engaged in oil and gas exploration and production and gas processing activities. The Company's registered address is: Seplat House, No. 1, Lekki Expressway, Victoria Island, Lagos, Nigeria..

The Company acquired, pursuant to an agreement for assignment dated 31 January 2010 between the Company, SPDC, TOTAL and AGIP, a 45% participating interest in OML 4, OML 38 and OML 41 located in Nigeria.

On 7 November 2010, Newton Energy Limited ('Newton Energy'), an entity previously beneficially owned by the same shareholders as Seplat, became a subsidiary of the Company. On 1 June 2013, Newton Energy acquired from Pillar Oil Limited ('Pillar Oil') a 40% Participant interest in producing assets: the Umuseti/Igbuku marginal field area located within OPL 283 (the 'Umuseti/Igbuku Fields').

On 11 December 2013, the Group incorporated a new subsidiary, Seplat East Swamp Company Limited with the principal activity of oil and gas exploration and production.

On 11 December 2013, Seplat Gas Company Limited ('Seplat Gas') was incorporated as a private limited liability company to engage in oil and gas exploration and production and gas processing.

On 21 August 2014, the Group incorporated a new subsidiary, Seplat Energy UK Limited (formerly called Seplat Petroleum Development UK Limited). The subsidiary provides technical, liaison and administrative support services relating to oil and gas exploration activities.

In 2015, the Group purchased a 40% participating interest in OML 53, onshore northeastern Niger Delta (Seplat East Onshore Limited), from Chevron Nigeria Ltd.

In 2017, the Group incorporated a new subsidiary, ANOH Gas Processing Company Limited. The principal activity of the Company is the processing of gas from OML 53 using the ANOH gas processing plant. The Group divested some of its ownership interest in this Company to Nigerian Gas Processing and Transportation Company (NGPTC) which was effective from 18 April 2019, hence this investment qualifies as a joint arrangement and has continued to be recognised as investment in joint venture.

On 16 January 2018, the Group incorporated a subsidiary, Seplat West Limited ('Seplat West'). Seplat West was incorporated to manage the producing assets of Seplat Plc.

On 31 December 2019, Seplat Energy Plc, acquired 100% of Eland Oil and Gas Plc's issued and yet to be issued ordinary shares. Eland is an independent oil and gas company that holds interest in subsidiaries and joint ventures that are into production, development and exploration in West Africa, particularly the Niger Delta region of Nigeria.

On acquisition of Eland Oil and Gas Plc (Eland), the Group acquired indirect interest in existing subsidiaries of Eland.

Eland Oil & Gas (Nigeria) Limited, is a subsidiary acquired through the purchase of Eland and is into exploration and production of oil and gas.

Westport Oil Limited, which was also acquired through purchase of Eland is a financing company.

Elcrest Exploration and Production Company Limited (Elcrest) who became an indirect subsidiary of the Group purchased a 45 percent interest in OML 40 in 2012. Elcrest is a Joint Venture between Eland Oil and Gas (Nigeria) Limited (45%) and Starcrest Nigeria Energy Limited (55%). It has been consolidated because Eland is deemed to have power over the relevant activities of Elcrest to affect variable returns from Elcrest at the date of acquisition by the Group. (See details in Note 4.1.v) The principal activity of Elcrest is exploration and production of oil and gas.

Wester Ord Oil & Gas (Nigeria) Limited, who also became an indirect subsidiary of the Group acquired a 40% stake in a licence, Ubima, in 2014 via a joint operations agreement. The principal activity of Wester Ord Oil & Gas (Nigeria) Limited is exploration and production of oil and gas. In 2022, Wester Ord Oil and Gas (Nigeria) divested it's interest in Ubima.

Other entities acquired through the purchase of Eland are Tarland Oil Holdings Limited (a holding company), Brineland Petroleum Limited (dormant company) and Destination Natural Resources Limited (dormant company).

On 1 January 2020, Seplat Energy Plc transferred its 45% participating interest in OML 4, OML 38 and OML 41 ("transferred assets") to Seplat West Limited. As a result, Seplat ceased to be a party to the Joint Operating Agreement in respect of the transferred assets and became a holding company. Seplat West Limited became a party to the Joint Operating Agreement in respect of the transferred assets and assumed its rights and obligations.

On 20 May 2021, following a special resolution by the Board in view of the Company's strategy of transitioning into an energy Company promoting renewable energy, sustainability, and new energy, the name of the Company was changed from Seplat Petroleum Development Company Plc to Seplat Energy Plc under the Companies and Allied Matters Act 2020.

On 7 February 2022, the Group incorporated a subsidiary, Seplat Energy Offshore Limited. The Company was incorporated for oil and gas exploration and production.

On 26 April 2023, Seplat Gas Company Limited was changed to Seplat Midstream Company Limited. This subsidiary was incorporated to engage in oil and gas exploration and production and gas processing. The company is yet commence operations.

On 14 June 2023, the Group entered into a joint venture agreement with Pol Gas Limited which birthed Pine Gas Processing Limited. Both parties subscribed to equal proportion of ordinary shares. The Company was incorporated for processing natural gas, storage, marketing, transportation, trading, supply and distribution of natural gas and petroleum products derived from natural gas. The company is yet to commence operations.

On 7 August 2024, the Group incorporated a subsidiary, Seplat Energy Investment Limited. The Company was incorporated for oil and gas exploration and production.

On 12 December 2024, the Group acquired 100% of Mobil Producing Nigeria Unlimited and later changed the name on 19 December 2024 to Seplat Energy Producing Nigeria Unlimited. The Company was acquired for the purpose of oil and gas exploration and production.

On 23 December 2025, the Group announced the completion of the conversion of our operated onshore assets to the Petroleum Industry Act (PIA) fiscal regime, replacing the Petroleum Profit Tax (PPT) regime. This change relates to the assets; OMLs 4, 38 & 41, now called Western Assets and OML 53, now called Eastern Assets.
In compliance with the Petroleum Industry Act (PIA) requirement to

relinquish undeveloped acreage, we carried out a review exercise of the asset. Following this exercise, for the Western Assets, the Group retained 73% of the original licensed area held under the PPT, equivalent to 1,861 sq km of 2,571 sq km. For the Eastern Assets, the Group retained 40% of the original licensed area under PPT, equivalent to 529 sq km of 1,322 sq km. This relinquishment has no impact on production, nor does it impact on our reported 2P reserves and 2C resources. The Western Assets portfolio now comprises seven Petroleum Mining Licenses (PMLs)—PMLs 68, 69, 70, 71, 72, 73, and 74—and twelve Petroleum Prospecting Licenses (PPLs), namely PPLs 2A13, 2A14, 2A15, 2A16, 2A17, 2A18, 2A19, 2A20, 2A21, 2A22, 2A23, and 2A24. The Eastern Assets portfolio now comprises three PMLs - PMLs 75, 76 & 77 and four PPLs namely PPLs 2A25, 2A26, 2A27 & 2A28.

The Company together with its subsidiaries as shown below are collectively referred to as the Group.

Subsidiary	Date of incorporation	Country of incorporation and place of business	Percentage holding	Principal activities	Nature of holding
Eland Oil & Gas Limited	28 August 2009	United Kingdom	100%	Holding company	Direct
Eland Oil & Gas (Nigeria) Limited	11 August 2010	Nigeria	100%	Oil and Gas Exploration and Production	Indirect
Elcrest Exploration and Production Nigeria Limited	6 January 2011	Nigeria	45%	Oil and Gas Exploration and Production	Indirect
Westport Oil Limited	8 August 2011	Jersey	100%	Financing	Indirect
Brineland Petroleum Limited	18 February 2013	Nigeria	49%	Dormant	Indirect
Newton Energy Limited	1 June 2013	Nigeria	99.9%	Oil & gas exploration and production	Direct
Seplat East Swamp Company Limited	11. December 2013	Nigeria	99.9%	Oil & gas exploration and production	Direct
Seplat Midstream Company Limited	11 December 2013	Nigeria	99.9%	Oil and Gas exploration and production and gas processing	Direct
Tarland Oil Holdings Limited	16 July 2014	Jersey	100%	Holding Company	Indirect
Wester Ord Oil and Gas Limited	16 July 2014	Jersey	100%	Holding Company	Indirect
Wester Ord Oil & Gas (Nigeria) Limited	18 July 2014	Nigeria	100%	Oil and Gas Exploration and Production	Indirect
Seplat Energy UK Limited	21 August 2014	United Kingdom	100%	Technical, liaison and administrative support services relating to oil & gas exploration and production	Direct
Seplat East Onshore Limited	12 December 2014	Nigeria	99.9%	Oil & gas exploration and production	Direct
Seplat West Limited	16 January 2018	Nigeria	99.9%	Oil & gas exploration and production	Direct
Seplat Energy Offshore Limited	7 February 2022	Nigeria	100%	Oil and Gas exploration and production	Direct
Seplat Energy Investment Limited	07 August , 2024	Nigeria	100%	Oil and Gas exploration and production	Direct
Seplat Energy Producing Nigeria Unlimited (formerly Mobil	16 June 1969	Nigeria	100%	Oil and Gas exploration and production	Direct

2. Significant changes in the current accounting period

During the period, the Board of Seplat Energy Plc announced the appointment of Mr. Tony O. Elumelu, CFR, as a Non-Executive Director, effective 22 January 2026, following the resignation of Mr. Olivier De Langavant from the Board on the same date. The change followed the sale of Maurel & Prom S.A.'s 20.07% shareholding in Seplat Energy Plc to Heirs Holdings Limited and Heirs Energies Limited.

On 9 June 2026, the Board further announced a planned leadership succession as follows:

- Mr. Roger Brown will retire as Chief Executive Officer and as an Executive Director on 31 July 2026. Engr. Effiong Okon has been appointed as Chief Executive Officer and Executive Director with effect from 1 August 2026.
- The Chairman of the Board, Senator Udoma Udo Udoma, CON, has notified the Board of his intention to retire on 31 December 2026, and the Board has elected Mr. Tony O. Elumelu, CFR, as the next Chairman of Seplat Energy Plc, effective 1 January 2027.

3. Summary of material accounting policies

3.1 Introduction to summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements. These accounting policies have been applied to all the periods presented, unless otherwise stated. The interim condensed consolidated financial statements are for the Group consisting of Seplat Energy Plc and its subsidiaries.

3.2 Basis of preparation

The interim condensed consolidated financial statements of the Group for the six months ended 30 June 2026 have been prepared in accordance with IAS 34 (Interim Financial Reporting) as issued by the International Accounting Standards Board (IASB). Additional information required by National regulations is included where appropriate.

The financial statements comprise the statement of profit or loss and other comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the notes to the financial statements.

The financial statements have been prepared under the going concern and historical cost convention, except for financial instruments measured at fair value on initial recognition, derivative financial instruments, and defined benefit plans – plan assets measured at fair value. The financial statements are presented in United States Dollars, and all values are rounded to the nearest thousand ($'000), except when otherwise indicated.

Nothing has come to the attention of the directors to indicate that the Group will not remain a going concern for at least twelve months from the date of these financial statements. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2025.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual IFRS compliant consolidated financial statements for the year ended 31 December 2025, except for the adoption of new and amended standards which are set out below.

3.3 New and amended standards adopted by the Group

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2026. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

a) Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- Clarifications of the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the 'settlement date' and an accounting policy choice is introduced (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI)

The amendments had no impact on the Group's interim condensed financial statements.

b) Annual Improvements to IFRS Accounting Standards— Volume 11

In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statements of Cash Flows.

The amendments had no impact on the Group's interim condensed financial statements.

c) Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity, and they:

- Clarify the application of the 'own-use' requirements for in-scope contracts
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts
- Add new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows

The amendments had no impact on Group's interim condensed financial statements.

3.4 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective. Details of these new standards and interpretations are set out below:

a) IFRS 18 - Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

b) IFRS 19 - Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

c) 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 their 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 interests in the associate or joint venture. The amendments apply prospectively. There is currently no effective date for this amendment.

d) IFRS 20-Regulatory Assets and Regulatory Liabilities

On 27 May 2026, the International Accounting Standards Board issued IFRS 20 Regulatory Assets and Regulatory Liabilities. IFRS 20 sets out the requirements for the recognition, measurement, presentation and disclosure of regulatory assets, regulatory liabilities, regulatory income and regulatory expense.

IFRS 20 introduces requirements that will result in information that supplements the information an entity already provides by applying IFRS accounting standards, including IFRS 15 Revenue from Contracts with Customers. Such information enables users of financial statements to understand the total allowed compensation for regulatory goods or services supplied in each reporting period and the related rights and obligations. The income, expenses, assets and liabilities an entity reports by applying IFRS 20 supplement, but do not replace, the information the entity provides by applying IFRS 15 and other IFRS accounting standards.

IFRS 20 is effective for reporting periods beginning on or after 1 January 2029, with earlier application permitted.

3.5 Basis of consolidation

i. Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control.

The consolidated financial information comprises the financial statements of the Company and its subsidiaries as at 30 June 2026. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Subsidiaries are consolidated from the date on which control is obtained by the Group and are deconsolidated from the date control ceases.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

ii. Change in the ownership interest of subsidiary

The acquisition method of accounting is used to account for business combinations by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of financial position respectively.

Intercompany transaction balances and unrealized gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

iii. Disposal of subsidiary

Where the Group disposes a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interests;

- Derecognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss; and
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

iv. Joint arrangements

Under IFRS 11 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Interest in the joint venture is accounted for using the equity method, after initially being recognised at cost in the consolidated statement of financial position. All other joint arrangements of the Group are joint operations.

v. Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investment in associates is accounted for using the equity method of accounting (see (vi) below) after initially being recognised at cost.

vi. Equity method

Under the equity method of accounting, the Group's investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of loss in an equity accounting investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other party.

Unrealised gains on transactions between the Group and its associate and joint venture are eliminated to the extent of the Group's interest in the entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of equity accounted investees are changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments is tested for impairment in accordance with the policy described in Note 3.14.

vii. Changes in ownership interest

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the group.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

viii. Accounting for loss of control

When the Group ceases to consolidate a subsidiary because of a joint control, it does the following:

- deconsolidates the assets (including goodwill), liabilities and non-controlling interest (including attributable other comprehensive income) of the former subsidiary from the consolidated financial position;
- any retained interest (including amounts owed by and to the former subsidiary) in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or a joint venture;
- any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred directly to retained earnings if required by other IFRSs;
- the resulting gain or loss, on loss of control, is recognised together with the profit or loss from the discontinued operation for the period before the loss of control; and
- the gain or loss on disposal will comprise of the gain or loss attributable to the portion disposed of and the gain or loss on remeasurement of the portion retained. The latter is disclosed separately in the notes to the financial statements. If the ownership interest in a joint venture is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

ix. Non-controlling interest

The Group recognises non-controlling interests in an acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis.

x. Gain on bargain purchase

A gain on bargain purchase arises when the fair value of the identifiable net assets acquired in a business combination exceeds the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree, if any.

The Group recognises, any gain on a bargain purchase immediately in profit or loss. The gain is measured as the excess of the fair value of the identifiable net assets acquired over the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree, if any.

3.6 Functional and presentation currency

Items included in this financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'), which is the US dollar.

a) Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end are generally recognised in profit or loss. They are deferred in equity if attributable to net investment in foreign operations.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss or other comprehensive income depending on where fair value gain or loss is reported.

b) Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of the reporting date.
- income and expenses for statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not - a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and all resulting exchange differences are recognised in other comprehensive income.
- Equity items for each statement of financial position presented are translated at the historical rates.

On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

3.7 Oil and gas accounting

i. Pre-licensing costs

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

ii. Exploration license cost

Exploration license costs are capitalised within intangible assets. License costs paid in connection with a right to explore in an existing exploration area are capitalised and amortised on a straight-line basis over the life of the license.

License costs are reviewed at each reporting date to confirm that there is no indication that the carrying amount exceeds the recoverable amount. This review includes confirming that exploration drilling is still under way or firmly planned, or that it has been determined, or work is under way to determine that the discovery is economically viable based on a range of technical and commercial considerations and sufficient progress is being made to establish development plans and timing. If no future activity is planned or the license has been relinquished or has expired, the carrying value of the license is written off through profit or loss. The exploration license costs are initially recognised at cost and subsequently amortised on a straight line based on the economic life. They are subsequently carried at cost less accumulated amortisation and impairment losses. The amortization rate for the intangible asset is 5% with useful life of 20 years.

iii. Acquisition of producing assets

Upon acquisition of producing assets which do not constitute a business combination, the Group identifies and recognises the individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for, intangible assets in IAS 38 Intangible Assets) and liabilities assumed. The purchase price paid for the group of assets is allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase.

iv. Exploration and evaluation expenditures

Geological and geophysical exploration costs are charged to profit or loss as incurred.

Exploration and evaluation expenditures incurred by the entity are accumulated separately for each area of interest. Such expenditures comprise net direct costs and an appropriate portion of related overhead expenditure, but do not include general overheads or administrative expenditure that is not directly related to a particular area of interest. Each area of interest is limited to a size related to a known or probable hydrocarbon resource capable of supporting an oil operation.

Costs directly associated with an exploration well, exploratory stratigraphic test well and delineation wells are temporarily suspended (capitalised) until the drilling of the well is complete and the results have been evaluated. These costs include employee remuneration, materials and fuel used, rig costs, delay rentals and payments made to contractors. If hydrocarbons ('proved reserves') are not found, the exploration expenditure is written off as a dry hole and charged to profit or loss. If hydrocarbons are found, the costs continue to be capitalised.

Suspended exploration and evaluation expenditure in relation to each area of interest is carried forward as an asset provided that one of the following conditions is met:

- the costs are expected to be recouped through successful development and exploitation of the area of interest or alternatively, by its sale;
- exploration and/or evaluation activities in the area of interest have not, at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves; and
- active and significant operations in, or in relation to, the area of interest.

Exploration and/or evaluation expenditures which fail to meet at least one of the conditions outlined above are written off. In the event that an area is subsequently abandoned or exploration activities do not lead to the discovery of proved or probable reserves, or if the Directors consider the expenditure to be of no value, any accumulated costs carried forward relating to the specified areas of interest are written off in the year in which the decision is made. While an area of interest is in the development phase, amortisation of development costs is not charged pending the commencement of production. Exploration and evaluation costs are transferred from the exploration and/or evaluation phase to the development phase upon commitment to a commercial development.

v. Development expenditures

Development expenditure incurred by the Group is accumulated separately for each area of interest in which economically recoverable reserves have been identified to the satisfaction of the Directors. Such expenditure comprises net direct costs and, in the same manner as for exploration and evaluation expenditure, an appropriate portion of related overhead expenditure directly related to the development property. All expenditure incurred prior to the commencement of commercial levels of production from each development property is carried forward to the extent to which recoupment is expected to be derived from the sale of production from the relevant development property.

3.8 Revenue recognition (IFRS 15)

IFRS 15 uses a five-step model for recognising revenue to depict transfer of goods or services. The model distinguishes between promises to a customer that are satisfied at a point in time and those that are satisfied over time.

It is the Group's policy to recognise revenue from a contract when it has been approved by both parties, rights have been clearly identified, payment terms have been defined, the contract has commercial substance, and collectability has been ascertained as probable. Collectability of customer's payments is ascertained based on the customer's historical records, guarantees provided, the customer's industry and advance payments made if any.

Revenue is recognised when control of goods sold has been transferred. Control of an asset refers to the ability to direct the use of and obtain substantially all of the remaining benefits (potential cash inflows or savings in cash outflows) associated with the asset. For crude oil, this occurs when the crude products are lifted by the customer (buyer) Free on Board at the Group's loading facility. Revenue from the sale of oil is recognised at a point in time when performance obligation is satisfied. For gas sales, revenue is recognised when the product passes through the custody transfer point to the customer. Revenue from the sale of gas is recognised over time using the practical expedient of the right to invoice.

Overlifts and underlifts represent differences between crude oil lifted and the Group's entitlement based on its share of production. With regard to underlifts, if the over-lifter does not meet the definition of a customer or the settlement of the transaction is non-monetary, a receivable and other income is recognised. When an overlift occurs, other income is debited, and a corresponding liability is accrued. Overlifts are measured by reference to the observable lifted price at the date of lifting. Underlifts are measured at current market value at each reporting date. Changes in the underlift position are recognised in profit or loss as other (loss)/income. Instances, where Seplat controls the storage of crude and petroleum products at a terminal, differences between product sold and the Group's entitlement are termed an overlift or inventory.

Definition of a customer

A customer is a party that has contracted with the Group to obtain crude oil or gas products in exchange for a consideration, rather than to share in the risks and benefits that result from sale. The Group has entered into collaborative arrangements with its Joint arrangement partners to share in the production of oil. Collaborative arrangements with its Joint arrangement partners to share in the production of oil are accounted for differently from arrangements with customers as collaborators share in the risks and benefits of the transaction, and therefore, do not meet the definition of customers. Revenue arising from these arrangements are recognised separately in other income.

Contract enforceability and termination clauses

It is the Group's policy to assess that the defined criteria for establishing contracts that entail enforceable rights and obligations are met. The criteria provide that the contract has been approved by both parties, rights have been clearly identified, payment terms have been defined, the contract has commercial substance, and collectability has been ascertained as probable. Revenue is not recognised for contracts that do not create enforceable rights and obligations to parties in a contract. The Group also does not recognise revenue for contracts that do not meet the revenue recognition criteria. In such cases where consideration is received it recognises a contract liability and only recognises revenue when the contract is terminated.

The Group may also have the unilateral rights to terminate an unperformed contract without compensating the other party. This could occur where the Group has not yet transferred any promised goods or services to the customer and the Group has not yet received, and is not yet entitled to receive, any consideration in exchange for promised goods or services.

Identification of performance obligation

At inception, the Group assesses the goods or services promised in the contract with a customer to identify as a performance obligation, each promise to transfer to the customer either a distinct good or series of distinct goods. The number of identified performance obligations in a contract will depend on the number of promises made to the customer. The delivery of barrels of crude oil or units of gas are usually the only performance obligation included in oil and gas contract with no additional contractual promises. Additional performance obligations may arise from future contracts with the Group and its customers.

The identification of performance obligations is a crucial part in determining the amount of consideration recognised as revenue. This is due to the fact that revenue is only recognised at the point where the performance obligation is fulfilled, Management has therefore developed adequate measures to ensure that all contractual promises are appropriately considered and accounted for accordingly.

Transaction price is the amount allocated to the performance obligations identified in the contract. It represents the amount of revenue recognised as those performance obligations are satisfied. Complexities may arise where a contract includes variable consideration, significant financing component or consideration payable to a customer.

Variable consideration not within the Group's control is estimated at the point of revenue recognition and reassessed periodically. The estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. As a practical expedient, where the Group has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the Group's performance completed to date, the Group may recognise revenue in the amount to which it has a right to invoice.

Significant financing component (SFC) assessment is carried out (using a discount rate that reflects the amount charged in a separate financing transaction with the customer and also considering the Group's incremental borrowing rate) on contracts that have a repayment period of more than 12 months.

As a practical expedient, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between when it transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

Instances when SFC assessment may be carried out include where the Group receives advance payment for agreed volumes of crude oil or receives take or pay deficiency payment on gas sales. Take or pay gas sales contract ideally provides that the customer must sometimes pay for gas even when not delivered to the customer. The customer, in future contract years, takes delivery of the product without further payment. The portion of advance payments that represents significant financing component will be recognised as interest expense.

Consideration payable to a customer is accounted for as a reduction of the transaction price unless the payment to the customer is in exchange for a distinct goods or services that the customer transfers to the Group.

Breakage

The Group enters into take or pay contracts for sale of gas where the buyer may not ultimately exercise all of their rights to the gas. The take or pay quantity not taken is paid for by buyer called take or pay deficiency payment. The Group assesses if there is a reasonable assurance that it will be entitled to a breakage amount. Where it establishes that a reasonable assurance exists, it recognises the expected breakage amount as revenue in proportion to the pattern of rights exercised by the customer. However, where the Group is not reasonably assured of a breakage amount, it would only recognise the expected breakage amount as revenue when the likelihood of the customer exercising its remaining rights becomes remote.

Contract modification and contract combination

Contract modifications relate to a change in the price and/or scope of an approved contract. Where there is a contract modification, the Group assesses if the modification will create a new contract or change the existing enforceable rights and obligations of the parties to the original contract. Contract modifications are treated as new contracts when the performance obligations are separately identifiable and transaction price reflects the standalone selling price of the crude oil or the gas to be sold. Revenue is adjusted prospectively when the crude oil or gas transferred is separately identifiable and the price does not reflect the standalone selling price. Conversely, if there are remaining performance obligations which are not separately identifiable, revenue will be recognised on a cumulative catch-up basis when crude oil or gas is transferred.

The Group combines contracts entered into at near the same time (less than 12 months) as one contract if they are entered into with the same or related party customer, the performance obligations are the same for the contracts and the price of one contract depends on the other contract.

Portfolio expedients

As a practical expedient, the Group may apply the requirements of IFRS 15 to a portfolio of contracts (or performance obligations) with similar characteristics if it expects that the effect on the financial statements would not be materially different from applying IFRS to individual contracts within that portfolio.

Contract assets and liabilities

The Group recognises contract assets for unbilled revenue from crude oil and gas sales. The Group recognises contract liability for consideration received for which performance obligation has not been met.

Disaggregation of revenue from contract with customers

The Group derives revenue from three types of products, oil, gas and natural gas liquids. The Group has determined that the disaggregation of revenue based on the criteria of type of products meets the disaggregation of revenue disclosure requirement of IFRS 15. It depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. See further details in note 6.1.1.

3.9 Property, plant and equipment

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

The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, the initial estimate of any decommissioning obligation and, for qualifying assets, borrowing costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Expenditure on major maintenance refits or repairs comprises the cost of replacement assets or parts of assets, inspection costs and overhaul costs. Where an asset or part of an asset that was separately depreciated and is now written off is replaced and it is probable that future economic benefits associated with the item will flow to the entity, the expenditure is capitalised. Inspection costs associated with major maintenance programmes are capitalised and amortised over the period to the next inspection. Overhaul costs for major maintenance programmes are capitalised as incurred as long as these costs increase the efficiency of the unit or extend the useful life of the asset. All other maintenance costs are expensed as incurred.

Depreciation

Oil and Gas Production Assets are depreciated on a unit-of-production basis over estimated proved reserves. Specifically, well assets are depreciated over proved developed reserves while production facilities are depreciated over proved reserves.

Gas plants and other property, plant and equipment are depreciated on a straight line basis over their estimated useful lives. Depreciation commences when an asset is available for use.

Assets under construction are not depreciated. The depreciation rate for each class is as follows:

Plant and machinery	10%-20%
Motor vehicles	25%-30%
Office furniture and IT equipment	10%-33.33%
Building	4%
Land	-
Intangible assets	5%
Leasehold improvements	Over the unexpired portion of the lease

The expected useful lives and residual values of property, plant and equipment are reviewed on an annual basis and, if necessary, changes in useful lives are accounted for prospectively.

Gains or losses on disposal of property, plant and equipment are determined as the difference between disposal proceeds and carrying amount of the disposed assets. These gains or losses are included in the statement of profit or loss.

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

3.10. Right-of-use assets

The Group recognises right-of-use assets at the commencement date of a lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets include the amount of lease liabilities recognised, initial direct costs incurred, decommissioning costs (if any), and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Short-term leases and leases of low value

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e. low value assets). Low-value assets are assets with lease amount of less than $5,000 when new. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

3.11 Lease liabilities

At the commencement date of a lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. The weighted average incremental borrowing rate for the Group is 10.5%. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset. The lease term refers to the contractual period of a lease.

The Group has elected to exclude non-lease components in calculating lease liabilities and instead treat the related costs as an expense in the statement of profit or loss.

3.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. These costs may arise from; specific borrowings used for the purpose of financing the construction of a qualifying asset, and those that arise from general borrowings that would have been avoided if the expenditure on the qualifying asset had not been made. The general borrowing costs attributable to an asset's construction is calculated by reference to the weighted average cost of general borrowings that are outstanding during the period.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in the statement of profit or loss in the period in which they are incurred.

3.13 Finance income and costs

Finance income

Finance income is recognised in the statement of profit or loss as it accrues using the effective interest rate (EIR), which is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the amortised cost of the financial instrument. The determination of finance income takes into account all contractual terms of the financial instrument as well as any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest rate (EIR), but not future credit losses.

Finance costs

Finance costs includes borrowing costs, interest expense calculated using the effective interest rate method, finance charges in respect of lease liabilities, the unwinding of the effect of discounting provisions, and the amortisation of discounts and premiums on debt instruments that are liabilities.

The Group applies the IBOR reform Phase 2 amendments which allows as a practical expedient for changes to the basis for determining contractual cash flows to be treated as changes to a floating rate of interest, provided certain conditions are met. The conditions include that the change is necessary as a direct consequence of IBOR reform and that the transition takes place on an economically equivalent basis.

3.14 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently. Other non –financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. This should be at a level not higher than an operating segment.

If any such indication of impairment exists or when annual impairment testing for an asset group is required, the entity makes an estimate of its recoverable amount. Such indicators include changes in the Group's business plans, changes in commodity prices, evidence of physical damage and, for oil and gas properties, significant downward revisions of estimated recoverable volumes or increases in estimated future development expenditure.

The recoverable amount is the higher of an asset's fair value less costs of disposal ('FVLCD') and value in use ('VIU'). The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets, in which case, the asset is tested as part of a larger cash generating unit to which it belongs. Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount.

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

In calculating VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset/CGU. In determining FVLCD, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment – exploration and evaluation assets

Exploration and evaluation assets are tested for impairment once commercial reserves are found before they are transferred to oil and gas assets, or whenever facts and circumstances indicate impairment. An impairment loss is recognised for the amount by which the exploration and evaluation assets' carrying amount exceeds their recoverable amount. The recoverable amount is the higher of the exploration and evaluation assets' fair value less costs to sell and their value in use.

Impairment – proved oil and gas production properties

Proved oil and gas properties are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

3.15 Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows comprise cash at banks and at hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

3.16 Restricted cash

Restricted cash represents deposits with banks set aside for the settlement of the abandonment and decommissioning liabilities, host community development fund, unclaimed dividends, bank guarantee on garnishees against court judgements and for the purpose of covering the costs payable on the stamping and registering the security documents on loans and borrowings. These amounts are subject to legal restrictions and are therefore not available for general use by the Group.

3.17 Inventories

Inventories comprise crude oil and natural gas liquids, and materials and supplies, including tubulars, casings, spares and well materials used in production and operational activities.

Inventories are measured at the lower of cost and net realisable value. Cost is determined using the weighted average method and includes purchase price and other directly attributable costs incurred in bringing inventories to their present location and condition.

For crude oil and natural gas liquids, net realisable value is based on estimated selling prices in the ordinary course of business, less estimated costs to sell. For materials and supplies, which are consumed in operations rather than held for resale, net realisable value is assessed based on expected recoverability through use, taking into account obsolescence, excess quantities and expected future utilisation.

3.18 Prepayments

Prepayments are non-financial assets which result when payments are made in advance of the receipt of goods and services. They are recognised when the Group expects to receive future economic benefits equivalent to the value of the prepayments. The receipt or consumption of the services results in a reduction in the prepayment and a corresponding increase in expenses or assets for that reporting period.

3.19 Contract asset

Contract asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due. The impairment of contract assets is measured, presented and disclosed on the same basis as financial assets that are within the scope of IFRS 9.

3.20. Other asset

The Group's interest in the oil and gas reserves of OML 55 has been classified as other asset. On initial recognition, it is measured at the fair value of future recoverable oil and gas reserves. Subsequently, the other asset is recognised at amortised cost less impairment.

3.21. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors has appointed a Senior leadership team to assess the financial performance and position of the Group and makes strategic decisions. The Senior leadership team consist of Chief Executive Officer; Chief Financial Officer; Chief Operating Officer; Managing Director Offshore; Managing Director Onshore; Technical Director; Gas and New Energy Director; Director, Legal and Company Secretariat; Director, Strategy, Planning & Business Development; Director, External Affairs and Social Performance; Director, Corporate Services. See further details in note 6.

3.22. Financial instruments

IFRS 9 provides guidance on the recognition, classification and measurement of financial assets and financial liabilities; derecognition of financial instruments; impairment of financial assets and hedge accounting. IFRS 9 also significantly amends other standards dealing with financial instruments such as IFRS 7 Financial Instruments: Disclosures.

a) Classification and measurement

Financial assets - Initial recognition and measurement

It is the Group's policy to initially recognise financial asset at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss which are expensed in profit or loss.

Classification and subsequent measurement are dependent on the Group's business model for managing the asset and the cash flow characteristics of the asset.

Subsequent measurement

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

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

On this basis, the Group may classify its financial instruments at amortised cost, fair value through profit or loss and at fair value through other comprehensive income.

All the Group's financial assets as at 30 June 2026 satisfy the conditions for classification at amortised cost under IFRS 9 except for derivatives which are classified at fair value through profit or loss.

Financial assets at amortised cost

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

The Group's financial assets at amortised cost include trade receivables, NEPL receivables, NUIMS receivables, other receivables, cash and bank balances and bonds. They are included in current assets, except for maturities greater than 12 months after the reporting date. Interest income from these assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in finance income/cost.

Financial assets at fair value through OCI

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Group does not have financial assets measured at fair value through OCI.

Financial assets at fair value through profit or loss

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

The Group has derivative instruments under this category.

Financial liabilities - Initial recognition, measurement and presentation

Financial liabilities of the Group are classified and measured at fair value on initial recognition and subsequently at amortised cost net of directly attributable transaction costs, except for derivatives which are classified and subsequently recognised at fair value through profit or loss

Fair value gains or losses for financial liabilities designated at fair value through profit or loss are accounted for in profit or loss except for the amount of change that is attributable to changes in the Group's own credit risk which is presented in other comprehensive income. The remaining amount of change in the fair value of the liability is presented in profit or loss.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. The Group currently holds derivative financial liability at fair value through profit or loss.

Financial liabilities at amortised cost

This is the category most relevant to the Group. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. The Group's financial liabilities at amortised cost include trade and other payables and interest-bearing loans and borrowings

b) Impairment of financial assets

Recognition of impairment provisions under IFRS 9 is based on the expected credit loss (ECL) model. The ECL model is applicable to financial assets classified at amortised cost and contract assets under IFRS 15: Revenue from Contracts with Customers. The measurement of ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date, about past events, current conditions and forecasts of future economic conditions.

The Group applies the simplified approach or the three-stage general approach to determine impairment of financial assets at amortised cost depending on their respective nature. The simplified approach is applied for trade receivables and contract assets while the general approach is applied to NEPL receivables, NUIMS receivables, other receivables, cash and bank balances and bonds.

The simplified approach requires expected lifetime losses to be recognised from initial recognition of the receivables. This involves determining the expected loss rates using a provision matrix that is based on the Group's historical default rates observed over the expected life of the receivable and adjusted forward-looking estimates. This is then applied to the gross carrying amount of the receivable to arrive at the loss allowance for the period.

The three-stage approach assesses impairment based on changes in credit risk since initial recognition using the past due criterion and other qualitative indicators such as increase in political concerns or other macroeconomic factors and the risk of legal action, sanction or other regulatory penalties that may impair future financial performance.

Financial assets classified as stage 1 have their ECL measured as a proportion of their lifetime ECL that results from possible default events that can occur within one year, while assets in stage 2 or 3 have their ECL measured on a lifetime basis.

Under the three-stage approach, the ECL is determined by projecting the probability of default (PD), loss given default (LGD) and exposure at default (EAD) for each ageing bucket and for each individual exposure. The PD is based on default rates determined by external rating agencies for the counterparties. The LGD is determined based on management's estimate of expected cash recoveries after considering the historical pattern of the receivable, and it assesses the portion of the outstanding receivable that is deemed to be irrecoverable at the reporting period. The EAD is the total amount of outstanding receivable at the reporting period. These three components are multiplied together and adjusted for forward looking information, such as the gross domestic product (GDP) in Nigeria and crude oil prices, to arrive at an ECL which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the related financial assets and the amount of the loss is recognised in profit or loss.

c) Significant increase in credit risk and default definition

The Group assesses the credit risk of its financial assets based on the information obtained during periodic review of publicly available information, industry trends and payment records. Based on the analysis of the information provided, the Group identifies the assets that require close monitoring.

Furthermore, financial assets that have been identified to be more than 30 days past due on contractual payments are assessed to have experienced significant increase in credit risk. These assets are grouped as part of Stage 2 financial assets where the three-stage approach is applied.

In line with the Group's credit risk management practices, a financial asset is defined to be in default when contractual payments have not been received at least 90 days after the contractual payment period. Subsequent to default, the Group carries out active recovery strategies to recover all outstanding payments due on receivables. Where the Group determines that there are no realistic prospects of recovery, the financial asset and any related loss allowance is written off either partially or in full.

d) Write off policy

The Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include;

- ceasing enforcement activity and;
- where the Group's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

The Group may write - off financial assets that are still subject to enforcement activity. The outstanding contractual amounts of such assets written off during the year ended 30 June 2026 was Nil (2025: Nil).

The Group seeks to recover amounts it legally owed in full, but which have been partially written off due to no reasonable expectation of full recovery.

e) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and the transfer qualifies for derecognition. Gains or losses on derecognition of financial assets are recognised as finance income/cost.

Financial liabilities

The Group derecognises a financial liability when it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised immediately in the statement of profit or loss.

In the context of IBOR reform, the Group's assessment of whether a change to an amortised cost financial instrument is substantial, is made after applying the practical expedient introduced by IBOR reform Phase 2. This requires the transition from an IBOR to an RFR to be treated as a change to a floating interest rate, as described in Note 3.13 above.

f) Modification

When the contractual cash flows of a financial instrument are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial instrument, the Group recalculates the gross carrying amount of the financial instrument and recognises a modification gain or loss immediately within finance income/(cost)-net at the date of the modification. The gross carrying amount of the financial instrument is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial instrument's original effective interest rate.

g) Offsetting of financial assets and financial liabilities

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

The legally enforceable right is not contingent on future events and is enforceable in the normal course of business, and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

h) Derivatives

The Group uses derivative financial instruments such as forward exchange contracts to hedge its foreign exchange risks as well as put options to hedge against its oil price risk. However, such contracts are not accounted for as designated hedges. Derivatives are initially recognised at fair value on the date a derivative contract is entered and subsequently remeasured to their fair value at the end of each reporting period. Any gains or losses arising from changes in the fair value of derivatives are recognised within operating profit in the statement of profit or loss for the period. An analysis of the fair value of derivatives is provided in Note 5, Financial risk management.

The Group accounts for financial assets with embedded derivatives (hybrid instruments) in their entirety on the basis of its contractual cash flow features and the business model within which they are held, thereby eliminating the complexity of bifurcation for financial assets. For financial liabilities, hybrid instruments are bifurcated into hosts and embedded features. In these cases, the Group measures the host contract at amortised cost and the embedded features is measured at fair value through profit or loss.

For the purpose of the maturity analysis, embedded derivatives included in hybrid financial instruments are not separated. The hybrid instrument, in its entirety, is included in the maturity analysis for non-derivative financial liabilities.

i) Fair value of financial instruments

The Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When available, the Group measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as active if quoted prices are readily available and represent actual and regularly occurring market transactions on an arm's length basis.

If a market for a financial instrument is not active, the Group establishes fair value using valuation techniques. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, and discounted cash flow analysis. The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Group, incorporates all factors that market participants would consider in setting a price, and is consistent with accepted economic methodologies for pricing financial instruments.

Inputs to valuation techniques reasonably represent market expectations and measure the risk-return factors inherent in the financial instrument. The Group calibrates valuation techniques and tests them for validity using prices from observable current market transactions in the same instrument or based on other available observable market data.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price – i.e., the fair value of the consideration given or received. However, in some cases, the fair value of a financial instrument on initial recognition may be different to its transaction price. If such fair value is evidenced by comparison with other observable current market transactions in the same instrument (without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets, then the difference is recognised in the income statement on initial recognition of the instrument. In other cases, the difference is not recognised in the income statement immediately but is recognised over the life of the instrument on an appropriate basis or when the instrument is redeemed, transferred, or sold, or the fair value becomes observable.

3.23 Share capital

On issue of ordinary shares, any consideration received net of any directly attributable transaction costs is included in equity. Issued share capital has been translated at the exchange rate prevailing at the date of the transaction and is not retranslated after initial recognition.

3.24 Treasury shares

Own equity instruments held by the Group are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the share premium.

3.25 Earnings per share and dividends

Basic EPS

Basic earnings per share is calculated on the Company's profit or loss after taxation and based on the weighted average of issued and fully paid ordinary shares at the end of the period.

Diluted EPS

Diluted EPS is calculated by dividing the profit or loss after taxation by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares (after adjusting for outstanding share options arising from the share-based payment scheme) into ordinary shares.

Dividend

Dividends on ordinary shares are recognised as a liability in the period in which they are approved.

3.26 Post-employment benefits

Defined contribution scheme

The Group contributes to a defined contribution scheme for its employees in compliance with the provisions of the Pension Reform Act 2014. The scheme is fully funded and is managed by licensed Pension Fund Administrators. Membership of the scheme is automatic upon commencement of duties at the Group. The Group's contributions to the defined contribution scheme are charged to the statement of profit and loss account in the year to which they relate.

The employer contributes 17% while the employee contributes 3% of the qualifying employee's salary.

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment. The Group operates a defined contribution plan and it is accounted for based on IAS 19 Employee benefits.

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Under defined contribution plans the entity's legal or constructive obligation is limited to the amount that it agrees to contribute to the fund.

Thus, the amount of the post-employment benefits received by the employee is determined by the amount of contributions paid by an entity (and perhaps also the employee) to a post-employment benefit plan or to an insurance company, together with investment returns arising from the contributions. In consequence, actuarial risk (that benefits will be less than expected) and investment risk (that assets invested will be insufficient to meet expected benefits) fall, in substance, on the employee.

Defined benefit scheme

The Group operates a defined benefit pension plan. The Group previously operated a gratuity plan, which was discontinued in 2025. The defined benefit pension plan requires contributions to be made to a separately administered fund. The Group also provides certain additional post-employment benefits to employees. These benefits are unfunded.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method and is calculated annually by independent actuaries. The liability or asset recognised in the statement of financial position represents the present value of the defined benefit obligation at the reporting date, less the fair value of plan assets (if any). The defined benefit obligation is determined using market yields at the reporting date on Nigerian government bonds with maturities that approximate the expected timing of the benefit payments.

Remeasurement gains and losses, arising from changes in financial and demographic assumptions and experience adjustments, are recognised immediately in other comprehensive income and accumulated in retained earnings. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment; and
- The date that the Group recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit obligation and the fair value of the plan assets.

The Group recognises the following changes in the net defined benefit obligation under employee benefit expenses in general and administrative expenses:

- Service costs comprises current service costs, past-service costs, gains and losses on curtailments and non-routine settlements.
- Net interest cost

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date; then they are discounted.

3.27 Provisions

Provisions are recognised when

i) the Group has a present legal or constructive obligation as a result of past events;
ii) it is probable that an outflow of economic resources will be required to settle the obligation as a whole; and
iii) the amount can be reliably estimated.

Provisions are not recognised for future operating losses. In measuring the provision:

- risks and uncertainties are taken into account;
- the provisions are discounted (where the effects of the time value of money is considered to be material) using a pre-tax rate that is reflective of current market assessments of the time value of money and the risk specific to the liability;
- when discounting is used, the increase of the provision over time is recognised as interest expense;
- future events such as changes in law and technology, are taken into account where there is subjective audit evidence that they will occur; and
- gains from expected disposal of assets are not taken into account, even if the expected disposal is closely linked to the event giving rise to the provision.

Decommissioning

Liabilities for decommissioning costs are recognised as a result of the constructive obligation of past practice in the oil and gas industry, when it is probable that an outflow of economic resources will be required to settle the liability and a reliable estimate can be made. The estimated costs, based on current requirements, technology and price levels, prevailing at the reporting date, are computed based on the latest assumptions as to the scope and method of abandonment.

Provisions are measured at the present value of management's best estimates of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a finance cost. The corresponding amount is capitalised as part of the oil and gas properties and is amortised on a unit-of-production basis as part of the depreciation, depletion and amortisation charge. Any adjustment arising from the estimated cost of the restoration and abandonment cost is capitalised, while the charge arising from the accretion of the discount applied to the expected expenditure is treated as a component of finance costs.

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

3.28 Contingencies

A contingent asset or contingent liability is a possible asset or obligation that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of uncertain future events. The assessment of the existence of the contingencies will involve management judgement regarding the outcome of future events.

3.29 Income taxation

i. Current income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

ii. Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

iii. Uncertainty over income tax treatments

The Group examines where there is an uncertainty regarding the treatment of an item, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates. It considers each uncertain tax treatment separately or together as a group, depending on which approach better predicts the resolution of the uncertainty. The factors it considers include:

- how it prepares and supports the tax treatment; and
- the approach that it expects the tax authority to take during an examination.

If the Group concludes that it is probable that the tax authority will accept an uncertain tax treatment that has been taken or is expected to be taken on a tax return, it determines the accounting for income taxes consistently with that tax treatment. If it concludes that it is not probable that the treatment will be accepted, it reflects the effect of the uncertainty in its income tax accounting in the period in which that determination is made (for example, by recognising an additional tax liability or applying a higher tax rate).

The Group measures the impact of the uncertainty using methods that best predicts the resolution of the uncertainty. The Group uses the most likely method where there are two possible outcomes, and the expected value method when there are a range of possible outcomes.

The Group assumes that the tax authority with the right to examine and challenge tax treatments will examine those treatments and have full knowledge of all related information. As a result, it does not consider detection risk in the recognition and measurement of uncertain tax treatments. The Group applies consistent judgements and estimates on current and deferred taxes. Changes in tax laws or the presence of new tax information by the tax authority is treated as a change in estimate in line with IAS 8 - Accounting policies, changes in accounting estimates and errors.

Judgements and estimates made to recognise and measure the effect of uncertain tax treatments are reassessed whenever circumstances change or when there is new information that affects those judgements. New information might include actions by the tax authority, evidence that the tax authority has taken a particular position in connection with a similar item, or the expiry of the tax authority's right to examine a particular tax treatment. The absence of any comment from the tax authority is unlikely to be, in isolation, a change in circumstances or new information that would lead to a change in estimate.

3.30. Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

3.31. Share based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions) or cash amounts based on the value of the Group's equity instruments (cash-settled transactions).

a) Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised in employee benefits expense together with a corresponding increase in equity (share-based payment reserve), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date and for fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award provided the original terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss. The dilutive effect of outstanding awards is reflected as additional share dilution in the computation of diluted earnings per share.

b) Cash-settled transactions

A liability is recognised for the fair value of cash-settled transactions.The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefits expense. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The fair value is determined using a binomial model. The approach used to account for vesting conditions when measuring equity-settled transactions also applies to cash-settled transactions.

4. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated historical financial information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

4.1 Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated historical financial information:

I) Deferred tax asset

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable.

II) Foreign currency translation reserve

The Group has used the CBN rate to translate its Dollar currency to its Naira presentation currency. Management has determined that this rate is available for immediate delivery. If the rate was 10% higher or lower, revenue in Naira would have increased/decreased by ₦250.2 billion (2025: ₦40.4 billion). See Note 31 for the applicable translation rates.

III) Consolidation of Elcrest

On acquisition of 100% shares of Eland Oil and Gas Limited, the Group acquired indirect holdings in Elcrest Exploration and Production (Nigeria) Limited. Although the Group has an indirect holding of 45% in Elcrest, Elcrest has been consolidated as a subsidiary for the following basis:

- Eland Oil and Gas Limited has controlling power over Elcrest due to its representation on the board of Elcrest, and clauses contained in the Share Charge agreement and loan agreement which gives Eland the right to control 100% of the voting rights of shareholders.
- Eland Oil and Gas Limited is exposed to variable returns from the activities of Elcrest through dividends and interests.
- Eland Oil and Gas Limited has the power to affect the amount of returns from Elcrest through its right to direct the activities of Elcrest and its exposure to returns.

IV) Revenue recognition

Performance obligations

The judgments applied in determining what constitutes a performance obligation will impact when control is likely to pass and therefore when revenue is recognised i.e. over time or at a point in time. The Group has determined that only one performance obligation exists in oil contracts which is the delivery of crude oil to specified ports. Revenue is therefore recognised at a point in time.

For gas contracts, the performance obligation is satisfied through the delivery of a series of distinct goods. Revenue is recognised over time in this situation as gas customers simultaneously receive and consume the benefits provided by the Group's performance. The Group has elected to apply the 'right to invoice' practical expedient in determining revenue from its gas contracts. The right to invoice is a measure of progress that allows the Group to recognise revenue based on amounts invoiced to the customer. Judgement has been applied in evaluating that the Group's right to consideration corresponds directly with the value transferred to the customer and is therefore eligible to apply this practical expedient.

Transactions with Joint Operating arrangement (JOA) partners

The treatment of underlift and overlift transactions is judgmental and requires a consideration of all the facts and circumstances including the purpose of the arrangement and transaction. The transaction between the Group and its JOA partners involves sharing in the production of crude oil, and for which the settlement of the transaction is non-monetary. The JOA partners have been assessed to be partners not customers. Therefore, shortfalls or excesses below or above the Group's share of production are recognised in other income/ (expenses) - net.

V) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors has appointed a steering committee which assesses the financial performance and position of the Group and makes strategic decisions. The steering committee, which has been identified as being the Chief Executive Officer; Chief Financial Officer; Chief Operating Officer; Managing Director Offshore; Managing Director Onshore; Technical Director; Gas and New Energy Director; Director, Legal and Company Secretariat; Director, Strategy, Planning & Business Development; Director, External Affairs and Social Performance; Director, Corporate Services. See further details in note 6.

VI) Leases

Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). For leases of warehouses, retail stores and equipment, the following factors are normally the most relevant

- If there are significant penalty payments to terminate (or not extend), the group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the group is typically reasonably certain to extend (or not terminate).
- Otherwise, the group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Most extension options in offices and vehicles leases have not been included in the lease liability, because the group could replace the assets without significant cost or business disruption.

4.2 Estimates and assumptions

The key assumptions concerning the future and the other key source 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 described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

The following are some of the estimates and assumptions made:

I) Defined benefit plans

The cost of the defined benefit retirement plan and the present value of the retirement obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and changes in inflation rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers market yield on federal government bonds in currencies consistent with the currencies of the post-employment benefit obligation and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation.

The rates of mortality assumed for employees are the rates published in 67/70 ultimate tables, published jointly by the Institute and Faculty of Actuaries in the UK.

II. Oil and gas reserves

Proved oil and gas reserves are used in the units of production calculation for depletion as well as the determination of the timing of well closure for estimating decommissioning liabilities and impairment analysis. There are numerous uncertainties inherent in estimating oil and gas reserves. Assumptions that are valid at the time of estimation may change significantly when new information becomes available. Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may ultimately result in the reserves being restated.

III. Share-based payment reserve

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share award or appreciation right, volatility and dividend yield and making assumptions about them. The Group measures the fair value of equity-settled transactions with employees at the grant date.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Such estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

IV. Provision for decommissioning obligations

Provisions for environmental clean-up and remediation costs associated with the Group's drilling operations are based on current constructions, technology, price levels and expected plans for remediation. Actual costs and cash outflows can differ from estimates because of changes in public expectations, prices, discovery and analysis of site conditions and changes in clean-up technology.

V. Property, plant and equipment

The Group assesses its property, plant and equipment, including exploration and evaluation assets, for possible impairment if there are events or changes in circumstances that indicate that carrying values of the assets may not be recoverable, or at least at every reporting date.

If there are low oil prices or natural gas prices during an extended period, the Group may need to recognise significant impairment charges. The assessment for impairment entails comparing the carrying value of the cash-generating unit with its recoverable amount, that is, higher of fair value less cost to dispose and value in use. Value in use is usually determined on the basis of discounted estimated future net cash flows. Determination as to whether and how much an asset is impaired involves management estimates on highly uncertain matters such as future commodity prices, the effects of inflation on operating expenses, discount rates, production profiles and the outlook for regional market supply-and-demand conditions for crude oil and natural gas.

During the year, the Group carries out an impairment assessment on OML 4,38 and 41, OML 56, OML 53, OML 40, OML 67, OML 68, OML 70 and OML 104. The Group uses the higher of the fair value less cost to dispose and the value in use in determining the recoverable amount of the cash-generating unit. In determining the value, the Group uses a forecast of the annual net cash flows over the life of proved plus probable reserves, production rates, oil and gas prices, future costs (excluding (a) future restructurings to which the entity is not yet committed; or (b) improving or enhancing the asset's performance) and other relevant assumptions based on the year-end Competent Persons Report (CPR). The pre-tax future cash flows are adjusted for risks specific to the forecast and discounted using a pretax discount rate which reflects both current market assessment of the time value of money and risks specific to the asset.

Management considers whether a reasonable possible change in one of the main assumptions will cause an impairment and believes otherwise.

VI. Useful life of other property, plant and equipment

The Group recognises depreciation on other property, plant and equipment on a straight-line basis in order to write-off the cost of the asset over its expected useful life. The economic life of an asset is determined based on existing wear and tear, economic and technical ageing, legal and other limits on the use of the asset, and obsolescence. If some of these factors were to deteriorate materially, impairing the ability of the asset to generate future cash flow, the Group may accelerate depreciation charges to reflect the remaining useful life of the asset or record an impairment loss.

VII. Income taxes

The Group is subject to income taxes by the Nigerian tax authority, which does not require significant judgement in terms of provision for income taxes, but a certain level of judgement is required for recognition of deferred tax assets. Management is required to assess the ability of the Group to generate future taxable economic earnings that will be used to recover all deferred tax assets. Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. The estimates are based on the future cash flow from operations taking into consideration the oil and gas prices, volumes produced, operational and capital expenditure.

VIII. Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default, expected loss rates and maximum contractual period. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 5.1.3.

IX. Intangible assets

The contract based intangible assets (licence) were acquired as part of a business combination. They are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight-line bases over their estimated remaining useful lives of the asset. The fair value of contract based intangible assets is estimated using the multi period excess earnings method. This requires a forecast of revenue and all cost projections throughout the useful life of the intangible assets. A contributory asset charge that reflects the return on assets is also determined and applied to the revenue but subtracted from the operating cash flows to derive the pre-tax cash flow. The post-tax cashflows are then obtained by deducting out the tax using the effective tax rate.

Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service.

X. Inventories - Operational Spares

The Group holds inventories comprising spare parts and consumables used in production and operational activities. These items are not held for resale but are consumed in the maintenance and operation of assets and are accounted for in accordance with IAS 2.
Inventories are measured at the lower of cost and net realisable value.

For operational spares, net realisable value is assessed with reference to their expected future use in operations and replacement cost.

The determination of whether spares are recoverables requires management judgement, particularly in assessing:

- Expected future utilisation of the related assets
- Forecast production profiles
- Technological obsolescence risk
- Physical condition and shelf life
- Current replacement cost Where spare parts are slow-moving, obsolete or no longer expected to be utilised in operations, a write-down is recognised.

Due to the judgement involved in assessing future usage and recoverability, there is estimation uncertainty associated with the carrying amount of operational spares. Changes in operational plans or asset life assumptions could result in a material adjustment to inventory values in future reporting periods.

5. Financial risk management

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks such as market risk (including foreign exchange risk, interest rate risk and commodity price risk), credit risk and liquidity risk. The Group's risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The management of financial risks is carried out by the corporate finance team under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity

Risk	Exposure arising from	Measurement	Management
Market risk – foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in US dollars.	Cash flow forecasting Sensitivity analysis	Match and settle foreign denominated cash inflows with the relevant cash outflows to mitigate any potential foreign exchange risk.
Market risk – interest rate	Long term borrowings at variable rate	Sensitivity analysis	None
Market risk – commodity prices	Derivative financial instruments	Sensitivity analysis	Oil price hedges
Credit risk	Cash and bank balances, trade receivables, investments and derivative financial instruments.	Ageing analysis Credit ratings	Diversification of bank deposits
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

5.1.1 Credit risk

Credit risk refers to the risk of a counterparty defaulting on its contractual obligations resulting in financial loss to the Group. Credit risk arises from investments, cash and bank balances as well as credit exposures to customers (i.e., Shell western, Pillar, Azura, Geregu Power, Sapele Power, ExxonMobil and Nigerian Gas Marketing Company (NGMC) receivables), and other parties (i.e., NUIMS JV receivables, NEPL JV receivables and other receivables)

a) Risk management

The Group is exposed to credit risk from its sale of crude oil to ExxonMobil, Waltersmith, Chevron, Vitol S.A and Shell western. The Group has in place a 30-day payment term bill of lading date in the offtake agreement with Shell Western Supply and Trading Limited. The Group is exposed to further credit risk from outstanding cash calls from NEPL and NUIMS.

In addition, the Group is exposed to credit risk in relation to the sale of gas to its customers.

The credit risk on cash and bank balances is managed through the diversification of banks in which the balances are held. The risk is limited because the majority of deposits are with banks that have an acceptable credit rating assigned by an international credit agency. The Group's maximum exposure to credit risk due to default of the counterparty is equal to the carrying value of its financial assets.

b) Estimation uncertainty in measuring impairment loss

The table below shows information on the sensitivity of the carrying amounts of the Company's financial assets to the methods, assumptions and estimates used in calculating impairment losses on those financial assets at the end of the reporting period. These methods, assumptions and estimates have a significant risk of causing material adjustments to the carrying amounts of the Group's financial assets.

i. Significant unobservable inputs

The table below demonstrates the sensitivity of the Company's profit before tax to movements in the probability of default (PD) and loss given default (LGD) for financial assets, with all other variables held constant:

	Effect on profit before tax	**Effect on other components of equity before tax**
	30 June 2026	**30 June 2026**
Increase/decrease in loss given default	**$'000**	**$'000**
+10%	**(187)**	**—**
-10%	**187**	**—**

	Effect on profit before tax	Effect on other components of equity before tax
	31 Dec 2025	31 Dec 2025
Increase/decrease in loss given default	$'000	$'000
+10%	(268)	—
-10%	268	—

The table below demonstrates the sensitivity of the Group's profit before tax to movements in probabilities of default, with all other variables held constant:

	Effect on profit before tax	**Effect on other components of equity before tax**
	30 June 2026	**30 June 2026**
Increase/decrease in probability of default	**$'000**	**$'000**
+10%	**188**	**—**
-10%	**(188)**	**—**

	Effect on profit before tax	Effect on other components of equity before tax
	31 Dec 2025	31 Dec 2025
Increase/decrease in probability of default	$'000	$'000
+10%	(744)	—
-10%	744	—

The table below demonstrates the sensitivity of the Company's profit before tax to movements in the forward-looking macroeconomic indicators with all other variables held constant:

	Effect on profit before tax	Effect on other components of equity before tax
	30 June 2026	30 June 2026
Increase/decrease in forward looking macroeconomic indicators	$'000	$'000
+10%	**183**	**–**
-10%	**(183)**	**–**

	Effect on profit before tax	Effect on other components of equity before tax
	31 Dec 2025	31 Dec 2025
Increase/decrease in forward looking macroeconomic indicators	$'000	$'000
+10%	(427)	—
-10%	427	—

5.1.2 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group manages liquidity risk by ensuring that sufficient funds are available to meet its commitments as they fall due.

The Group uses both long-term and short-term cash flow projections to monitor funding requirements for activities and to ensure there are sufficient cash resources to meet operational needs. Cash flow projections take into consideration the Group's debt financing plans and covenant compliance. Surplus cash held is transferred to the treasury department which invests in interest bearing current accounts and time deposits.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed maturity periods. The table has been drawn based on the undiscounted cash flows of the financial liabilities based on the earliest date on which the Group can be required to pay.

30 June 2026	Effective interest rate %	Less than 1 year $'000	1 – 2 year $'000	2 – 3 years $'000	3 – 5 years $'000	Total $'000
Non-derivatives						
Fixed interest rate borrowings						
$650 million Senior notes	**9.125%**	**59,313**	**59,313**	**59,313**	**709,313**	**887,252**
Variable interest rate borrowings						
The Mauritius Commercial Bank Ltd	**6.5% + SOFR**	**1,767**	**4,350**	**8,204**	**8,433**	**22,754**
Stanbic IBTC Bank Plc	**6.5% + SOFR**	**1,591**	**3,915**	**7,383**	**7,589**	**20,478**
Standard Bank of South Africa	**6.5% + SOFR**	**884**	**2,175**	**4,102**	**4,216**	**11,377**
First City Monument Ltd (FCMB)	**6.5% + SOFR**	**848**	**2,088**	**3,938**	**4,048**	**10,922**
Zenith Bank Plc	**6.5% + SOFR**	**566**	**1,392**	**2,625**	**2,698**	**7,281**
$300 million Advance Payment Facility (APF)						
ExxonMobil Financing	**5% + SOFR + CAS**	**8,930**	**104,465**	**—**	**—**	**113,395**
Total variable interest borrowings		**14,586**	**118,385**	**26,252**	**26,984**	**186,207**
Other non-derivatives						
Trade and other payables**		**792,636**	**—**	**—**	**—**	**792,636**
Lease liability		**30,501**	**20,873**	**12,897**	**5,334**	**69,605**
		823,137	**20,873**	**12,897**	**5,334**	**862,241**
Total		**897,036**	**198,571**	**98,462**	**741,631**	**1,935,700**

Derivative liability of $7.98 million (2025: $6.299 million) are expected to be settled within the next 12 months. Hence, it would be classified under less than one year for the purpose of liquidity and maturity analysis.

** Trade and other payables (exclude non-financial liabilities such as provisions, taxes, pension and other non-contractual payables)

31 December 2025	Effective interest rate %	Less than 1 year $'000	1 – 2 year $'000	2 – 3 years $'000	3 - 5 years $'000	Total $'000
Non-derivatives						
Fixed interest rate borrowings						
$650 million Senior notes	9.125%	59,313	59,313	59,313	738,969	916,908
Variable interest rate borrowings						
The Mauritius Commercial Bank Ltd	6.5% + SOFR	1,799	1,799	7,820	12,463	23,881
Stanbic IBTC Bank Plc	6.5% + SOFR	1,619	1,619	7,038	11,216	21,492
Standard Bank of South Africa	6.5% + SOFR	900	900	3,910	6,231	11,941
First City Monument Ltd (FCMB)	6.5% + SOFR	864	864	3,753	5,982	11,463
Zenith Bank Plc	6.5% + SOFR	576	576	2,502	3,988	7,642
$300 million Advance Payment Facility (APF)						
ExxonMobil Financing	5% + SOFR + CAS	28,781	314,391	—	—	343,172
Total variable interest borrowings		34,539	320,149	25,023	39,880	419,591
Other non-derivatives						
Trade and other payables**		838,216	—	—	—	838,216
Lease liability		36,788	19,318	16,329	—	72,435
		875,004	19,318	16,329	—	910,651
Total		968,856	398,780	100,665	778,849	2,247,150

** Trade and other payables (exclude non-financial liabilities such as provisions, taxes, pension and other non-contractual payables)

5.1.3 Fair value measurements

Set out below is a comparison by category of carrying amounts and fair value of all financial instruments:

	Carrying amount		Fair value	
	30 June 2026	31 Dec 2025	**30 June 2026**	31 Dec 2025
	$'000	$'000	**$'000**	$'000
Financial assets at amortised cost				
Trade and other receivables*	**413,798**	462,157	**413,798**	462,157
Cash and cash equivalents	**433,845**	332,326	**433,845**	332,326
Restricted cash	**130,804**	126,351	**130,804**	126,351
Other financial assets at amortised cost	**3,032**	—	**2,807**	—
	981,479	920,834	**981,254**	920,834
Financial assets at fair value				
Derivative financial assets	**2,800**	12,090	**2,800**	12,090
	2,800	12,090	**2,800**	12,090
Financial liabilities				
Interest bearing loans and borrowings**	**804,529**	1,005,596	**796,143**	1,018,655
Trade and other payables***	**792,636**	838,216	**792,636**	838,216
	1,597,165	1,843,812	**1,588,779**	1,856,871
Financial liabilities at fair value				
Derivative financial liability	**(7,983)**	(6,299)	**(7,983)**	(6,299)
	(7,983)	(6,299)	**(7,983)**	(6,299)

* Trade and other receivables exclude underlift, NGMC VAT receivables, cash advances and advance payments.

** In determining the fair value of the interest-bearing loans and borrowings, non-performance risks of the Group as at period-end were assessed to be insignificant.

*** Trade and other payables exclude non-financial liabilities such as taxes, overlift, pension and other non-contractual payables.

Trade and other receivables (excluding prepayments), contract assets and cash and bank balances are financial instruments whose carrying amounts as per the financial statements approximate their fair values. This is mainly due to their short-term nature.

5.1.4 Fair Value Hierarchy

As at the reporting period, the Group had classified its financial instruments into the three levels prescribed under the accounting standards. There were no transfers of financial instruments between fair value hierarchy levels during the period.

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The fair value of the financial instruments is included at the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of the Group's derivative financial instruments has been determined using a proprietary pricing model that uses marked to market valuation. The valuation represents the mid-market value and the actual close-out costs of trades involved. The market inputs to the model are derived from observable sources. Other inputs are unobservable but are estimated based on the market inputs or by using other pricing models. The derivative financial instruments are in level 2.

The fair value of the Group's interest-bearing loans and borrowings is determined by using discounted cash flow models that use market interest rates as at the end of the period. The interest-bearing loans and borrowings are in level 2.

The fair value of other financial assets at amortised cost is determined by reference to quoted prices in an active market, i.e FMDQ. Accordingly, these other financial assets at amortised cost are classified within Level 1 of the fair value hierarchy.

6. Segment reporting

Business segments are based on the Group's internal organisation and management reporting structure. The Group's business segments are the two core businesses: Oil and Gas. The Oil segment deals with the exploration, development and production of crude oil while the Gas segment deals with the production and processing of gas. These two reportable segments make up the total operations of the Group.

For the half year ended 30 June 2026, revenue from the gas segment of the business constituted 10% (2025: 7%) of the Group's revenue and about 50% of the Group's profit - mostly due to positive fiscal regime associated with the gas business. Management is committed to continued growth of the gas segment and will procure the required infrastructure for this segment of the business. The gas business is positioned separately within the Group and reports directly to the New Energy & Midstream Gas Director (chief operating decision maker). As the gas business segment's revenues, results and cash flows are largely independent of other business units within the Group, it is regarded as a separate segment.The result is two reporting segments, Oil and Gas. There were no inter segment sales during the reporting periods under consideration, therefore all revenue was from external customers.

Amounts relating to the gas segment are determined using the gas cost centres, with the exception of depreciation. Depreciation relating to the gas segment is determined by applying a percentage which reflects the proportion of the Net Book Value of oil and gas properties that relates to gas investment costs (i.e., cost for the gas processing and other gas facilities).

The Group accounting policies are also applied in the segment reports.

6.1 Segment profit disclosure

	Half year ended 30 June 2026	Half year ended 30 June 2025	**3 Months ended 30 June 2026**	3 Months ended 30 June 2025
	$'000	$'000	**$'000**	$'000
Oil	**82,842**	10,003	**82,351**	13,154
Gas	**81,167**	17,420	**43,717**	(9,054)
Total profit for the period	**164,009**	27,423	**126,068**	4,100

	Half year ended 30 June 2026	Half year ended 30 June 2025	**3 Months ended 30 June 2026**	3 Months ended 30 June 2025
Oil	**$'000**	$'000	**$'000**	$'000
Revenue from contracts with customers				
Crude oil sales (Note 7)	**1,634,512**	1,293,219	**888,804**	533,399
Cost of sales and general and administrative expenses	**(1,036,876)**	(1,001,020)	**(562,319)**	(486,746)
Other (loss)/income	**(36,120)**	47,663	**60,564**	92,782
Operating profit before impairment	**561,516**	339,862	**387,049**	139,435
Impairment reversal/(loss)	**2,882**	(368)	**3,142**	(649)
Fair value loss	**(15,282)**	(9,654)	**(1,453)**	(4,609)
Operating profit	**549,116**	329,840	**388,738**	134,177
Finance income (Note 13)	**6,418**	5,338	**3,494**	2,722
Finance expenses (Note 13)	**(84,472)**	(97,117)	**(37,857)**	(64,468)
Profit before taxation	**471,062**	238,061	**354,375**	72,431
Income tax expense (Note 14)	**(388,220)**	(228,058)	**(272,024)**	(59,277)
Profit for the period	**82,842**	10,003	**82,351**	13,154

Other loss/income in the Oil business includes foreign exchange loss and majorly changes in overlift. Note 9 provides details for the combined business.

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Gas	Half year ended 30 June 2026 $'000	Half year ended 30 June 2025 $'000	3 Months ended 30 June 2026 $'000	3 Months ended 30 June 2025 $'000
Revenue from contracts with customers				
Gas sales	**102,087**	94,608	**57,909**	50,112
Natural gas liquid sales	**83,445**	9,894	**32,586**	4,943
Cost of sales and general and administrative expenses	**(88,261)**	(47,197)	**(46,161)**	(40,313)
Other income	**7,034**	3,344	**1,696**	2,590
Operating profit before impairment	**104,305**	60,649	**46,030**	17,332
Impairment reversal/(loss)	**2,483**	(2,676)	**7,669**	(1,861)
Operating profit	**106,788**	57,973	**53,699**	15,471
Finance income (Note 13)	**225**	—	**225**	—
Share of (loss)/profit from joint venture accounted for using the equity method	**(3,141)**	(3,098)	**1,081**	(2,399)
Profit before taxation	**103,872**	54,875	**55,005**	13,072
Income tax expense (Note 14)	**(22,705)**	(37,455)	**(11,288)**	(22,126)
Profit/(loss) for the period	**81,167**	17,420	**43,717**	(9,054)

Impairment reversal/loss recognised in the gas segment relate to MSN, Azura, Transcorp, Geregu Power, Sapele Power and NGMC. See Note 11 for further details.

Other income on the gas segment relates to foreign exchange gains.

The increase in the cost of sales and general and administrative expenses in the gas segment is attributable to Natural gas liquids(NGL) related costs following the increase in NGL production during the period.

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6.1.1 Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of commodities at a point in time or over time and from different geographical regions.

	Half year ended 30 June 2026	Half year ended 30 June 2026	Half year ended 30 June 2026	Half year ended 30 June 2026	Half year ended 30 June 2025	Half year ended 30 June 2025	Half year ended 30 June 2025	Half year ended 30 June 2025
	Oil	Gas	Natural Gas Liquid	Total	Oil	Gas	Natural Gas Liquid	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Geographical markets								
Canada	—	—	—	—	61,756	—	—	61,756
Cote D'Ivoire	30,003	—	—	30,003	49,771	—	—	49,771
France	75,794	—	—	75,794	66,098	—	—	66,098
Germany	—	—	—	—	72,068	—	—	72,068
Ghana	—	—	—	—	—	—	4,951	4,951
India	22,335	—	—	22,335	293,049	—	—	293,049
Indonesia	284,110	—	—	284,110	125,455	—	—	125,455
Italy	73,134	—	—	73,134	129,252	—	—	129,252
Japan	—	—	13,985	13,985	—	—	—	—
Kenya	—	—	—	—	—	—	4,943	4,943
Malaysia	67,664	—	—	67,664	64,110	—	—	64,110
Namibia	—	—	17,163	17,163	—	—	—	—
Netherlands	57,111	—	—	57,111	100,438	—	—	100,438
Nigeria	207,884	102,087	24,093	334,064	12,169	94,608	—	106,777
Portugal	61,708	—	—	61,708	52,847	—	—	52,847
Singapore	321,943	—	28,204	350,147	—	—	—	—
South Africa	44,622	—	—	44,622	46,715	—	—	46,715
Spain	45,299	—	—	45,299	103,335	—	—	103,335
Turkey	—	—	—	—	2,223	—	—	2,223
Thailand	278,614	—	—	278,614	—	—	—	—
UK	—	—	—	—	1,423	—	—	1,423
Uruguay	56,867	—	—	56,867	40,794	—	—	40,794
USA	7,424	—	—	7,424	69,502	—	—	69,502
Vietnam	—	—	—	—	2,214	—	—	2,214
Revenue from contracts with customers	1,634,512	102,087	83,445	1,820,044	1,293,219	94,608	9,894	1,397,721
Geographical region								
Africa	282,509	102,087	41,256	425,852	108,655	94,608	9,894	213,157
Asia	974,665	—	42,189	1,016,854	484,828	—	—	484,828
Europe	313,047	—	—	313,047	527,684	—	—	527,684
Americas	64,291	—	—	64,291	172,052	—	—	172,052
Revenue from contracts with customers	1,634,512	102,087	83,445	1,820,044	1,293,219	94,608	9,894	1,397,721

	Half year ended 30 June 2026 Oil $'000	Half year ended 30 June 2026 Gas $'000	Half year ended 30 June 2026 Natural Gas Liquid $'000	Half year ended 30 June 2026 Total $'000	Half year ended 30 June 2025 Oil $'000	Half year ended 30 June 2025 Gas $'000	Half year ended 30 June 2025 Natural Gas Liquid $'000	Half year ended 30 June 2025 Total $'000
Timing of revenue recognition								
At a point in time	**1,634,512**	**—**	**83,445**	**1,717,957**	1,293,219	—	9,894	1,303,113
Over time	**—**	**102,087**	**—**	**102,087**	—	94,608	—	94,608
Revenue from contracts with customers	**1,634,512**	**102,087**	**83,445**	**1,820,044**	1,293,219	94,608	9,894	1,397,721

	3 Months ended 30 June 2026 Oil $'000	3 Months ended 30 June 2026 Gas $'000	3 Months ended 30 June 2026 Natural Gas Liquid $'000	3 Months ended 30 June 2026 Total $'000	3 Months ended 30 June 2025 Oil $'000	3 Months ended 30 June 2025 Gas $'000	3 Months ended 30 June 2025 Natural Gas Liquid $'000	3 Months ended 30 June 2025 Total $'000
Geographical markets								
Canada	**—**	**—**	**—**	**—**	61,756	—	—	61,756
Cote D'Ivoire	**30,003**	**—**	**—**	**30,003**	—	—	—	—
France	**2,205**	**—**	**—**	**2,205**	62,459	—	—	62,459
India	**22,335**	**—**	**—**	**22,335**	207,199	—	—	207,199
Indonesia	**126,176**	**—**	**—**	**126,176**	69,493	—	—	69,493
Italy	**73,134**	**—**	**—**	**73,134**	59,771	—	—	59,771
Kenya	**—**	**—**	**—**	**—**	—	—	4,943	4,943
Malaysia	**—**	**—**	**—**	**—**	1,224	—	—	1,224
Namibia	**—**	**—**	**17,163**	**17,163**	—	—	—	—
Netherlands	**1,175**	**—**	**—**	**1,175**	—	—	—	—
Nigeria	**175,571**	**57,909**	**13,976**	**247,456**	6,437	50,112	—	56,549
Portugal	**—**	**—**	**—**	**—**	—	—	—	—
Singapore	**101,166**	**—**	**1,447**	**102,613**	—	—	—	—
South Africa	**25,702**	**—**	**—**	**25,702**	1,732	—	—	1,732
Spain	**45,299**	**—**	**—**	**45,299**	63,011	—	—	63,011
Thailand	**278,614**	**—**	**—**	**278,614**	—	—	—	—
USA	**7,424**	**—**	**—**	**7,424**	317	—	—	317
Revenue from contracts with customers	**888,804**	**57,909**	**32,586**	**979,299**	**533,399**	**50,112**	**4,943**	**588,454**
Geographical region								
Africa	**231,276**	**57,909**	**31,139**	**320,324**	8,169	50,112	4,943	63,224
Asia	**528,291**	**—**	**1,447**	**529,738**	277,916	—	—	277,916
Europe	**121,813**	**—**	**—**	**121,813**	185,241	—	—	185,241
Americas	**7,424**	**—**	**—**	**7,424**	62,073	—	—	62,073
Revenue from contracts with customers	**888,804**	**57,909**	**32,586**	**979,299**	**533,399**	**50,112**	**4,943**	**588,454**

	3 Months ended 30 June 2026 Oil $'000	3 Months ended 30 June 2026 Gas $'000	3 Months ended 30 June 2026 Natural Gas Liquid $'000	3 Months ended 30 June 2026 Total $'000	3 Months ended 30 June 2025 Oil $'000	3 Months ended 30 June 2025 Gas $'000	3 Months ended 30 June 2025 Natural Gas Liquid $'000	3 Months ended 30 June 2025 Total $'000
Timing of revenue recognition								
At a point in time	**888,804**	**—**	**32,586**	**921,390**	533,399	—	4,943	538,342
Over time	**—**	**57,909**	**—**	**57,909**	—	50,112	—	50,112
Revenue from contracts with customers	**888,804**	**57,909**	**32,586**	**979,299**	**533,399**	**50,112**	**4,943**	**588,454**

The Group's transactions with its major customers, Shell Western, Chevron and ExxonMobil, constitute about 95% ($1.54 billion), (H1 2025: 81%, $1.04 billion) of the total revenue from oil segment. Also, the Group's transactions with NGML, MSN, Egbin Power and Azura ($67.57 million) (H1 2025: $71.3 million) accounted for most of the revenue from gas segment.

The current period data reflects location of the final buyers based on information extracted from bill of lading.

6.1.2 Impairment reversal/(loss) on financial assets by reportable segments

	Half year ended 30 June 2026			Half year ended 30 June 2025		
	Oil	**Gas**	**Total**	Oil	Gas	Total
	$'000	**$'000**	**$'000**	$'000	$'000	$'000
Impairment reversal/(loss) recognised during the period	**2,882**	**2,483**	**5,365**	(368)	(2,676)	(3,044)

	3 Months ended 30 June 2026			3 Months ended 30 June 2025		
	Oil	**Gas**	**Total**	Oil	Gas	Total
	$'000	**$'000**	**$'000**	$'000	$'000	$'000
Impairment reversal/(loss) recognised during the period	**3,142**	**7,669**	**10,811**	(649)	(1,861)	(2,510)

6.2 Segment assets

Segment assets are measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the reporting segment and the physical location of the asset. The Group had no non-current assets domiciled outside Nigeria.

Total segment assets	Oil $'000	Gas $'000	Total $'000
30 June 2026	**4,981,028**	**994,221**	**5,975,249**
31 December 2025	5,240,566	841,534	6,082,100

6.3 Segment liabilities

Segment liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segment.

Total segment liabilities	Oil $'000	Gas $'000	Total $'000
30 June 2026	**3,571,431**	**544,540**	**4,115,971**
31 December 2025	3,783,086	457,359	4,240,445

7. Revenue from contract with customers

	Half year ended 30 June 2026	Half year ended 30 June 2025	3 Months ended 30 June 2026	3 Months ended 30 June 2025
	$'000	$'000	**$'000**	$'000
Crude oil sales	**1,634,512**	1,293,219	**888,804**	533,399
Gas sales	**102,087**	94,608	**57,909**	50,112
Natural gas liquid sales	**83,445**	9,894	**32,586**	4,943
	1,820,044	1,397,721	**979,299**	588,454

The major off-takers for crude oil are Chevron, Vitol, Shell West, and ExxonMobil. The major off-takers for gas are Azura, MSN Energy, Egbin Power, and Nigerian Gas Marketing Company. The major off-taker for natural gas liquid is ExxonMobil.

8. Cost of Sales

	Half year ended 30 June 2026	Half year ended 30 June 2025	3 Months ended 30 June 2026	3 Months ended 30 June 2025
	$'000	$'000	**$'000**	$'000
Royalties	**286,147**	252,012	**169,680**	121,785
Depletion, Depreciation and Amortisation	**282,383**	317,449	**147,523**	162,956
Depreciation of Right of Use Assets	**12,041**	15,402	**5,695**	5,850
Crude handling fees	**43,327**	38,571	**26,231**	19,724
Nigeria Export Supervision Scheme (NESS) fee	**1,733**	1,281	**1,055**	1,281
Niger Delta Development Commission Levy	**23,853**	21,743	**11,574**	8,844
Barging/Trucking	**13,975**	13,538	**7,497**	7,841
Operational & Maintenance expenses	**340,671**	253,112	**164,586**	128,554
	1,004,130	913,108	**533,841**	456,835

Operational & maintenance expenses relates mainly to maintenance costs, warehouse operations expenses, security expenses, community expenses, clean-up costs, fuel supplies and catering services. Also included in operational and maintenance expenses is gas flare penalty of $13.2 million (H1 2025: $26.8 million) reflecting the early gains on completion of end of routine flaring projects in the onshore business.

Barging and Trucking costs relates to costs on the OML 40 Gbetiokun field.

9. Other (loss)/income - net

	Half year ended 30 June 2026	Half year ended 30 June 2025	3 Months ended 30 June 2026	3 Months ended 30 June 2025
	$'000	$'000	**$'000**	$'000
(Overlift)/Underlift	**(67,026)**	42,591	**24,979**	96,124
Realised gain on foreign exchange	**10,411**	–	**7,380**	–
Unrealised gain/(loss) on foreign exchange	**7,280**	1,717	**10,192**	(4,215)
Others	**20,249**	6,699	**19,709**	3,463
	(29,086)	51,007	**62,260**	95,372

Overlifts and underlifts represent differences between crude oil lifted and the Group's entitlement based on its share of production. Overlifts are measured by reference to the observable lifted price at the date of lifting. Underlifts are measured at current market value. Movements during the period are recognised within other (loss)/income.

Gain on foreign exchange is principally due to the translation of Naira, Pounds and Euro denominated monetary assets and liabilities.

Others include tariffs from the usage of the Group's pipeline by others.

10. General and administrative expenses

	Half year ended 30 June 2026	Half year ended 30 June 2025	3 Months ended 30 June 2026	3 Months ended 30 June 2025
	$'000	$'000	**$'000**	$'000
Depreciation and amortisation	**1,944**	17,335	**1,060**	8,588
Depreciation of right of use assets	**7,672**	9,372	**3,844**	7,553
Professional & Consulting Fees	**9,317**	9,522	**4,738**	5,835
Auditor's remuneration	**232**	149	**146**	111
Directors Emoluments (Executives)	**1,150**	1,590	**494**	843
Directors Emoluments (Non - Executives)	**1,934**	2,279	**976**	1,296
Employee benefits	**47,496**	45,873	**29,900**	23,536
Share-based benefits	**26,739**	10,271	**21,965**	4,461
Donation	**27**	52	**12**	17
Flights and other travel costs	**3,824**	8,271	**2,310**	4,573
Other general expenses	**20,672**	30,395	**9,194**	13,412
	121,007	135,109	**74,639**	70,225

Depreciation expenses reflect depreciation on non-field related assets.

Share based benefits includes equity settled share-based payment expense of $13.53 million (H1 2025: $10.27 million); and cash settled share-based payment expense of $13.21 million (H1 2025: Nil).

Included in the Other general expenses are IT\Communications Consumables of $3.85 million (H1 2025: $9.93 million), Contract Labour $3.52 million (H1 2025: $7.49 million), Repairs and Maintenance Expenses of $4.77 million (H1 2025: $5.60 million), Software License/Maintenance Fees of $3.75 million (H1 2025: $2.39 million) and Office/guest house rental of $3.21 million (H1 2025: $1.03 million).

10.1 Below are details of non-audit services provided by the auditors:

Entity	Service	PwC office	Fees ($'000)	Period
Seplat Energy Plc	Remuneration committee advice	PwC UK	111	2026

11. Impairment reversal/(loss)

	Half year ended 30 June 2026	Half year ended 30 June 2025	3 Months ended 30 June 2026	3 Months ended 30 June 2025
	$'000	$'000	**$'000**	$'000
Impairment reversal/(loss) on financial assets-net (Note 11.1)	**5,365**	(3,044)	**10,811**	(2,510)
	5,365	(3,044)	**10,811**	(2,510)

11.1 Impairment reversal/(loss) on financial assets - net

	Half year ended 30 June 2026	Half year ended 30 June 2025	3 Months ended 30 June 2026	3 Months ended 30 June 2025
	$'000	$'000	**$'000**	$'000
Impairment reversal/(loss) on:				
NUIMS receivables	**—**	(167)	**—**	(167)
NEPL receivables	**1,797**	(201)	**972**	(482)
Trade receivables (Gas customers)*	**2,319**	(2,584)	**7,549**	(1,769)
Contract asset	**(340)**	(92)	**(391)**	(92)
Other receivables	**1,589**	–	**2,681**	—
Total impairment reversal/(loss)	**5,365**	(3,044)	**10,811**	(2,510)

*Impairment reversal/(loss) on trade receivables relate to Gas customers (Azura, MSN, Transcorp, Sapele Power, NGMC and Geregu Power).

12. Fair value loss

	Half year ended 30 June 2026	Half year ended 30 June 2025	**3 Months ended 30 June 2026**	3 Months ended 30 June 2025
	$'000	$'000	**$'000**	$'000
Hedge premium expenses	**(13,610)**	(7,395)	**(6,330)**	(5,108)
Fair value (loss)/gain on derivatives (Note 19)	**(1,672)**	(2,259)	**4,877**	499
	(15,282)	(9,654)	**(1,453)**	(4,609)

Fair value (loss)/gain on derivatives represents changes in the fair value of hedging receivables charged to profit or loss.

13. Finance income/(cost)

	Half year ended 30 June 2026	Half year ended 30 June 2025	**3 Months ended 30 June 2026**	3 Months ended 30 June 2025
	$'000	$'000	**$'000**	$'000
Finance Income				
Interest income on fixed deposit	**6,418**	5,338	**3,494**	2,722
Interest income on investments	**225**	–	**225**	–
Finance Income	**6,643**	5,338	**3,719**	2,722
Finance Charges				
Interest on loans and borrowings	**(62,514)**	(74,338)	**(26,935)**	(54,373)
Interest on lease liabilities	**(2,615)**	(4,157)	**(1,250)**	(1,674)
Unwinding of discount on provision for decommissioning	**(19,343)**	(18,622)	**(9,672)**	(8,420)
	(84,472)	(97,117)	**(37,857)**	(64,467)
Finance cost - net	**(77,829)**	(91,779)	**(34,138)**	(61,745)

Finance costs decreased due to lower gross debt in the period.

14. Taxation

The major components of income tax expense for the period ended 30 June 2026 and 2025 are:

	Half year ended 30 June 2026	Half year ended 30 June 2025	**3 Months ended 30 June 2026**	3 Months ended 30 June 2025
	$'000	$'000	**$'000**	$'000
Current tax:				
Current tax expense on profit for the period	**444,706**	346,305	**328,312**	139,399
Education Tax	**–**	11,262	**–**	3,283
NASENI Levy	**–**	793	**–**	697
Police Levy	**–**	18	**–**	16
Development levy	**30,854**	–	**19,825**	–
Total current tax	**475,560**	358,378	**348,137**	143,395
Deferred tax:				
Deferred tax credit to profit or loss (Note 14.1)	**(64,635)**	(92,865)	**(64,825)**	(61,992)
Total tax expense in statement of profit or loss	**410,925**	265,513	**283,312**	81,403
Total tax charged for the period	**410,925**	265,513	**283,312**	81,403
Effective tax rate	**71 %**	91 %	**69 %**	95 %

In accordance with IAS 34: Interim Financial Reporting, income tax expense for the interim period has been determined using the estimated weighted average annual effective income tax rate expected for the full financial year. This estimate is reviewed at each interim reporting date and adjusted, where necessary, to reflect changes in the expected annual tax rate.

Income tax expense for the Group is analysed by Oil segment - Half year ended $388.2 million (H1 2025: $228.1 million); 3 months ended $272.0 million (H1 2025: $59.3 million) and Gas Segment - Half year ended $22.7 million (H1 2025: $37.5 million); 3 months ended $11.3 million (H1 2025: $22.1 million.

The Group has applied the provisions of the Nigeria Tax Act 2025 which became effective in January 2026 and require Education Tax, the NASENI Levy, and the Police Trust Fund Levy to be consolidated into Development Levy.

14.1 Deferred tax

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

	Balance as at 1 January 2026	**(Charged) /credited to profit or loss**	**Credited to other comprehensive income**	**Balance as at 30 June 2026**
	$'000	**$'000**	**$'000**	**$'000**
Deferred tax assets	201,762	**(33,216)**	**—**	**168,546**
Deferred tax liabilities	(1,213,860)	**97,851**	**—**	**(1,116,009)**
	(1,012,098)	**64,635**	**—**	**(947,463)**

	Balance as at 1 January 2025	(Charged) /credited to profit or loss	Credited to other comprehensive income	Balance as at 30 June 2025
	$'000	$'000	$'000	$'000
Deferred tax assets	230,541	(7,528)	—	223,013
Deferred tax liabilities	(1,052,339)	100,393	—	(951,946)
	(821,798)	92,865	—	(728,933)

In line with the requirements of IAS 12, the Group offset the deferred tax assets against the deferred tax liabilities arising from similar transactions.

15. Computation of cash generated from operations

	Notes	Half year ended 30 June 2026 $'000	Half year ended 30 June 2025 $'000
Profit before tax		**574,934**	292,936
Adjusted for:			
Depletion, depreciation and amortisation		**284,327**	334,784
Depreciation of right-of-use asset		**19,713**	24,774
Impairment (reversal)/loss on financial assets	11.1	**(5,365)**	3,044
Interest income	13	**(6,643)**	(5,338)
Interest expense on bank loans	13	**62,514**	74,338
Interest on lease liabilities	13	**2,615**	4,157
Unwinding of discount on provision for decommissioning	13	**19,343**	18,622
Fair value loss on derivatives	12	**1,672**	2,259
Hedge premium expenses	12	**13,610**	7,395
Unrealised foreign exchange gain	9	**(7,280)**	(1,717)
Share based payment expenses	10	**26,739**	10,271
Share of loss from joint venture		**3,141**	3,098
Defined benefit plan	24.1	**(182)**	549
Changes in working capital: (excluding the effects of exchange differences)			
Trade and other receivables		**53,144**	(11,930)
Inventories		**(12,438)**	(21,112)
Prepayments		**4,138**	19,605
Contract assets		**(60,850)**	5,702
Trade and other payables		**12,720**	4,718
Cash generated from operations		**985,852**	766,155

16. Oil and gas properties

During the six months ended 30 June 2026, the Group acquired oil and gas properties amounting to $107.7 million (Dec 2025: $261 million).

17. Trade and other receivables

Financial instruments	30 June 2026 $'000	31 Dec 2025 $'000
Trade receivables (Note 17.1)	**185,590**	134,822
NEPL receivables (Note 17.2)	**41,897**	84,540
NUIMS receivables (Note 17.3)	**129,583**	201,662
Receivables from ANOH (Note 17.5)	**4,496**	3,504
Other receivables (Note 17.4)	**52,232**	37,629
Non-financial instruments		
Other receivables (Note 17.4)*	**5,484**	2,066
Underlift	**–**	5,297
Advances to suppliers-others	**9,211**	6,412
	428,493	475,932

17.1 Trade receivables

Included in the trade receivables are:

	30 June 2026 $'000	31 Dec 2025 $'000
Geregu	**5,690**	12,517
Waltersmith	**205**	2,624
Sapele Power	**8,874**	8,813
NGMC	**1,028**	260
MSN ENERGY	**21,459**	15,120
Pillar	**4,742**	9,229
Shell Western	**–**	32,634
Azura	**5,007**	2,522
Transcorp Power	**5,612**	4,896
ExxonMobil	**166,702**	82,074
Others - crude injectors	**1,610**	353
Impairment allowance	**(35,339)**	(36,220)
Total	**185,590**	134,822

Reconciliation of trade receivables

	30 June 2026 $'000	31 Dec 2025 $'000
Balance as at 1 January	**171,042**	369,337
Additions during the period	**1,672,291**	2,506,976
Receipt for the period	**(1,623,703)**	(2,708,183)
Exchange difference	**1,299**	2,912
Gross carrying amount	**220,929**	171,042
Less: Impairment allowance	**(35,339)**	(36,220)
Balance as at	**185,590**	134,822

Reconciliation of impairment allowance on trade receivables

	30 June 2026 $'000	31 Dec 2025 $'000
Loss allowance as at 1 January	**36,220**	20,930
(Decrease)/increase in loss allowance	**(2,319)**	14,329
Revaluation impact	**1,438**	961
Loss allowance as at	**35,339**	36,220

17.2 NEPL receivables

The outstanding cash calls due to Seplat from its JOA partner, NEPL is $43.83 million (Dec 2025: $88.21 million).

Reconciliation of NEPL receivables

	30 June 2026 $'000	31 Dec 2025 $'000
Balance as at 1 January	**88,211**	44,260
Addition during the period	**147,397**	383,360
Receipts during the period	**(195,751)**	(342,160)
Exchange difference	**3,977**	2,751
Gross carrying amount	**43,834**	88,211
Less: impairment allowance	**(1,937)**	(3,671)
Balance as at	**41,897**	84,540

Reconciliation of impairment allowance on NEPL receivables

	30 June 2026 $'000	31 Dec 2025 $'000
Loss allowance as at 1 January	**3,671**	2,826
(Decrease)/increase in loss allowance	**(1,797)**	1,195
Foreign exchange revaluation impact	**63**	(350)
Loss allowance as at	**1,937**	3,671

17.3 NUIMS receivables

The outstanding cash calls due to Seplat from its JOA partner, NUIMS is $129.58 million(Dec 2025: $201.7 million).

Reconciliation of NUIMS receivables

	30 June 2026 $'000	31 Dec 2025 $'000
Balance as at 1 January	**201,662**	296,075
Addition during the period	**519,765**	1,057,959
Receipts during the period	**(595,809)**	(1,156,852)
Exchange difference	**3,965**	4,480
Balance as at	**129,583**	201,662

17.4 Other receivables

Reconciliation of other receivables

	30 June 2026 $'000	31 Dec 2025 $'000
Balance as at 1 January	**99,659**	119,118
Addition during the period	**19,057**	6,978
Receipts for the period	**(3,667)**	(27,571)
Exchange difference	**999**	1,134
Gross carrying amount	**116,048**	99,659
Less: impairment allowance	**(58,332)**	(59,964)
Balance as at	**57,716**	39,695

Other receivables includes receivables from 3rd party injectors (tariff income) of $12.1 million (Dec 2025: $11.8 million), employee receivables of $11.5 million, advances to Belema for OML 55 crude evacuation of $7.5 million (Dec 2025: $3.7 million), receivable from All Grace for Ubima Disposal of $16.9 million (Dec 2025: $17.4 million), receivable from Naptha for Abiala Marginal field of $2.9 million .

Reconciliation of impairment allowance on other receivables

	30 June 2026 $'000	31 Dec 2025 $'000
Loss allowance as at 1 January	**59,964**	58,258
Decrease in loss allowance	**(1,589)**	(1,349)
Foreign exchange revaluation impact	**(43)**	3,055
Loss allowance as at	**58,332**	59,964

17.5 Receivables from joint venture (ANOH)

	30 June 2026 $'000	31 Dec 2025 $'000
Balance as at 1 January	**6,542**	4,724
Additions during the period	**805**	1,677
Exchange difference	**187**	141
Gross carrying amount	**7,534**	6,542
Less: impairment allowance	**(3,038)**	(3,038)
Balance as at	**4,496**	3,504

Reconciliation of impairment allowance on receivables from joint venture (ANOH)

	30 June 2026 $'000	31 Dec 2025 $'000
Loss allowance as at 1 January	**3,038**	3,038
Increase/(decrease) in loss allowance	**–**	–
Loss allowance as at	**3,038**	3,038

18. Contract assets

	30 June 2026 $'000	31 Dec 2025 $'000
Revenue on gas sales	**25,812**	12,058
Revenue on oil sales	**57,084**	9,974
Impairment loss on contract assets	**(2,071)**	(1,717)
	80,825	20,315

A contract asset is an entity's right to consideration in exchange for goods or services that the entity has transferred to a customer. The Group has recognised an asset in relation to a contract with Sapele Power, Azura, NGMC, Transcorp Power, MSN Energy, Egbin Power, AGPC, Waltersmith, Shell Western and Chevron, for the delivery of oil and gas supplies which these customers have received but which has not been invoiced as at the end of the reporting period.
The terms of payments relating to the contract is between 30- 45 days from the invoice date. However, invoices are raised after delivery between 14-21 days when the receivable amount has been established and the right to the receivables crystalises. The right to the unbilled receivables is recognised as a contract asset. At the point where the gas receipt certificates and crude invoices are obtained from the customers (Sapele Power, Azura, NGMC, Transcorp Power, MSN Energy, Egbin Power, AGPC, Waltersmith, Shell Western and Chevron) upon volumes reconciliation with offtakers authorising the quantities, this will be reclassified from contract assets to trade receivables.

18.1 Reconciliation of contract assets

The movement in the Group's contract assets is as detailed below:

	30 June 2026 $'000	31 Dec 2025 $'000
Balance as at 1 January	**22,032**	15,745
Additions during the period	**219,346**	423,433
Amount billed during the period	**(158,316)**	(418,419)
Foreign exchange revaluation impact	**(166)**	1,273
Gross contract assets	**82,896**	22,032
Impairment allowance	**(2,071)**	(1,717)
Balance as at	**80,825**	20,315

Reconciliation of impairment allowance on contract assets

	30 June 2026 $'000	31 Dec 2025 $'000
Loss allowance as at 1 January	**1,717**	166
Increase in loss allowance during the period	**340**	1,551
Exchange difference	**14**	–
Loss allowance as at	**2,071**	1,717

19. Derivative financial instruments

The Group uses its derivatives for economic hedging purposes and not as speculative investments. Derivatives are measured at fair value through profit or loss. They are presented as current liability to the extent they are expected to be settled within 12 months after the reporting period.

The fair value has been determined using a proprietary pricing model which generates results from inputs. The market inputs to the model are derived from observable sources. Other inputs are unobservable but are estimated based on the market inputs or by using other pricing models.

19.1 Derivative financial assets

	30 June 2026 $'000	31 Dec 2025 $'000
Opening Balance	**12,090**	–
Movement during the period	**(12,090)**	–
Addition	**2,800**	12,090
Exchange difference	**–**	–
Balance as at	**2,800**	12,090

19.2 Derivative financial liabilities

	30 June 2026 $'000	31 Dec 2025 $'000
Opening Balance	**(6,299)**	(3,955)
Reversal of prior period unrealized fair value	**6,299**	–
Prior year premium paid	**–**	218
Unrealised fair value	**(7,983)**	(2,562)
Balance as at	**(7,983)**	(6,299)

19.3 For cashflow purposes:

	30 June 2026 $'000	31 Dec 2025 $'000
Prior year premium (note 19.2)	**–**	218
Hedge premium prepaid (note 19.1)	**2,800**	12,090
Hedge premium	**1,520**	19,006
	4,320	31,314

During the period ended 30 June 2026, the Group entered into economic crude oil hedge contracts with an average strike price of $52/bbl (Dec 2025: $50/bbl) for 10 million barrels (Dec 2025: 5.25 million barrels) at a cost of $10.96 million (Dec 2025: $7.05 million)

20. Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise of cash at bank, cash on hand and short-term deposits with a maturity of three months or less.

	30 June 2026 $'000	31 Dec 2025 $'000
Fixed deposits	**7,342**	24
Cash at bank	**426,748**	332,547
Gross cash and cash equivalents	**434,090**	332,571
Impairment allowance	**(245)**	(245)
Net cash and cash equivalents	**433,845**	332,326

20.1 Reconciliation of impairment allowance on cash and cash equivalents

	30 June 2026 $'000	31 Dec 2025 $'000
Loss allowance as at 1 January	**245**	245
Increase/ (decrease) in loss allowance	**–**	–
Loss allowance as at	**245**	245

20.2 Restricted cash

	30 June 2026 $'000	31 Dec 2025 $'000
Restricted cash	**130,804**	126,351
	130,804	126,351

20.3 Movement in restricted cash

	30 June 2026 $'000	31 Dec 2025 $'000
Opening balance	**126,351**	132,209
Increase/(decrease) in restricted cash	**4,453**	(5,858)
Closing balance	**130,804**	126,351

Included in the restricted cash is $122.5 million (Dec 2025: $119.5 million), which relates to SEPNU's decommissioning and abandonment deposit of $103.34 million(Dec 2025:$103.3 million) , as well as the host community fund of $19.18 million(Dec 2025: $16.2 million).

Also included in the restricted cash balance is $2.8 million (Dec 2025: $2.4 million) and $4.4 million (Dec 2025: $3.4 million) set aside in the stamping reserve account and debt service reserve account respectively for the revolving credit facility. The stamping reserve amount is to be used for the settlement of all fees and costs payable for the purposes of stamping and registering the Security Documents at the stamp duties office and at the Corporate Affairs Commission (CAC).

A garnishee order of $0.6 million (Dec 2025: $0.6 million) is included in the restricted cash balance as at the end of the reporting period.

Also included in the restricted cash balance is $0.5 million (Dec 2025: $0.4 million) for unclaimed dividend.

These amounts are subject to legal restrictions and are therefore not available for general use by the Group.

21. Other financial assets at amortised cost

	30 June 2026 $'000	31 Dec 2025 $'000
Opening Balance	**–**	–
Addition	**2,816**	–
Interest Income	**225**	–
Exchange Difference	**(9)**	–
Gross carrying amount	**3,032**	—
Impairment allowance	**–**	–
Net carrying amount	**3,032**	–

Split into:

	30 June 2026 $'000	31 Dec 2025 $'000
Current	**711**	–
Non-current	**2,321**	–
	3,032	–

During the period, Seplat West Limited entered into a debt settlement agreement with Geregu Power PLC for outstanding gas sales receivables. As part of the settlement, and in line with the Presidential Power Sector Debt Reduction Programme, the company received NBET Finance Company PLC Series I (Tranche B) Bonds with a face value of ₦3,87Billion, bearing interest at 17.50% per annum and maturing in January 2033. The bonds have been recognised at amortised cost in accordance with the Group's accounting policy in Note.3.22.

22. Share capital

22.1 Authorised and issued share capital

	30 June 2026 $'000	31 Dec 2025 $'000
Authorised ordinary share capital		
599,944,561 (Dec 2025: 599,944,561) ordinary shares denominated in Naira of 50 kobo per share	**1,868**	1,868
Issued and fully paid		
599,944,561 (Dec 2025: 599,944,561) issued shares denominated in Naira of 50 kobo per share	**1,868**	1,868

Fully paid ordinary shares carry one vote per share and the right to dividends. There were no restrictions on the Group's share capital.

22.2 Movement in share capital and other reserves

	Number of shares	Issued share capital	Share premium	Share based payment reserve	Treasury shares	Capital contribution	Retained earnings	Foreign currency translation reserve	Total
	Shares	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Opening balance as at 1 January 2026	**599,944,561**	**1,868**	**560,371**	**42,961**	**(69,350)**	**40,000**	**1,248,293**	**2,887**	**1,827,030**
Profit for the period	**–**	**–**	**–**	**–**	**–**	**–**	**159,468**	**–**	**159,468**
Dividend paid	**–**	**–**	**–**	**–**	**–**	**–**	**(103,738)**	**–**	**(103,738)**
Vested shares during the period	**–**	**–**	**(48,675)**	**(22,230)**	**70,905**	**–**	**–**	**–**	**–**
Share based payments	**–**	**–**	**–**	**13,529**	**–**	**–**	**–**	**–**	**13,529**
Share repurchased	**–**	**–**	**–**	**–**	**(56,177)**	**–**	**–**	**–**	**(56,177)**
Closing balance as at 30 June 2026	**599,944,561**	**1,868**	**511,696**	**34,260**	**(54,622)**	**40,000**	**1,304,023**	**2,887**	**1,840,112**

	Number of shares	Issued share capital	Share premium	Share based payment reserve	Treasury shares	Capital contribution	Retained earnings	Foreign currency translation reserve	Total
	Shares	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Opening balance as at 1 January 2025	588,444,561	1,864	518,564	36,747	(5,609)	40,000	1,228,817	2,233	1,822,616
Profit for the period	–	–	–	–	–	–	160,143	–	160,143
Other comprehensive loss	–	–	–	–	–	–	(468)	654	186
Dividend paid	–	–	–	–	–	–	(140,199)	–	(140,199)
Share based payments	–	–	–	24,066	–	–	–	–	24,066
Vested shares during the year	–	–	–	(17,852)	17,852	–	–	–	–
PAYE tax withheld on vested shares	–	–	–	–	(8,861)	–	–	–	(8,861)
Share repurchased	–	–	–	–	(30,921)	–	–	–	(30,921)
Shares issued	11,500,000	4	41,807	–	(41,811)	–	–	–	–
Closing balance as at 31 December 2025	599,944,561	1,868	560,371	42,961	(69,350)	40,000	1,248,293	2,887	1,827,030

22.3 Employee share-based payment scheme

As at 30 June 2026, the Group had 26,725,515 shares (Dec 2025: 49,999,973 shares). which are yet to fully vest. These shares have been assigned to certain employees and senior executives in line with its share-based incentive scheme. During the six months ended 30 June 2026, 22,229,727 shares were vested (Dec 2025: 13,342,715 shares).

22.4 Treasury shares

This relates to shares purchased from the market or issued by the company to fund the Group's Long-Term Incentive Plan. The programme commenced from 1 March 2021 and are held by the Trustees under the Trust for the benefit of the Group's employee beneficiaries covered under the Trust.

23. Interest bearing loans and borrowings

23.1 Reconciliation of interest bearings loans and borrowings

Below is the reconciliation on interest bearing loans and borrowings for 30 June 2026:

	Borrowings within 1 year $'000	Borrowings above 1 year $'000	Total $'000
Balance as at 1 January 2026	**72,568**	**933,028**	**1,005,596**
Interest accrued	**62,514**	**–**	**62,514**
Principal paid	**(200,000)**	**–**	**(200,000)**
Interest repayment	**(49,438)**	**–**	**(49,438)**
Other financing charges	**(14,143)**	**–**	**(14,143)**
Transfers	**198,249**	**(198,249)**	**–**
Carrying amount as at 30 June 2026	**69,750**	**734,779**	**804,529**

Below is the reconciliation on interest bearing loans and borrowings for 31 December 2025:

	Borrowings within 1 year $'000	Borrowings above 1 year $'000	Total $'000
Balance as at 1 January 2025	449,593	918,036	1,367,629
Additions	–	628,246	628,246
Interest accrued	140,558	–	140,558
Principal paid	(1,030,250)	–	(1,030,250)
Interest repayment	(100,587)	–	(100,587)
Transfers	613,254	(613,254)	–
Carrying amount as at 31 Dec 2025	72,568	933,028	1,005,596

*Transfers represent the reclassification from non-current to current as contractual cash flows become due within the next 12 months as a result of the passage of time.

Other financing charges include term loan arrangement and commitment fees, annual bank charges, technical bank fee, agency fee and analytical services in connection with annual service charge. These costs do not form an integral part of the effective interest rate. As a result, they are not included in the measurement of the interest-bearing loan.

23.2 Amortised cost of borrowings

	30 June 2026 $'000	31 Dec 2025 $'000
$650 million Senior notes – April 2021	**651,338**	649,707
$80 million Senior reserve based lending (RBL) facility	**53,627**	53,507
$300 million Advance Payment Facility	**99,564**	302,382
	804,529	1,005,596

$650 million Senior notes

On 21 March 2025, the Group refinanced the $650m notes due 2026 with a new $650m issuance maturing in 2030. The newly issued $650m notes due in 2030 carry a coupon rate of 9.125%, reflecting prevailing global market volatility at the time of issuance. The $650 million bond issuance was used exclusively to redeem the maturing $650 million note, with transaction costs covered from the Company's cash reserves. The amortised cost for the senior notes as at the reporting period is $651.34 million (Dec 2025: $649.7 million) although the principal is $650 million.

$80 million Senior reserve-based lending (RBL) facility – refinanced facility

On 30 September 2025, the Group, through its subsidiary Westport, successfully completed the refinancing of the Westport RBL Facility. The new facility is an $80M RBL facility with Standard Bank (USD 35 million), Mauritius Commercial Bank (USD 25 million), First City Monument Bank (USD 12 million), and Zenith Bank (USD 8 million). Zenith Bank represents a new participant in this financing. The refinancing resulted in improved pricing terms, with the facility now carrying a margin of 6.5% for the first three years, increasing to 7.0% from year four onwards should the facility remain drawn.

These margins are more favourable than those under the previous senior (8.0% plus a CAS of 0.25%) and junior (10.5% plus a CAS of 0.25%) facilities. The final maturity date is five years from the effective date, with an 18-month moratorium on principal repayments. Current drawdown under the financing is $55.25 million, which is below the committed level of $80 million for the period up to and including 30 June 2027. The amortised cost for the senior notes as at the reporting period is $53.6 million (Dec 2025: $53.5 million).

$400 million Revolving credit facility

The RCF was refinanced to $400 million on January 31, 2026. All in pricing improved to SOFR + 4.5% from SOFR + 5.26% (including a credit adjustment spread). The facility is no longer amortising and includes a bullet repayment at final maturity, with maturity extended to 30 September 2029, i.e., maturing before the $650 million senior notes. The facility is currently fully undrawn.

$300 million Advance payment facility

The $300 million APF was closed in December 2024 to provide financing for the completion of the MPNU acquisition. The facility was fully drawn however the Company has repaid and cancelled $200M under the APF in May and June 2026. The current outstanding drawdown amount is $100 million .

The APF bears interest at a rate of the aggregate of Term SOFR (including a credit adjustment spread of 0.25% per annum) plus 5% per annum and matures in December 2027. The amortised cost for the APF as at the reporting period is $99.56 million (Dec 2025: $302.3 million).

24. Employee benefit obligation

24.1 Defined benefit plan

During the reporting period, the defined benefit plan was presented as a net defined benefit liability of $2.07 million, (Dec. 2025: $2.7 million).

Net defined benefit assets/(liabilities) recognised in the financial position	30 June 2026 $'000	Movement $'000	31 Dec 2025 $'000
Present value of defined benefit obligation	**69,652**	**(184)**	69,836
Fair value of plan assets	**(67,586)**	**(470)**	(67,116)
	2,066	**(654)**	2,720

Movement during the period for the defined benefit assets/(liabilities):	30 June 2026 $'000
Income on plan asset (Note 15)	**(809)**
Current Service Cost (Note 15)	**627**
Exchange differences	**(472)**
	(654)

25. Trade and other payables

Financial Instruments	30 June 2026 $'000	31 Dec 2025 $'000
Trade payables	**400,692**	515,704
Accruals and other payables	**391,944**	322,512
Non-Financial Instruments		
Share based payment liability	**15,460**	2,250
NDDC levy	**13,335**	12,483
Royalties payable	**59,188**	59,937
Overlift	**54,702**	–
	935,321	912,886

Included in accruals and other payables are field accruals of $227.2 million (Dec 2025:$101.8 million), balance received for asset held for sale of $9.9 million (Dec 2025: $9.9 million) and other vendor payables of $154.79 million (Dec 2025: $210 million).

Share based payment liability represents the obligations arising from LTIP awards granted to employees below Board level that will be cash settled.

Royalties payable include accruals in respect of crude oil and gas production for which payment is outstanding at the end of the period

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Overlifts represent crude oil lifted in excess of the Group's entitlement based on its share of production. They are measured by reference to the observable lifted price at the date of lifting, with the corresponding liability recognised in overlift payable.

26. Earnings per share EPS

Basic

Basic EPS is calculated on the Group's profit after taxation attributable to the parent entity, which is based on the weighted average number of issued and fully paid ordinary shares at the end of the period.

Diluted

Diluted EPS is calculated by dividing the profit after taxation attributable to the parent entity by the weighted average number of ordinary shares outstanding during the period plus all the dilutive potential ordinary shares (arising from outstanding share awards in the share-based payment scheme) into ordinary shares.

	Half year ended 30 June 2026	Half year ended 30 June 2025	3 Months ended 30 June 2026	3 Months ended 30 June 2025
	$'000	$'000	**$'000**	$'000
Profit attributable to Equity holders of the parent	**159,468**	23,603	**125,679**	3,382
Profit attributable to Non-controlling interests	**4,541**	3,820	**389**	718
Profit for the period	**164,009**	27,423	**126,068**	4,100

	Shares '000	Shares '000	Shares '000	Shares '000
Weighted average number of ordinary shares in issue	**599,945**	588,445	**599,945**	588,445
Weighted average number of ordinary shares adjusted for the effect of dilution	**599,945**	588,445	**599,945**	588,445

Basic earnings per share for the period	**$**	$	**$**	$
Basic earnings per share	**0.27**	0.04	**0.21**	0.01
Diluted earnings per share	**0.27**	0.04	**0.21**	0.01
Profit used in determining basic/diluted earnings per share	**159,468**	23,603	**125,679**	3,382

The weighted average number of issued shares was calculated as a proportion of the number of months in which they were in issue during the reporting period.

27. Proposed dividend

For the second quarter ended 30 June 2026, the Group's directors declared an interim dividend of 12 cents per share, consisting of core dividend of 5 cents per share and special dividend of 7 cents per share. (Dec 2025: a final dividend of 5 cents per share and a special dividend of 3.3 cents per share).

28. Related party relationships and transactions

The Group is controlled by Seplat Energy Plc (the parent Company).

During the period, Heirs Energies and Heirs Holding Limited acquired 20.07% of the issued share capital of the Seplat Energy PLC. These entities are controlled by Mr Tony O Elumelu CFR. He was appointed to the Board effective 22 January 2026. The remaining shares in the parent Company are widely held.

The following are details of transactions and balances with related parties. The terms of these transactions are at arm's length.

Entities controlled by Directors of the Group

United Bank for Africa: Mr. Tony Elumelu is a Director and shareholder of United Bank for Africa Plc ('UBA'). UBA provides the Group with joint venture–related banking services, financing, and direct banking support. Banking relationship with UBA commenced since inception of Seplat Group. The bank is also one of the Group's lenders under the $400 million revolving credit facility ('RCF'), which remained undrawn as at the reporting date. At the end of the reporting period, the Group held balances of $82.7 million with UBA, comprising joint venture and corporate balances.

Transcorp Power Limited: During the period, the Group engaged in gas sales transactions with Transcorp Power Limited, an entity associated with a Director of the Group (Mr. Tony Elumelu), amounting to $1.2 million. As at the reporting date, amounts due from Transcorp Power Limited was $5.6 million.

Transcorp Hotel Plc: Transcorp Hotels Plc is an entity associated with a Director of the Group (Mr. Tony Elumelu). During the period, Transcorp Hotels Plc provided hospitality services to the Group, with services rendered amounting to $358 thousand. The Group had no outstanding balance with Transcorp Hotels Plc as at the reporting date.

29. Commitments and contingencies

29.1 Contingent liabilities

The Group is involved in a number of legal suits as defendant. The estimated value of the contingent liabilities for the year ended 30 June 2026 is $333.29 million, (Dec 2025: $275.75 million). The contingent liability for the year is determined based on possible occurrences, though unlikely to occur. No provision has been made for this potential liability in these financial statements. Management and the Group's solicitors are of the opinion that the Group will suffer no loss from these claims.

30. Events after the reporting period

On 29 July 2026, the Group entered into an agreement to divest 25% of its participating interest in the NNPC/SEPNU JV, subject to regulatory approvals and other customary completion conditions. The agreed purchase price is $281.6 million, subject to lockbox adjustment. The transaction is a non-adjusting event after the reporting period and therefore has no impact on the amounts recognized in the Group's 6M 2026 financial statements as presented. The financial effect of the transaction will be determined on completion, considering the final completion date, the lockbox adjustment and other completion adjustments.