

Seplat Energy Plc

Publication of 2022 Annual Report, Notice of AGM and Amendment of Dividend Payment Date

Lagos and London - 11th April 2023: Seplat Energy Plc ("Seplat" or the "Company") confirms it has today published its Annual Report & Accounts and Sustainability Report for the year ended 31 December 2022, its first Climate Risk and Resilience Report together with the notice of the Company's tenth Annual General Meeting ("AGM") and forms of proxy. The Company will hold its AGM virtually via <https://www.seplatenergy.com/agm-2023/> at 11:00am (WAT) on Wednesday, 10 May 2023.

In accordance with Listing Rule 14.3.6 copies of the Company's Annual Report and Accounts for the year ended 31 December 2022, the Notice of AGM and proxy forms have also been submitted to the FCA for publication through the document viewing facility of the National Storage Mechanism and will shortly be available for inspection at <https://www.fca.org.uk/markets/primary-markets/regulatory-disclosures/national-storage-mechanism>

In accordance with Disclosure Guidance and Transparency Rule ("DTR") 6.3.5R(3), copies are available on the Company's website, <https://www.seplatenergy.com>

The Company's audited financial statements and extracts of the management report were included in the Company's Final Results announcement on 28 February 2023. That information, together with the Appendices to this announcement, which contains the following additional information that has been extracted from the 2022 Annual Report, constitutes the material required for the purposes of compliance with DTR 6.3.5 only:

- the Directors' Responsibilities Statement;
- a description of principal risks and uncertainties that the Company faces; and
- related party transactions.

This announcement should be read in conjunction with and is not a substitute for reading the full 2022 Annual Report. Page and note references in the text below refer to page numbers and notes in the 2022 Annual Report and terms defined in that document have the same meanings in these extracts.

Amendment of dividend payment date

The Company announced on 28 February 2023, in conjunction with its FY 2022 Financial Results, a special and final dividend of US7.5cents. The payment date for this dividend has been amended from **10 May 2023 to 16 May 2023**. This change is to allow the Registrars facilitate the dividend payments considering the bank holidays within the period.

Enquiries:

Emeka Onwuka, Chief Financial Officer	+234 1 277 0400
Eleanor Adaralegbe, Vice President, Finance	
Edith Onwuchekwa, Director Legal/Company Secretary	cfranklin@seplatenergy.com
Carl Franklin, Head of Investor Relations	
Ayesha Aliyu, Investor Relations	aaliyu@seplatenergy.com
Chioma Nwachuku, Director External Affairs & Sustainability	
<hr/>	
Ben Brewerton / Christopher Laing	+44 203 727 1000 seplatenergy@fticonsulting.com
<hr/>	
Tom Reid / Peter Catterall	+44 207 986 4000
<hr/>	
Chris Sim / Charles Craven / Jarrett Silver	+44 207 597 4000
<hr/>	

About Seplat Energy

Seplat Energy PLC (Seplat) is Nigeria's leading indigenous energy company. Listed on the Nigerian Exchange Limited

(NGX: SEPLAI) and the Main Market of the London Stock Exchange (LSE: SEPL), we are pursuing a Nigeria-focused growth strategy in oil and gas, as well as developing a Power & New Energy business to lead Nigeria's energy transition.

Seplat's energy portfolio consists of seven oil and gas blocks in the prolific Niger Delta region of Nigeria, which we operate with partners including the Nigerian Government and other oil producers. We also have a revenue interest in OML 55. We operate a 465MMscfd gas processing plant at Oben, in OML4, and are building the 300MMscfd ANOH Gas Processing Plant in OML53 and a new 85MMscfd gas processing plant at Sapele in OML41, to augment our position as a leading supplier of gas to the domestic power generation market.

For further information please refer to our website, <http://seplatenergy.com/>

Appendices

Appendix A: Statement of Directors' responsibilities

The following Statement of Directors' responsibilities is extracted from the 2022 Annual Report and Accounts (page 136).

The Companies and Allied Matters Act, 2020, requires the Directors to prepare financial statements for each financial year that gives a true and fair view of the state of financial affairs of the Group at the end of the year and of its profit or loss. The responsibilities include ensuring that the Group:

1. keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Group and comply with the requirements of the Companies and Allied Matters Act, 2020;
2. establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and
3. prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates and are consistently applied.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards (IFRS), the requirements of the Companies and Allied Matters Act, 2020 and Financial Reporting Council of Nigeria Act, No. 6, 2011.

The Directors are of the opinion that the financial statements gives a true and fair view of the state of the financial affairs of the Group and of its financial performance and cash flows for the year. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

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 this statement.

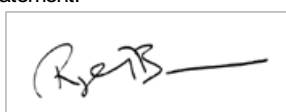
Signed on behalf of the Directors by:



B. Omiyi

Chairman

FRC/2016/IODN/00000014093
28 February 2023



R.T. Brown

Chief Executive Officer

FRC/2014/ PRO/DIR/003/00000017939
28 February 2023

Appendix B: Principal risks and uncertainties

The following principal risks and uncertainties table is extracted from the 2022 Annual Report and Accounts (pages 38 to 43).

The implementation of our strategy can be hindered by various risks and uncertainties. The risks that the Board considers most significant are described here.

Operational risks		
Field operations and project deliverability	Third-party infrastructure downtime	HSSE risks
Description Failure to manage operational activities in line with planned expectations can lead to production misses, project delays and cost overruns, high production costs and earlier	Description An over-reliance on third party operated transportation infrastructure can expose the Company to extended period of production being shut-in.	Description Oil and gas activities carry significant levels of HSSE risks which must be properly managed. As activity levels continue to increase there is a strong focus on preventing

than expected field decommissioning.		major environmental (including the emerging Climate Change - GHG emissions risk), health or safety incidents.
Mitigation Focus on risk management at planning phase and mitigation plans activated. Compulsory 'peer-to-peer' review for high-value projects and better project management techniques. Protracted land acquisition, preparation and rig startup have been contributory factors which have received focused attention and significant process improvements and improved communications with JV partner and approving regulators to mitigate delays. Use of smart/intelligent wells to improve recovery and improved rig performance monitoring and reporting to manage non-productive times.	Mitigation Amukpe to Escravos pipeline (AEP) project was completed and commissioned in the third quarter 2022 to complement the Trans Forcados Pipeline. Continue to explore export via barging as a back-up option in extreme cases. FEED completed and outcome prepared for presentation to JV Partners to pave way for Contracting Strategy concurrence for Engineering, Procurement, Installation and Commissioning (EPIC) of Amukpe LTF Upgrade.	Mitigation Deployment of an HSSE Management System in line with best practices. Monitoring and reporting of HSSE performance scorecards at management and Board levels. Our HSSE systems and process are subjected to independent review and identified improvement initiatives are deployed. Continual focus on HSSE training and initiatives on incidence prevention. Emergency Response plan set for any eventuality and comprehensive Incident Review panels to identify and channel lessons learnt to improvement activities. Focus on the delivery on projects earmarked to reduce and or eliminate gas flaring as spelt out under the Company's "gas flares out roadmap" and new energy transition plan.
KPI/Performance metric Net working interest production Operating costs per boe	KPI/Performance metric Net working interest production Days downtime EBIT	KPI/Performance metric HSE scorecards LTIR TRIR
Strategic pillars 3/4/5	Strategic pillars 3/4/5	Strategic pillars 1/2/3/4/5
Assessment High	Assessment Very high	Assessment High
Trend Decreasing. We continue to redefine our project management approach for improved speed of delivery and efficiency; Acquired the ISO 55001 Asset Management System Certification for Asset Integrity, consolidate performance across the board, maximise production, maintain a strong balance sheet, and strategically position the Company for future growth.	Trend Steady. The Forcados export system recorded significant downtime towards the close of the year - however, the AEP coming onstream in July 2022 provided adequate evacuation support for the business and helped enhance bottom-line liquidity. Risk trend is kept at steady with the AEP availability in the event of an outage of the TFP.	Trend Steady. Though the risk is inherent, we will continue to deploy our HSSE risk management in line with best practices and with strong emphasis on prevention.

Climate-related risks	Infectious diseases outbreak in Seplat (e.g. Covid-19)	Sustaining Exploration and Appraisal (E&A) programme
The Task Force on Climate-related Financial Disclosures (TCFD) divided climate-related risks into two major categories: (1) risks related to the transition to a lower-carbon economy and (2) risks related to the physical impacts of climate change.	Description Risk of an index case manifesting in Seplat offices or field locations. This leads to an unsuccessful initial control of index case (probably resulting in communal spread of the disease in the Seplat community as a result of late detection of secondary contact cases which may have had close contacts with Index case or close contacts from other external primary sources). Risk also covers supply chain disruptions emanating from the pandemic i.e. the extent to which the disease will have an impact on all key projects of the	Description Exploration and appraisal activities carry significant levels of sub-surface risk. Sustained E&A drilling failure will impact the Company's ability to organically replace reserves and production.

	impact on all key projects of the company (Including ANOH) as designed in the work programme (impacting the supply chain and major contractors scheduled to deliver in a few months).	
Mitigation The Company has identified a number of projects to reduce or eliminate gas flaring, as outlined in our Flares Out roadmap; projects include (i) delivery of the LPG projects at Sapele and Oben, (ii) Installation of booster compressors, and (iii) the Sapele integrated gas plant project. Other mitigation include (1.) seek alternative options for cleaner energy, (2.) Participate in all industry discussions and initiatives aimed at the introduction and deployment of Carbon emissions trading schemes in a developing carbon-trading oil and gas economy.	Mitigation The Company's leadership through the COVIMOG (monitoring and response team) continued to sustain the company business and observed all recommended preventive measures advised by both the Presidential Task Force (PTF) and State Governments. Over 90% of employees were fully vaccinated via a concerted Industry (OPTS) support, while PCR test remained mandatory for everyone carrying out activities in the various areas of the Company's operation and Travel Advisory updates were shared with staff. Provision continued to remain in place for targeted tests of personnel in all locations as required. Follow up treatment of positive cases continued to be managed and funded by the company. Also, as facilitated by the Lagos State Government, the Covid-19 booster dose vaccines are now readily available in Government Health Centres, and the Company plans to keep on liaising with appropriate bodies in the industry to facilitate this process. Manage press/publicity and communication to avoid miscommunication/ wrong press.	Mitigation Strict compliance with reservoir management guidelines. Building internal capacity with skilled sub-surface expertise. Drill a minimum of two exploration wells, as well as continuous M&A work to secure available opportunities at the right price.
KPI/Performance metric HSSE scorecards LTIR TRIR	KPI/Performance metric HSE scorecards LTIR TRIR	KPI/Performance metric Reserve replacement
Strategic pillars 1/2/3/4/5/6	Strategic pillars 1/3/4/5	Strategic pillars 4
Assessment Very high	Assessment Medium	Assessment Very high
Trend Steady. The risk trend is being kept at steady following the company's focus and commitment to deliver key projects towards reducing and or eliminating gas flaring as spelt out under the "gas flares our road map. Additionally, the company has developed climate change and sustainability/ESG policies, as well as developed an inaugural TCFD report (Climate risk and Resilience).	Trend Decreasing. The Company remained in a controlled situation to manage the Covid-19 pandemic throughout the year via the oversight coordination of the strategic management vehicle called COVIMOG.	Trend Steady. High grading our exploration portfolio through a thorough prospect screening exercise. In the near term, plan is to commence exploration drilling campaign in the West.

External risks		
Niger Delta stability and security	Stakeholder management relationships	Geopolitical risk
Description	Description	Description

Description Seplat Energy's core operations are located in the Niger Delta region of Nigeria and that comes with significant risks. Historically, the Niger Delta has always been a high-risk environment with security incidents such as kidnappings, vandalism and criminal attacks on O&G installations.	Description Failure to manage stakeholders can result in business disruptions and interference. The Company prioritises the effective management of relationships with all stakeholders including host communities, JV partners, government, regulatory bodies and shareholders.	Description Nigeria has at times in its history faced political uncertainties and threats such as terrorism aimed at destabilising and undermining the orderly and effective rule of central government.
Mitigation The Company, working with other industry players in the region, continue to put pressure on government to find a lasting solution to Niger Delta restiveness and the current security measures put in place by the facility operators, consolidated with government's strategy of dialogue with stakeholders in the region seems to be working.	Mitigation Ensure consistent delivery of CSR Initiatives (as well as full compliance with the terms of the GMOU) across all operational areas. Sustain local content development with priority to community contractors. Tailored CSR programmes, capacity building and infrastructure developments with the host communities. Organisational focus and clear strategy to deliver shareholder value pursued by the Board and management. Corporate governance, transparency and proactiveness in dealings with regulators and JV partners.	Mitigation Scenarios and response options plan set. Crisis management team in place for high alert political periods. Continue to partner/network with security stakeholders and share intelligence regarding security. Business continuity plans actioned in light of current geo-political situation.
KPI/Performance metric LTIR TRIR Security incidents Operating cash flow	KPI/Performance metric Net working interest production LTIR TRIR Host community incidences	KPI/Performance metric Occurrences of civil unrest and terrorism.
Strategic pillars 1/2/3/4/5	Strategic pillars 1/2/3/4/5	Strategic pillars 1/2/3/4/5
Assessment Very high	Assessment High	Assessment High
Trend Steady. Efforts by the Government and industry pressure groups, aimed at enhancing security in the region seems to be paying off as the business recorded zero occurrence in militancy activities, similar to the previous year 2021. We will continue our monitoring and vigilance.	Trend Steady. We continue to enjoy good working relations with our stakeholders.	Trend Steady. During the year 2022, the Company recorded no incidents resultant from geo-political activities such as terrorism and secessionist agitations. As a mitigation strategy, the Company continued to monitor Niger Delta geo-political developments and issued regular reports to management, as well as partnered with security stakeholders in the sharing of intelligence regarding security.

Financial risks		
Oil price volatility	Changes to tax status and legislation	Availability of capital
Description Oil prices have exhibited a history of volatility and can fluctuate sharply in line with external factors.	Description If the tax regime/legislation under which the Company operates its assets were to change, profitability may be impacted.	Description The oil and gas industry is highly capital intensive. Significant amounts of capital are required to continue development activities and fund M&A. Non-funding of cash calls by JV partners impacts activities and liquidity.
Mitigation Hedging continues to be our price risk management tool. We conduct price sensitisation on project economics and enforce cost discipline for capital projects sanctioning. Agreeing focus on cost	Mitigation Perform evaluation of business plan and performance metrics exclusive of tax benefits. Project economics were determined on maximum tax basis to mitigate the impact of the new revised pioneer tax	Mitigation Emphasis on compliance with requirements of the JV operating agreement for effective/strict JV partner concurrence. Board review and approval of financial strategy and debt portfolio management

Aggressive focus on cost reduction.	the now expired pioneer tax status. Impact assessment of potential tax legislature monitored at the Board level.	and debt portfolio management with strong banking relationships.
KPI/Performance metric Realised oil price Operating cash flow	KPI/Performance metric Effective tax rate Tax status	KPI/Performance metric JV receivables Capex New M&A activities
Strategic pillars 3/4	Strategic pillars 3	Strategic pillars 3/4/5/6
Assessment High	Assessment Medium	Assessment Very high
Trend Steady. In the year 2022, we kept focus of our price risk management policy to protect the Company's cash flow stream from downside scenarios. We will also continue to take hedge positions and apply cost reduction strategies.	Trend Decreasing. The company is participating in all ongoing engagement with stakeholders including community leadership for a better understanding of the PIA mechanism.	Trend Decreasing. JV partners continue to remain current in paying cash calls.

Financial risks continued		
Cost control risk	Liquidity	Foreign exchange risk
Description Cost reduction remains central to the Company's current operating strategy. High operating cost and ineffective capital cost control negatively impacts operating cash flows and profitability.	Description Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.	Description The Company is exposed to exchange rate risk to the extent that balances and transactions are denominated in a currency other than the US Dollar.
Mitigation Comprehensive budgeting process approved by the joint venture partner and the Board. Clear cost management targets. Grading of portfolio opportunities and project ranking for capital allocation. Focus on reducing drilling costs at well design phase. Cost monitoring and periodic reporting. Focus on effective contracting strategies for cost reduction.	Mitigation Manage liquidity risk by ensuring that sufficient funds are available to meet commitments as they fall due. 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 Company's debts and covenant compliance. Surplus cash held is transferred to the treasury department which invests in interest-bearing current accounts, time deposits and money market deposits.	Mitigation The Company has options to manage its foreign exchange exposure including financial hedge instruments such as forward exchange contracts.
KPI/Performance metric Operating cost per boe EBIT Capex Well costs	KPI/Performance metric Operating cash flow Capex	KPI/Performance metric Operating cash flow Capex
Strategic pillars 3/4/5	Strategic pillars 3	Strategic pillars 3
Assessment High	Assessment Medium	Assessment Low
Trend Steady. Cost discipline remains key focus of the business.	Trend Steady. The combination of the AEP and the Trans-Forcados Pipeline assisted Seplat's liquidity position significantly in the year. We manage liquidity risk by ensuring that sufficient funds are available to meet commitments as they fall due, using both long-term and short-term cash flow projections to	Trend Decreasing. Historically, the Company holds the majority of its cash and cash equivalent in US dollar. Gas contracts are indexed in US dollar.

	monitor funding requirements for activities.	
--	--	--

Strategic risks		
Portfolio concentration risk	Merger & Acquisition (M&A) risk	Bribery and corruption risk
Description High dependency on a concentrated portfolio of producing blocks and limited number of wells can leave the Company more susceptible to declining long-term growth and reserves depletion.	Description Growth through M&A activities is part of the Seplat's strategy to pursue a focused acquisition and farm-in. M&A deals and transactions come with significant risk including structural, commercial and integration risks. There is also the risk of nonachievement of acquisition targets due to highly competitive landscape.	Description Bribery and corruption presents a risk throughout the global oil and gas industry and represents an ongoing risk to any oil and gas company.
Mitigation Focus on portfolio expansion strategy from the Board level to diversify current portfolio. Integrated long-term planning on crude oil, gas and other renewables business.	Mitigation New business development unit is always looking for the right opportunities for Seplat. Decision review board (DRB) process is in place to ensure deals are properly vetted and adequate due diligence done on new opportunities. The DRB ensures the commercial, structural, KYC and integration risks are fully considered and addressed with mitigation plan approved and in place prior to deal closing.	Mitigation Extensive training on anti-bribery and corruption. Embedding corporate governance principles with key focus on areas of the business which may be more susceptible to corruption such as the contracting and procurement process. Processes exist to guide dealings with public officials.
KPI/Performance metric Successful execution of new acquisition and farm-in opportunities	KPI/Performance metric Successful execution of new acquisition and farm-in opportunities	KPI/Performance metric Whistleblowing reports Number of disciplinary cases
Strategic pillars 3/4/5/6	Strategic pillars 3/4/5/6	Strategic pillars 3
Assessment High	Assessment Very high	Assessment Very high
Trend Decreasing. The company strategic direction is targeted at accessing oil and gas reserves and resources to support growth in Pillar2 (midstream) and Pillar 3 (new energy)	Trend Steady. Excom process in place to vet opportunities and deals. Risk trend steady following ongoing strategy to acquire more strategic assets. M&A landscape remains competitive.	Trend Decreasing. Our geographical location continues to be susceptible to corruption. However, the risk trend is kept at decreasing following lower cases of whistle blowing recorded during the year.

Fraudulent activity risk	Information security risk
Description Fraudulent activity presents a risk throughout the global energy industry and represents an ongoing risk to any energy company.	Description Potential cyber-attacks and information technology security breaches could result in loss or compromise of sensitive proprietary information, communication and IT business continuity disruption across operations.
Mitigation Extensive whistleblowing campaign. Continuous monitoring and improvement of the system of internal controls by all lines of defence with strong internal audit activity. Automation of processes where possible to reduce manual intervention.	Mitigation We monitor and regularly upgrade the Company's information technology and security systems. The Company has a clearly defined employee user policy and control of access rights. Our information security framework and infrastructure have been externally reviewed in line with requirements of ISO 27001. IT business continuity plan is in

	place for quick deployment.
KPI/Performance metric Number of reported cases	KPI/Performance metric Information security identification and containment reports
Strategic pillars 3	Strategic pillars 3
Assessment Very high	Assessment High
Trend Steady. Risk is kept at very high and the Company continues to maintain a zero tolerance policy.	Trend Steady. While cyber security continues to hold international attention, there has not been a material IT breach on our operations. However, the triggering of the work from home policy has resulted in a rising trend of the risk, giving the greater number of employees working externally.

Appendix C: Related Party Transactions

The following Related party relationships and transactions are extracted from the 2022 Annual Report and Accounts (page 216 and 251)

38. Related party relationships and transactions

The Group is controlled by Seplat Energy Plc (the parent Company). The parent Company is owned 6.43% either directly or by entities controlled by A.B.C Orjiako (SPDCL (BVI)) and members of his family. The remaining shares in the parent Company are widely held. The goods and services provided by the related parties are disclosed below.

i. Shareholders of the parent company

Shebah Petroleum Development Company Limited SPDCL (BVI): A.B.C. Orjiako is a director and shareholder of SPDCL (BVI). The company provided consulting services to Seplat. Services provided to the Group during the period amounted to \$916.5 thousand, ₦409.8 million (2021: \$1.1 million, ₦0.45 billion). Payables amounted to nil in the current period.

Amaze Limited: A.B.C. Orjiako is a director and shareholder of Amaze Ltd. The company provided consulting services to Seplat. Services provided to the Group during the period amounted to \$1,457 thousand, ₦651.3 million.

ii. Entities controlled by key management personnel (Contracts < \$1 million in 2022)

Abbeycourt Trading Company Limited: The Chairman of Seplat is a director and shareholder. The Company provides diesel supplies to Seplat in respect of Seplat's rig operations. This amounted to nil during the period (2021: \$222 thousand, ₦88.9 million. Receivables amounted to nil (2021: \$6, ₦2,649).

Stage leasing (Ndosumili Ventures Limited): A subsidiary of Platform Petroleum Limited. The company provides transportation services to Seplat. This amounted to nil (2021: \$278 thousand, ₦111.3 million). Payables amounted to nil (2021: \$3.2 thousand, ₦1.3 million).

iii. Entities controlled by Directors of the Company

Ubosi Eleh and Company (controlled by Director Ernest Ebi): The company provided a leasehold property to Seplat. The amount during the period amounted to \$53.7 thousand, ₦24 million.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact ms@lseg.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

ACSIMBMTMTBTIJ