08 May 2025

AFENTRA PLC

Publication of Annual Report and Notice of AGM

Afentra plc ("Afentra" or the "Company") announces that it has today published its Annual Report and Financial Statements for the year ended 31 December 2024, together with the Notice of the Company's 2025 Annual General Meeting ("AGM").

The Annual Report and Financial Statements and the Notice of AGM are available to view on the Company's website at **www.afentraplc.com**. The audited financial statements included in the Annual Report are also appended to this announcement, reflecting the final results following the conclusion of the audit process.

The Company's AGM will be held electronically via the Lumi platform **https://meetings.lumiconnect.com/100-592-443-031** on **4 June 2025 at 10:00 a.m. (BST)**. Shareholders wishing to participate should refer to the Notice of AGM for full details of how to attend and vote electronically.

The Company is operating an electronic voting system to enable shareholders to vote on the resolutions in advance of the meeting. Votes may be submitted via the MUFG Investor Centre app or at **https://uk.investorcentre.mpms.mufg.com/** or via the CREST Proxy Voting Services. All votes must be received by MUFG Corporate Markets by **10:00 a.m. on 2 June 2025.**

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About Afentra

Afentra plc (AIM: AET) is an upstream oil and gas company focused on opportunities in Africa. The Company's purpose is to support a responsible energy transition in Africa by establishing itself as a credible partner for divesting IOCs and Host Governments. Offshore Angola, Afentra has a 30% non-operated interest in the producing Block 3/05 and a 21.33% non-operated interest in the adjacent development Block 3/05A in the lower Congo basin and a 40% non-operating interest in the exploration Block 23 in the Kwanza basin. Onshore Angola, Afentra has a 45% non-operated interest in the prospective Blocks KON15 and KON19 located in the western part of the onshore Kwanza basin. Afentra also has a 34% carried interest in the Odewayne Block onshore southwestern Somaliland.

Inside Information

This announcement contains inside information for the purposes of article 7 of Regulation 2014/596/EU (which forms part of domestic UK law pursuant to the European Union (Withdrawal) Act 2018) and as subsequently amended by the Financial Services Act 2021 ('UK MAR'). Upon publication of this announcement, this inside information (as defined in UK MAR) is now considered to be in the public domain. For the purposes of UK MAR, the person responsible for arranging for the release of this announcement on behalf of Afentra is Paul McDade, Chief Executive Officer.

Appendix – 2024 Financial Statements

AFENTRA PLC

YEAR ENDED 31 DECEMBER 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		For the years ended 31 December	
		2024	2023
	Note	**$000**	$000
Revenue	3	**180,860**	26,390
Cost of sales	4	**(94,124)**	(12,571)
Gross profit		**86,736**	13,819
Other administrative expenses		**(10,439)**	(6,647)
Pre-licence costs		**(1,828)**	(4,810)
Total administrative expenses		**(12,267)**	(11,457)
Profit from operations	**5**	**74,469**	2,362
Finance income	7	**106**	240
Finance costs	7	**(9,000)**	(3,508)
Profit/(loss) before tax		**65,575**	(906)
Income tax	8	**(13,225)**	(1,799)
Profit/(loss) for the year attributable to the owners of the parent		**52,350**	(2,705)
Items that may be reclassified subsequently to profit or loss			
Foreign exchange differences on translation of foreign operations		**(35)**	(96)
Total other comprehensive loss for the year		**(35)**	(96)
Total comprehensive income/(loss) for the year attributable to the owners of the parent		**52,315**	(2,801)
Basic earnings/(loss) per share (US cents)	9	**23.3**	(1.2)
Diluted earnings/(loss) per share (US cents)	9	**21.1**	(1.2)

AFENTRA PLC

YEAR ENDED 31 DECEMBER 2024

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 31 December	
		2024	2023
			Restated [1]
	Note	**$000**	$000
Non-current assets			
Intangible exploration and evaluation assets	10	**22,479**	21,867
Property, plant and equipment	11	**131,041**	75,131
		153,520	96,998
Current assets			
Inventories	13	**7,464**	16,564
Trade and other receivables	14	**10,618**	7,606
Derivative assets	27	**196**	-
Cash and cash equivalents	15	**46,880**	14,729
Restricted funds	16	**7,930**	4,850
		73,088	43,749
Total assets		**226,608**	140,747
Current liabilities			
Borrowings	19	**11,271**	6,752
Trade and other payables	20	**52,939**	34,396
Derivative liabilities	27	**1,279**	-
Contingent consideration	21	**5,535**	4,621
Lease liability	22	**97**	155
		71,121	45,924
Non-current liabilities			
Borrowings	19	**30,145**	24,951
Contingent consideration provision	21	**24,367**	21,863
Provisions		**-**	37
Deferred tax liability	8	**1,661**	-
Lease liability	22	**685**	-
		56,858	46,851
Total liabilities		**127,979**	92,775
Equity attributable to equity holders of the Company			
Share capital	17	**28,914**	28,143
Currency translation reserve	18	**(333)**	(298)
Share option reserve	18	**842**	965
Retained earnings	18	**69,206**	19,162
		98,629	47,972
Total liabilities and equity		**226,608**	140,747

[1] The comparative information has been restated as a result of a reassessment of Afentra's future liability for decommissioning expenditure and the treatment of joint venture receivable and payable balances. Further information is detailed in Note 29.

The financial statements of Afentra plc, registered number 1757721, were approved by the Board of Directors and authorised for issue on 02 May 2025.

Signed on behalf of the Board of Directors

P. McDade

Paul McDade – Chief Executive Officer

AFENTRA PLC

YEAR ENDED 31 DECEMBER 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		Equity attributable to equity holders of the Company				
		Share capital	**Currency translation reserve**	**Share option reserve**	**Retained earnings**	**Total**
	Note	**$000**	**$000**	**$000**	**$000**	**$000**
At 1 January 2023		**28,143**	**(202)**	**-**	**21,867**	**49,808**
Loss for the year		-	-	-	(2,705)	(2,705)
Currency translation adjustments		-	(96)	-	-	(96)
Total comprehensive loss for the year attributable to the owners of the parent		-	(96)	-	(2,705)	(2,801)
Share-based payment charge for the year		-	-	965	-	965
At 31 December 2023		**28,143**	**(298)**	**965**	**19,162**	**47,972**
Profit for the year		-	-	-	52,350	52,350
Currency translation adjustments		-	(35)	-	-	(35)
Total comprehensive profit/(loss) for the year attributable to the owners of the parent		-	(35)	-	52,350	52,315
Share-based payment charge for the year		-	-	989	-	989
Share options exercised	25	771	-	(1,112)	(2,306)	(2,647)
At 31 December 2024		**28,914**	**(333)**	**842**	**69,206**	**98,629**

AFENTRA PLC

YEAR ENDED 31 DECEMBER 2024

CONSOLIDATED STATEMENT OF CASH FLOWS

		For the years ended 31 December	
		2024	2023
			Restated
	Note	**$000**	$000
Operating activities:			
Profit/(loss) before tax		**65,575**	(906)
Adjusted for:			
Depreciation, depletion and amortisation	11	**12,873**	2,880
Share-based payment expense	25	**989**	965
Tax payments related to share-based payments	25	**(2,702)**	-
Unrealised losses on derivatives		**1,200**	-
Hedge cost		**(117)**	-
Finance income	7	**(106)**	(240)
Finance costs	7	**9,000**	3,508
Operating cash flow prior to working capital movements		**86,712**	6,207
Decrease in inventories		**21,403**	1,666
(Increase)/decrease in trade and other receivables		**(7,459)**	1,843
Decrease in trade and other payables		**(5,304)**	4,401
Increase in provisions		**-**	3
Cash flow generated from operating activities		**95,352**	14,120
Income tax paid		**(9,762)**	(1,799)
Net cash flow generated from operating activities		**85,590**	12,321
Investing activities			
Asset acquisitions	24	**(28,428)**	(48,126)
Interest received	7	**106**	240
Purchase of property, plant and equipment	11	**(19,997)**	(3,316)
Exploration and evaluation costs	10	**(612)**	(43)
Cash inflow from restricted funds		-	5,350
Contingent consideration paid	21	**(4,621)**	-
Net cash used in investing activities		**(53,552)**	(45,895)
Financing activities			
Drawdown on loan	19	**35,748**	45,066
Principal repayments on loan facilities	19	**(27,364)**	(14,367)
Cash outflow from restricted funds		**(3,080)**	--

Interest paid		**(5,051)**	(2,504)
Principal and interest paid on lease liability	22	**(160)**	(245)
Net cash generated from financing activities		**93**	27,950
Net increase/(decrease) in cash and cash equivalents		**32,131**	(5,624)
Cash and cash equivalents at beginning of year		**14,729**	20,384
Effect of foreign exchange rate changes		**20**	(31)
Cash and cash equivalents at end of year	15	**46,880**	14,729

AFENTRA PLC

YEAR ENDED 31 DECEMBER 2024

COMPANY STATEMENT OF FINANCIAL POSITION

	Note	As at 31 December 2024 $000	2023 $000
Non-current assets			
Trade and other receivables	14	**14,109**	35,527
Investments in subsidiaries	12	**20,140**	21,105
		34,249	56,632
Current assets			
Trade and other receivables	14	**4,167**	10,329
Cash and cash equivalents	15	**8,267**	4,413
		12,434	14,742
Total assets		**46,683**	71,374
Current liabilities			
Trade and other payables	20	**27,928**	28,741
		27,928	28,741
Total liabilities		**27,928**	28,741
Equity			
Share capital	17	**28,914**	28,143
Share option reserve		**1,183**	965
Retained earnings		**(11,342)**	13,525
Total equity		**18,755**	42,633
Total liabilities and equity		**46,683**	71,374

The loss for the financial year within the Company accounts of Afentra plc was $24.9 million (2023: $4.4 million). As provided by s408 of the Companies Act 2006, no individual Statement of Comprehensive Income is provided in respect of the Company.

The financial statements of Afentra plc, registered number 1757721, were approved by the Board of Directors and authorised for issue on 02 May 2025.

Signed on behalf of the Board of Directors

P. McDade

Paul McDade – Chief Executive Officer

COMPANY STATEMENT OF CHANGES IN EQUITY

		Share capital	Share option reserve	Retained earnings	Total
		$000	$000	$000	$000
At 1 January 2023		**28,143**	**-**	**17,951**	**46,094**
Loss for the year		-	-	(4,426)	(4,426)
Share-based payment charge for the year		-	965	-	965
At 31 December 2023		**28,143**	**965**	**13,525**	**42,633**
Loss for the year		-	-	(24,867)	(24,867)
Share-based payment charge for the year		-	989	-	989
Share options exercised	25	771	(771)	-	-
At 31 December 2024		**28,914**	**1,183**	**(11,342)**	**18,755**

NOTES TO THE FINANCIAL STATEMENTS

1. Material accounting policies

a) General information

Afentra plc (the 'Company') is a public company, limited by shares, incorporated in England under the UK Companies Act 2006. The address of the registered office is 10 St Bride Street, London, EC4A 4AD. The principal activities of the Company and its subsidiaries (the "Group") and the nature of the group's operations include the exploration, development and production of commercial oil and gas.

These financial statements are presented in US dollars rounded to the nearest thousand, unless stated otherwise. They include the financial statements of Afentra plc and its consolidated subsidiaries. The functional currency of the Company is US dollars.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

b) Basis of accounting and adoption of new and revised standards

The financial statements have been prepared in accordance with UK adopted international accounting standards and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, except as otherwise stated. As ultimate parent of the Group, the Company has taken advantage of Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101), which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of "qualifying entities", that otherwise apply the recognition, measurement and disclosure requirements of UK adopted international accounting standards.

The disclosure exemption adopted by the Company in accordance with FRS 101 are:

- a statement of compliance with IFRS (a statement of compliance with FRS 101 is provided instead);
- related party transactions with two or more wholly owned members of the group; and
- a Statement of Cash Flows and related disclosures

In addition, and in accordance with FRS 101, further disclosure exemptions have been applied because equivalent disclosures are included in the consolidated financial statements of Afentra plc. These financial statements do not include certain disclosures in respect of:

- financial instrument disclosures as required by IFRS 7 Financial Instruments: Disclosures; and
- fair value measurements – details of the valuation techniques and inputs used for fair value measurement of assets and liabilities as per paragraphs 91 to 99 of IFRS 13 Fair Value Measurement.

(i) New and amended standards adopted by the Group:

The following standards and amendments became effective in the year ended 31 December 2024.

Standard	Description	Effective date
IAS 7 / IFRS 7	Amendment – Supplier Finance Arrangements	1 January 2024
IFRS 16	Amendment – Leases (Lease Liability in a Sale and Leaseback)	1 January 2024
IAS 1	Amendment – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants	1 January 2024
IAS 1	Amendment – Liabilities with Covenants	1 January 2024

None of the above standards or amendments have had a material impact on the Group.

(ii) Standards, amendments and interpretations, which are effective for reporting periods beginning after the date of these financial statements which have not been adopted early:

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

Standard	**Description**	**Effective date**
IAS 21	Amendment – Lack of Exchangeability	1 January 2025
IFRS 7 / IFRS 9	Amendment – Classification and Measurement of Financial Instruments	1 January 2026
IFRS 7 / IFRS 9	Amendment – Contracts Referencing Nature-dependent Electricity (previously Power Purchase Agreements)	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027

The Group is currently assessing the effect of these new accounting standards and amendments. IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures. The Group does not expect to be eligible to apply IFRS 19.

c) Going concern

The Group's business activities, together with the factors likely to affect its future development, performance, and position are set out in the Operations Review on pages 24 – 39. The financial position of the Group and Company, its cash flows and liquidity position are described in the Financial Review on pages 60 – 63. In addition, Note 23 to the financial statements includes the Group's objectives, policies and processes for managing its capital financial risk, details of its financial instruments and its exposures to credit risk and liquidity risk.

The Group has sufficient cash resources for its working capital needs and its committed capital expenditure programme at least for the next 12 months from the signing of the annual report. Consequently, the Directors believe that both the Group and Company are well placed to manage their business risks successfully.

The Group has sufficient cash resources based on existing cash on balance sheet, proceeds from future oil sales and access to the revolving working capital facility to meet its liabilities as they fall due for a period of at least 12 months from the date of signing these financial statements, based on forecasts covering the period through to 30 April 2026.

The Board has looked at a combination of downside scenarios, including a production shortfall alongside higher costs and lower than anticipated oil prices. The impact of the downside scenarios can be mitigated by a combination of existing hedges and rephasing of certain projects included in the preliminary capital expenditure programme by the Joint Venture. The Board also notes the implementation of the hedging policy and is confident in the utilisation of commodity-based derivatives to manage oil price downside risk. The existing financial covenants, the tests of which for current borrowings, have been passed for the Historic Ratio (Net debt/EBITDA) and the Gross liquidity test, and are not forecast to be breached within the going concern period. Thus, the Board believes it is appropriate to continue to adopt the going concern basis of accounting in preparation of the financial statements.

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

d) Basis of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is recognised where an investor is exposed, or has rights, to variable returns from its investment with the investee and has the ability to affect these returns through its power over the investee.

The results of subsidiaries acquired or disposed of during the year are included in the Statement of Comprehensive Income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group.

(ii) Transactions eliminated on consolidation

Intra-group balances and any unrealised gains and losses, or income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

e) Joint arrangements

The Group is a party to a joint arrangement regardless of whether the Group has joint control of the arrangement. Where the contractual arrangement confers joint control over the relevant activities to the Group and at least one other party, then the Group classifies its interest in the joint arrangement as joint operations or joint ventures in accordance with IFRS11. Joint control is assessed under the same principles as control over subsidiaries. If there is no joint control, then the Group classifies its interest in the joint arrangement as a party to a joint arrangement. In assessing the classification of interests in joint arrangements, the Group considers:

- the structure of the joint arrangement;
- the contractual terms of the joint arrangement; and
- any other facts and circumstances.

The Group accounts for its interests in joint arrangements by recognising its share of assets, liabilities, revenues, and expenses in accordance with its contractually conferred rights and obligations.
The Group's material arrangements comprise non-operated interests in Block 3/05 (30%) and Block 3/05A (21.33%) located offshore Angola in the Lower Congo Basin.

f) Revenue

Revenue is derived from the sales of oil from the interests held in Angola. Revenue from the sale of crude oil is recognised when performance conditions in the sales contract are satisfied and it is probable that the Group will collect consideration to which it is entitled. For crude oil, the performance condition is the delivery of the oil through lifting or on delivery of the oil into an infrastructure. Revenue is measured at the fair value of the consideration to which the company expects to be entitled in exchange for transferring promised goods and/or services to a customer, excluding amounts collected on behalf of third parties.

Under/overlift

Any production imbalance that may arise as a result of lifted volumes being different to produced volumes has been recognised as an adjustment to cost of sales, with the balance being recognised within inventory/trade and other receivables when we have lifted less than our share of production (underlifted) and trade and other payables when we have lifted more than our share of production (overlifted). Underlifted barrels are valued at cost and overlifted barrels at market value.

g) Oil and gas interests

Commercial reserves

Commercial reserves, at the 2P level, are proven and probable oil and gas reserves, which are defined as the estimated quantities of crude oil, natural gas and natural gas liquids which geological, geophysical and engineering data demonstrate with a specified degree of certainty to be recoverable in future years from known reservoirs and which are considered commercially producible. This implies a 50% probability that the quantity of recoverable reserves will be more than the amount estimated as proven and probable reserves and a 50% probability that it will be less.

Capitalisation

Pre-acquisition costs on oil and gas assets are recognised in the profit or loss when incurred. Costs incurred after rights to explore have been obtained, such as geological and geophysical surveys, drilling and commercial appraisal costs, and other directly attributable costs of exploration and appraisal, including technical and administrative costs, are capitalised as intangible exploration and evaluation (E&E) assets. The assessment of what constitutes an individual E&E asset is based on technical criteria but essentially either a single licence area or contiguous licence areas with consistent geological features are designated as individual E&E assets. Costs relating to the exploration and evaluation of oil and gas interests are carried forward until the existence, or otherwise, of commercial reserves have been determined.

E&E costs are not amortised prior to the conclusion of appraisal activities. Once active exploration is completed the asset is assessed for impairment. If commercial reserves are discovered then the carrying value of the E&E asset is reclassified as a development and production (D&P) asset, following development sanction, but only after the carrying value is assessed for impairment and, where appropriate, its carrying value adjusted. The E&E asset is written off to the profit or loss if it is subsequently assessed that commercial reserves have not been discovered.

Costs associated with D&P assets, including the costs of facilities, wells and subsea equipment, are capitalised within Property, Plant & Equipment.

Impairment

In accordance with IFRS 6, E&E assets are reviewed for impairment when circumstances arise which indicate that the carrying value of an E&E asset exceeds the recoverable amount. The recoverable amount of the individual asset is determined as the higher of its fair value less costs to sell and its value in use. Impairment losses resulting from an impairment review are recognized within the Statement of Comprehensive Income.

Impaired assets are reviewed annually to determine whether any substantial change to their fair value amounts previously impaired would require reversal.

An impairment loss is reversed if the recoverable amount increases as a result of a change in the estimates used to determine the recoverable amount, but not to an amount higher than the carrying amount that would have been determined (net of depletion or amortisation) had no impairment loss been recognised in prior periods. Impairment charges and reversal of impairments are recorded within total administration expenses in the Statement of Comprehensive Income.

Depreciation, depletion, and amortisation *of D&P assets*

All expenditure carried within each field is amortised from the commencement of production on a unit of production basis, which is the ratio of oil and gas production in the period to the estimated quantities of commercial reserves at the end of the period plus the production in the period, generally on a field-by-field basis or by a group of fields which are reliant on common infrastructure. Costs used in the unit of production calculation comprise the net book value of capitalised costs plus the estimated future field development costs required to recover the commercial reserves remaining. Changes in the estimates of commercial reserves or future field development costs are dealt with prospectively.

Decommissioning and pre-funded amounts

Provisions for decommissioning are recognised when the Group has a present legal or constructive obligation, which generally arises when a well is drilled or equipment installed. The provision for future decommissioning is calculated, based on future cash flows discounted at a pre-tax discount rate to reflect risks specific to the costs. An amount equivalent to the initial provision for decommissioning costs is capitalised and amortised over the life of the underlying asset.

Changes in the estimated timing of decommissioning or decommissioning cost estimates are dealt with prospectively by recording an adjustment to the provision, and a corresponding adjustment to property, plant and equipment. The unwinding of the discount on the decommissioning provision is included as a finance cost.

The Group's interest in the amounts previously pre-funded for decommissioning obligations are recognised in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets and IFRIC 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds. Where the Group is not liable to pay decommissioning costs if the funds previously deposited are not made available, the amounts previously pre-funded are not recognised separately, but are included in the cost estimate of the residual provision for decommissioning.

h) Property, plant and equipment assets other than oil and gas assets

Property, plant and equipment other than oil and gas assets are stated at cost less accumulated depreciation and any provision for impairment. Depreciation is provided at rates estimated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

Office lease: straight-line over the lease term

Computer and office equipment: 33% straight-line

i) Foreign currencies

The US dollar is the functional and reporting currency of the Company and the reporting currency of the Group. Transactions denominated in other currencies are translated into US dollars at the rate of exchange at the date of the transaction. Assets and liabilities in other currencies are translated into US dollars at the rate of exchange at the reporting date. All exchange differences arising from such translations are recorded in the Statement of Comprehensive Income.

The results of entities with a functional currency other than the US dollar are translated at the average rates of exchange during the period and their statement of financial position at the rates ruling at the reporting date. Exchange differences arising on translation of the opening net assets and on translation of the results of such entities are recorded through the currency translation reserve.

j) Taxation

Current tax - Angola

The activities relating to the Angolan branch are subject to tax in Angola. Angolan tax is calculated on the basis of revenue rather than the profits of the branch. Petroleum income tax is calculated on the basis of profit oil which is valued by the tax reference prices determined by the Ministry of Finance on a quarterly basis. From 1 January 2024 the group has applied the foreign branch election that ringfences the profits in Angola to only be subject to Angolan tax.

Current tax – United Kingdom

Tax is payable based upon taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Any Group liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

k) Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses. Investments in subsidiaries are assessed for impairment in line with the requirements of IAS36 and, where evidence of non-recoverability is identified, an appropriate impairment loss is recorded.

l) Leases

In accordance with IFRS16, the Group recognises a right-of-use asset and a lease liability on the balance sheet at the lease commencement date. The Group assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Group measures the lease liability at the present value of the future unpaid lease payments at that date, discounted using the interest rate implicit in the lease if that rate is readily available, or the Group's incremental borrowing rate.

m) Financial instruments

Trade receivables

Trade receivables are recognised and carried at the original invoice amount less any provision for expected credit loss (ECL). Other receivables are recognised and measured at nominal value less any provision for ECL.

The Group applies the expected credit loss model in respect of trade receivables. The Group tracks changes in credit risk and recognises a loss allowance based on lifetime ECLs at each reporting date.

Amounts due from subsidiaries

Amounts due from subsidiaries are recognised and measured at nominal value less any provision for ECL.

The Company applies the expected credit loss model in respect of amounts due from subsidiaries. The Company tracks changes in credit risk and recognises a loss allowance based on lifetime ECLs at each reporting date.

Cash and cash equivalents

Cash and cash equivalents consist of cash, bank deposits, and highly liquid financial instruments with maturities of three months or less.

Restricted cash

Restricted cash consists of bank deposits which are subject to restrictions due to legislation, regulation or contractual arrangements. Please see Note 16 for detailed disclosure.

Trade payables

Trade payables are stated at amortised cost.

Borrowings and loans

Interest bearing bank loans and overdrafts are recorded at the proceeds received. Finance charges relating to securing the loans and overdrafts are capitalised as part of the loan and amortised over the repayment term period of the loan.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the asset of the Group after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received net of direct issue costs.

Derivative financial instruments and hedging activities

Derivative financial instruments are measured at fair value and are not designated as hedging instruments. Changes in fair value are recorded as a gain or loss as within the Statement of Comprehensive Income.

n) Pension costs

The Group operates a number of defined contribution pension schemes. The amount charged to the Statement of Comprehensive Income for these schemes is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Statement of Financial Position.

o) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM has been identified as the Board of Directors. The Group currently operates only in Africa and is supported by the United Kingdom head office which is not deemed to be an operating segment as it does not generate any revenue outside of the operations in Africa. As the Group only has one operating segment no further breakdown has been provided.

p) Inventories

Oil Inventories are stated at the lower of cost or net realisable value. The cost comprises direct materials, direct labour, overheads, and other charges incurred in the production and storage of oil. Other inventories are stated at the lower of cost and net realisable value. The cost of materials is the purchase cost determined on a first-in first-out basis.

q) Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payment transactions which are equity settled. The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which they are granted. The fair value is determined by an external valuer using an appropriate pricing model.

The estimated cost of equity-settled transactions is recognised in the profit and loss account as an expense, together with a corresponding increase in equity. This expense and adjustment to equity is recognised over the period in which the performance and/or service conditions are measured (the “vesting period”), ending on the date on which the relevant participants become fully entitled to the award (the "vesting date").

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 Company's best estimate of the number of equity instruments that will ultimately vest. The Income Statement charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

The key areas of estimation regarding share-based payments are share price volatility and estimated lapse rates, due to service conditions and non-performance conditions not being met.

No adjustments are made in respect of market conditions not being met. Similarly, the number of instruments and the grant-date fair value are not adjusted, even if the outcome of the market condition differs from the initial estimate.

Where the terms of an equity-settled award are modified, the minimum expense recognised is the expense as if the terms had not been modified. An additional expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Although all awards are deemed to be equity settled, the Company may decide to settle the awards in cash, without raising new share capital. If no new share capital is issued to the market then the settlement of the award becomes a true cash cost to the Company. The likelihood and magnitude of this liability remain unknown until vest date, with the Company making the final decision regarding settlement until near the vest date, and as such no liability for this possible cash outflow is recognised in the accounts. Where tax payments associated with share-based payments are required to be paid in cash, the arrangement continues to be accounted for as equity settled.

2. Critical accounting judgements and estimates

In the application of the Group's accounting policies, which are described in Note 1, the Directors are required to make judgements, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Judgements

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

Business combinations and asset acquisitions

The Group has acquired working interests in producing oil blocks and judgement is required to determine whether the acquisition should be accounted for as an asset acquisition or a business combination. The Group assessed joint control, as determined under IFRS11, does not exist among the contractor partners to the arrangement because there are several combinations of partners who can combine to meet the passmark vote for strategic and financial decisions.

No specific accounting guidance exists for an acquisition of a working interest in a producing oil block where joint control does not exist and management have determined the acquisition will be accounted for as an asset acquisition under IFRS3 which requires an allocation of the consideration across the identified assets and liabilities based on their relative fair values.

See Note 24 for further information on the acquisitions of oil and gas assets in the year.

Impairment of E&E assets

Management is required to assess oil and gas assets for indicators of impairment and has considered the economic value of individual E&E assets. E&E assets are subject to a separate review for indicators of impairment, by reference to the impairment indicators set out in IFRS6, which is inherently judgmental.

After reviewing the feasibility of the asset detailed in the Operations Review on pages 24 – 39 and considering the key factors including: the extension to the current period and further exploration work streams planned in 2025, management did not note any impairment indicators that would result in a full impairment review to be undertaken.

The Directors judgement was that a full impairment review wasn't required and thus no impairments were recognised during the year by the Group.

Refer to Note 10 for further information on E&E assets.

Pre-funded decommissioning liabilities

Where decommissioning liabilities have been pre-funded by the contractor group, a judgement was made that the contractor group would be discharged of its obligation to decommission the field should the pre-funding not be made available when due. As required IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and IFRIC 5 *Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds* where the Group is not liable to pay decommissioning costs if the funds previously deposited are not made available, the amounts previously pre-funded are not recognised separately, but are included in the cost estimate of the residual provision for decommissioning. For further information refer to Note 29.

Estimates and assumptions

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

Contingent consideration

Contingent consideration in relation to the asset acquisitions of Blocks 3/05 and 3/05A in Angola is accounted for as a financial liability at fair value at the date of the acquisition with any subsequent remeasurements recognised in profit or loss. These fair values are based on risk adjusted future cash flows discounted using the appropriate discount rates. Management utilise a scenario based approach to estimate the likely contingent payments under each scenario and then apply a probability to each scenario.

The sensitivity of the elements of contingent consideration to changes in the probabilities of the scenarios and to the discount rates is disclosed in Note 21.

Key estimates relating to the Company Statement of Financial Position

Expected credit loss provision

IFRS9 requires the Company to make assumptions when implementing the forward-looking expected credit loss (ECL) model. This model is required to assess intercompany loan receivables held by Afentra plc.

Arriving at the ECL allowance involved considering different scenarios for the recovery of the intercompany loan receivables, the possible credit losses that could arise, and the probabilities of these scenarios occurring. The following was considered: the exploration project risk, country risk, expected future oil prices, the value of the potential reserves, the ability to sell the project, and the ability to find a new farm-out partner. The Company's intercompany receivable balance is $18.0 million after an ECL allowance of $29.1 million. During the year the Company impaired its intercompany loan receivable from Afentra (UK) Limited by $20.0 million. This impairment is eliminated on consolidation and does not impact the Group results.

Refer to Note 14 for further information.

Investment in subsidiaries

If circumstances indicate that impairment may exist, investments in subsidiary undertakings of the Company are evaluated using market values, where available, or the discounted expected future cash flows of the investment. If these cash flows are lower than the Company's carrying value of the investment, an impairment charge is recorded in the Company. Where impairments have been booked against the underlying exploration assets, the investments in subsidiaries are written down to reflect their recoverable value. Evaluation of impairments on such investments involves significant management judgement and may differ from actual results.

As at 31 December 2024, Company investments in subsidiaries totalled $20.1 million. During the year the Company impaired its $2.0 million investment in Afentra (UK) Limited. This impairment is eliminated on consolidation and does not impact the Group results.

Refer to Note 12 for further information on investments in subsidiaries.

3. Revenue

Revenue is earned from the sale of crude oil produced in Angola, Africa. Revenue by major customer during 2024 was 67% Maurel & Prom and 33% Trafigura (2023: 100% and nil respectively).

4. Cost of sales

	2024 **$000**	2023 $000
Production costs	**79,880**	11,726
Depletion of property, plant and equipment - oil and gas	**12,571**	2,600
Depletion absorbed into inventories	**(241)**	(1,755)
Losses on oil price derivatives	**1,914**	-
Total cost of sales	**94,124**	12,571

All cost of sales relate to operations in Angola, Africa.

5. Profit from operations

Profit from operations is stated after charging:	**Note**	**2024** **$000**	2023 $000
Cost of sales	4	**94,124**	12,571
Staff costs	6	**7,571**	6,536
Reverse takeover related costs		**-**	1,580
Depreciation of property, plant and equipment	11	**302**	280
Impact of foreign exchange on profit		**(63)**	40
An analysis of auditor's remuneration is as follows:			
Fees payable for the audit of the Group's annual accounts		**294**	131
Audit of the Company's subsidiaries pursuant to legislation		**41**	5
Total audit fees		**335**	136

Included in the fees payable for the audit of the Group's annual accounts is $95,000 related to 2023. No non-audit services were received.

6. Employee information

The average number of employees (including Executive and Non-Executive directors) of the Group and Company was as follows:

	Group		Company	
	2024	2023	**2024**	2023
Corporate	**15**	10	**-**	-
Non-Executive	**3**	3	**3**	3
	18	13	**3**	3

Group and Company employee costs during the year amounted to:

	Group		Company	
	2024	2023	**2024**	2023
	$000	$000	**$000**	$000
Wages and salaries	**4,766**	4,669	**272**	212
Social security costs	**1,483**	622	**13**	15
Other pension costs	**333**	280	**-**	-
Share-based payments	**989**	965	**-**	-
	7,571	6,536	**285**	227

Key management personnel include Executive and Non-Executive Directors who have been paid $2.6 million (2023: $2.8 million). See Remuneration Committee Report on pages 77–87 and Note 26 for additional detail. The highest paid Director in the current year received $893k (2023: $782k).

A portion of the Group's staff costs and associated overheads are expensed as pre-licence expenditure ($0.6 million) or capitalised ($46k). In 2024 this amounted to $0.6 million (2023: $4.8 million).

7. Finance income and costs

	2024	2023
	$000	$000
Finance income:		
Interest earned on short-term deposits	**106**	240
Total finance income	**106**	240

	2024	2023
	$000	$000
Finance costs:		
Interest on borrowings	**5,684**	1,764
Interest accretion on contingent consideration	**2,305**	-
Finance and arrangement fees	**748**	392
Interest expense for leasing arrangement	**18**	18
Bank charges	**11**	14
Fair value adjustment on contingent consideration	**297**	-
Other finance fees	**(63)**	1,320
Total finance costs	**9,000**	3,508

All finance income and finance costs are measured at amortised cost, apart from the fair value adjustment on contingent consideration which is measured at fair value through profit and loss. No finance income or finance costs are measure at fair value through other comprehensive income.

8. Taxation

The tax charge for the year is calculated by applying the applicable standard rate of tax as follows:

	2024 $000	2023 $000
Current tax		
UK corporation tax at 25% (2023: 23.52%)	**-**	1,799
Double tax relief	**-**	(1,799)
Foreign tax	**11,564**	1,799
Total current tax expense	**11,564**	1,799
Deferred income tax		
Increase in deferred tax liability	**1,661**	-
Deferred tax expense	**1,661**	-
Income tax	**13,225**	1,799
Profit/(loss) before tax	**65,575**	(906)
Tax on loss on ordinary activities at standard UK corporation tax rate of 25% (2023: 23.52%)	**16,394**	(213)
Effects of:		
Expenses not deductible for tax purposes	**1,280**	444
Accelerated capital allowances	**1,661**	-
Deferred tax movement on provisions not provided	**-**	(79)
Tax losses carried forward	**4,335**	1,641
Other tax rates applicable outside the UK	**(10,383)**	-
Other tax adjustments	**(62)**	6
Tax charge for the year	**13,225**	1,799

Current tax

An election under s18A CTA 2009 has been made by the Group to exempt profits and disallow losses of its foreign permanent establishment in Angola. This election is effective for the year commencing 1 January 2024 and all subsequent accounting periods.

A significant proportion of the Group's profit before taxation arose in Angola where the effective rate of taxation differs from that in the UK. In Angola, current income tax is determined by applying a tax rate of 50% to the Profit Oil lifted during the period. Accordingly, the Group's tax charge will continue to vary according to the tax rates applicable to operations in Angola where pre-tax profits arise.

Deferred tax

At the reporting date the Group had an unrecognised deferred tax asset of $35.2 million (2023: $34.0 million) relating primarily to unused tax losses and unutilised capital allowances in the United Kingdom with no expiry date. No deferred tax asset has been recognised due to the uncertainty of future profit streams against which these losses could be utilized.

Profits generated in Angola are subject to Angolan tax which is calculated on a profit oil basis. A temporary difference arises due to accelerated capital allowances being in excess of the unit of production depreciation applied by the Group and consequently a deferred tax liability of $1.7 million has been recognized during the year (2023:Nil).

9. Earnings/(loss) per share

Earnings per share (EPS) and loss per share (LPS) is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of shares outstanding during the period. Diluted EPS/(LPS) is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares. Share options and awards are not included in the dilutive calculation for loss making periods because they are anti-dilutive.

The dilutive effect of share awards outstanding is the total possible award number and does not take into account vesting conditions potentially not met, or the Group's expectation that these awards will be settled net of tax, that will reduce the impact of the dilutive effect of the awards.

	2024	2023
	$000	$000
Profit/(loss) for the year	**52,350**	(2,705)
Weighted average number of ordinary shares in issue during the year	**224,922,157**	220,053,520
EPS/(LPS) (US cents)	**23.3**	(1.2)
Total possible dilutive effect of share awards outstanding	**23,488,622**	-
Fully diluted average number of ordinary shares during the year	**248,410,779**	220,053,520
Diluted EPS/(LPS) (US cents)	**21.1**	(1.2)

10. Exploration and evaluation assets

	Group
	$000
Net book value at 1 January 2023	21,324
Additions during the year	500
Acquisitions during the year	43
Net book value at 31 December 2023	21,867
Additions during the year	612
Net book value at 31 December 2024	**22,479**

The Group's intangible assets as at 31 December 2024 comprise:

- Block 23 PSA, Angola: Afentra Angola Ltd 40% and Sonangol (Operator) 60%.
- Block KON 19, Angola: Afentra Angola Ltd (Operator) 45%, ACREP 45%, and Enagol 10%.
- Odewayne PSA, Somaliland: Afentra (East Africa) Limited 34% (fully carried), Genel Energy Somaliland Limited (Operator) 50%, and Petrosoma 16%.

11. Property, plant and equipment

Group	Oil and gas assets $000	Office Lease $000	Computer and office equipment $000	Total $000
Cost				
At 1 January 2023	-	1,143	349	1,492
Modification during the year	-	22	9	31
Acquisitions during the year	71,356			71,356
Additions during the year	6,066	-	18	6,084
Disposals during the year	-	-	(5)	(5)
At 31 December 2023	77,422	1,165	371	78,958
Acquisitions during the year	38,288	-	-	38,288
Additions during the year	29,645	769	81	30,495
At 31 December 2024	**145,355**	**1,934**	**452**	**147,741**
Accumulated depreciation and impairment				
At 1 January 2023	-	(785)	(167)	(952)
Charge for the year	(2,600)	(190)	(90)	(2,880)
Disposals during the year	-	-	5	5
At 31 December 2023	(2,600)	(975)	(252)	(3,827)
Charge for the year	(12,571)	(217)	(85)	(12,873)
At 31 December 2024	**(15,171)**	**(1,192)**	**(337)**	**(16,700)**
Net book value at 31 December 2024	**130,184**	**742**	**115**	**131,041**
Net book value at 31 December 2023	74,822	190	119	75,131

The Group's oil and gas assets as at 31 December 2024 comprise:

- Block 3/05 PSA, Angola: Afentra Angola Ltd 30%, Sonangol (Operator) 36%, M&P 20%, Etu Energias 10%, and NIS-Naftagas 4%.

- Block 3/05A PSA, Angola: Afentra Angola Ltd 21.33%, Sonangol (Operator) 33.33%, M&P 26.68%, Etu Energias 13.33%, and NIS-Naftagas 5.33%.

See Note 24 for further information on the acquisitions to oil and gas assets in the year.

The right-of-use asset (office lease) is depreciated on a straight-line basis over the lease contract term. During 2024 the lease on our old office expired and a new lease was entered into. The current lease term is for five years, ending in 2029. See Note 1 and Note 22 for further details.

12. Investment in subsidiaries

	Company $000
At 1 January 2023	**20,140**
Additions during the year	965
At 1 December 2023	**21,105**
Additions during the year	989
Impairment	(1,954)
At 31 December 2024	**20,140**

See Note 2 for further detail on the impairment assessment methodology. The subsidiary undertakings of the Group as at 31 December 2024 are listed below:

	Country of incorporation	Class of shares held	Type of ownership	Proportion of voting rights held 2024	Proportion of voting rights held 2023	Nature of business
Afentra (UK) Limited	United Kingdom (4)	Ordinary	Direct	100%	100%	Exploration for oil and gas
Afentra (Angola) Ltd (1)	United Kingdom (4)	Ordinary	Direct	100%	100%	Extraction of crude petroleum
Afentra (Northwest Africa) Limited	Jersey, CI (5)	Ordinary	Direct	100%	100%	Exploration for oil and gas
Afentra Holdings Limited (2)	Jersey, CI (5)	Ordinary	Indirect	100%	100%	Investment holding company
Afentra (East Africa) Limited (3)	Jersey, CI (5)	Ordinary	Indirect	100%	100%	Exploration for oil and gas
Afentra (Offshore Developments) Ltd	United Kingdom (4)	Ordinary	Direct	100%	nil	Extraction of crude petroleum
Afentra (Onshore Developments) Ltd (6)	United Kingdom (4)	Ordinary	Direct	100%	100%	Extraction of crude petroleum

(1) Holder of Afentra (Angola), Lda - (Sucursal em Angola) a local branch in Angola

(2) Held directly by Afentra (Northwest Africa) Limited

(3) Held directly by Afentra Holdings Limited

(4) Registered address – 10 St Bride Street, London, EC4A 4AD

(5) Registered address – IFC5, St Helier, Jersey, JE1 1ST

(6) Formerly Afentra Overseas Limited

13. Inventories

	2024	2023
	$000	$000
Group		Restated
Oil stock	**1,415**	12,781
Warehouse stock and materials	**6,049**	3,783
	7,464	16,564

Oil stock inventory is stated at the lower of cost and net realisable value. There were no write-downs of inventory during the year (2023: nil).

14. Trade and other receivables

Current	Group		Company	
	2024	2023 Restated	**2024**	2023
	$000	$000	**$000**	$000
Trade receivables	**123**	90	-	-
Amounts due from subsidiary undertakings	**-**	-	**3,916**	10,063
Joint venture receivables [1]	**8,286**	7,089	**-**	-
Other receivables	**218**	218	**200**	212
Prepayments and accrued income	**1,991**	209	**51**	54
Total current trade and other receivables	**10,618**	7,606	**4,167**	10,329

[1] Comprised of our share of amounts receivable by the Operator (on behalf of the contractor group) for transportation and processing of crude, tariffs, and other receivables.

Non-current	Company	
	2024	2023
	$000	$000
Amounts due from subsidiary undertakings	**14,109**	35,527
Total non-current trade and other receivables	**14,109**	35,527

Trade and other receivables consist of current receivables that the Group views as recoverable in the short term.

Credit loss allowances for amounts due from subsidiary undertakings amount to $29.1 million (2023: $9.1 million). Material adverse changes in the underlying value of the Odewayne E&E asset could result in future credit losses on our intercompany receivables in the future. Restructuring of the Company's intercompany positions could result in the reversal of historical intercompany credit losses. There is no impact to the Group Consolidated Statement of Profit or Loss and Other Comprehensive Income or the Consolidated Statement of Financial Position from credit losses on intercompany receivables, or the subsequent reversal thereof.

The Directors consider that the carrying amount of trade and other receivables is a reliable estimate of their fair value.

Transactions between subsidiaries are non-interest earning and are repayable on demand, with the exception of the intercompany balance between Afentra plc and Afentra (Angola) Limited, which is interest earning.

See Note 1 for details (Financial instruments - Trade receivables).

15. Cash and cash equivalents

	Group		Company	
	2024	2023	**2024**	2023
	$000	$000	**$000**	$000
Cash at bank available on demand	**46,877**	14,725	**8,267**	4,413
Cash on hand	**3**	4	**-**	-
	46,880	14,729	**8,267**	4,413

16. Restricted funds

The restricted funds as at 31 December 2024 is a $7.9 million cash deposit held in the Debt Service Reserve Account (DSRA) as required by the Reserve Based Lending agreement. The amount held represents the next tranche of debt principal and associated interest payments due. As at 31 December 2023, there was $4.9 million held in a Citibank escrow account in respect of the Azule acquisition.

17. Share capital

	Ordinary shares (10p)	**$000**
Authorised, called up, allotted and fully paid		
At 1 January 2024	220,053,520	28,143
Issued on Share Options Exercised	6,102,470	771
At 31 December 2024	**226,155,990**	**28,914**

18. Reserves

Reserves within equity are as follows:

Share capital

Amounts subscribed for share capital at nominal value. There are no restrictions on dividends or repayment of capital.

Share option reserve

Cumulative amounts charged in respect of employee share option arrangements. See Note 25 for further details.

Currency translation reserve

The foreign currency translation reserve is comprised of movements that relate to the retranslation of the subsidiaries whose functional currencies are not designated in US dollars.

Retained earnings

Cumulative net gains and losses recognised in the Statement of Comprehensive Income less any amounts reflected directly in other reserves.

19. Borrowings

The Group drew down on both the Reserve-based lending (RBL) and Working Capital facilities in order to finance the INA, Sonangol, and Azule acquisitions in 2023 and 2024. As at 31 December 2024, the Group has drawn down $42.0 million on the RBL and repaid all amounts drawn down under the Working Capital facility. The key terms of our debt facilities are shown below:

RBL facility

- $51.8 million comprised of three separate drawdowns
- 5-year tenor to May 2028
- 8% margin over 3-month SOFR (Secured Overnight Financing Rate)
- Semi- annual linear amortisations

- DSRA commitment
- Key financial covenants of Afentra (Angola) Limited's Net Debt to EBITDA < 3:1 and Group Liquidity Test >1.2x

Working Capital revolving committed credit facility

- $30.0 million maximum based on prior month oil inventories on hand (100% undrawn as at 31 December 2024)
- 5-year tenor to May 2028
- 4.75% margin over 1-month SOFR
- Repayable with proceeds from liftings

	2024	2023
	$000	$000
Current		
Reserve Based Lending facility	**11,271**	6,752
Working Capital facility	**-**	-
Total current borrowings	**11,271**	6,752

	2024	2023
	$000	$000
Non-current		
Reserve Based Lending Facility	**30,145**	24,951
Total non -current borrowings	**30,145**	24,951

	2024	2023
	$000	$000
Borrowings		
At 1 January 2024	**31,703**	-
Loan drawdowns	**35,748**	48,003
Interest charge	**4,942**	1,152
Repayments	**(32,306)**	(15,519)
Movement in unamortised debt arrangement cost	**587**	(2,545)
Interest accrued	**742**	612
At 31 December 2024	**41,416**	31,703

A charge is placed on Afentra (Angola) Ltd shares to Mauritius Commercial Bank Limited as required by the terms of the debt facilities.

Net cash/(debt)

The table below details our net cash/(debt) as at 31 December 2024 and 2023:

	2024	2023
	$000	$000
Cash and cash equivalents	**46,880**	14,729
Restricted Funds	**7,930**	4,850
Borrowings	**(41,416)**	(31,703)
Lease liability	**(782)**	(155)
Net cash/(debt)	**12,612**	(12,279)

Changes in Net cash/(debt) for the periods presented in this report were as follows:

	Liabilities			Assets	
	Borrowings	Leases	Sub total	Cash/-restricted funds	Total
Net cash as at 1 January 2023	**-**	**(337)**	**(337)**	**30,584**	**30,247**
Financing cashflows	(45,066)	-	(45,066)	-	(45,066)
Lease payments	-	164	164	-	164
Loan repayments	14,367	-	14,367	-	14,367
Other changes [1]	-	-	-	(11,005)	(11,005)
Interest expense	(2,156)	-	(2,156)	-	(2,156)
Interest payments	1,152	18	1,170	-	1,170
Net debt as at 31 December 2023	**(31,703)**	**(155)**	**(31,858)**	**19,579**	**(12,279)**
Financing cashflows	(35,748)	-	(35,748)	-	(35,748)
Lease payments	-	160	160	-	160
Loan repayments	27,364	-	27,364	-	27,364
Other changes [1]	(587)	(769)	(1,356)	35,231	33,875
Interest expense	(5,684)	(18)	(5,702)	-	(5,702)
Interest payments	4,942	-	4,942	-	4,942
Net cash as at 31 December 2024	**(41,416)**	**(782)**	**(42,198)**	**54,810**	**12,612**

[1] Other charges comprise:

- Borrowings: amortisation of prepaid finance fees

- Leases: accretion

- Cash: net funds received / spent

20. Trade and other payables

	Group		Company	
	2024	2023 Restated	**2024**	2023
	$000	$000	**$000**	$000
Trade payables	**1,046**	929	**117**	909
Joint venture balances [1]	**47,529**	29,774	**11**	-
Amounts owed to subsidiary undertakings	**-**	-	**27,517**	27,540
Income taxes payable	**1,802**	-	**-**	-
Accruals	**2,562**	3,693	**283**	292
Total trade and other payables	**52,939**	34,396	**27,928**	28,741

[1] Comprised of our share of amounts owed to suppliers by the Operator of the Joint Venture (on behalf of the contractor group) for unpaid invoices and unbilled value of work done.

The Directors consider that the carrying amount of trade and other payables is a reliable estimate of their fair value. Transactions between subsidiaries are non-interest bearing and repayable on demand.

21. Contingent consideration

The movement in contingent consideration during 2024 and 2023 is detailed in the table below:

	Group $000
As at 1 January 2023	-
Asset acquisitions	26,484
As at 31 December 2023	26,484
Asset acquisitions	5,437
Accretion of interest	2,305
Payments	(4,621)
Changes in fair value	297
As at 31 December 2024	**29,902**

Contingent consideration is presented on the Consolidated Statement of Financial Position as:

	2024 $000	2023 $000
Contingent consideration		
Current	**5,535**	4,621
Non-current	**24,367**	21,863

The current portion of contingent consideration relates to amounts paid during the first quarter of 2025 based on thresholds met previously. Refer to Note 30 - Subsequent events.

Contingent consideration is payable to SNL, INA, and Azule on Blocks 3/05 and 3/05A:

INA acquisition (2023):

- Tranche 1: The contingent consideration for 3/05 relates to the 2023 and 2024 production levels and a realised Brent price hurdle up to an annual cap of $2.0 million (now completed); and
- Tranche 2: The contingent consideration for 3/05A relates to the successful future development of the Caco Gazela and Punja development areas, with production and oil price hurdles. The maximum payable for these development areas is $5.0 million.
- During the year, the Group paid contingent consideration of $1.1 million to INA related to 2023 during Q1 2025, an additional and final payment of $1.2 million was made in respect of Tranche 1 related to 2024.

SNL acquisition (2023):

- The contingent consideration for the SNL acquisition is payable annually over the next ten years from acquisition in each year where production hurdle is reached and the realised oil price exceeds $65/bbl. The maximum annual amount payable is $3.5 million, potentially resulting in a total maximum payment of $35 million over ten years.
- During the year, the Group paid contingent consideration of $3.5 million to Sonangol in respect of 2023, with an additional payment of $3.5 million made in Q1 2025 in respect of 2024.

Azule acquisition (2024):

- Tranche 1: The contingent consideration for the Azule acquisition includes up to $21 million over the next three years from 1 January 2023, subject to certain oil price and Block 3/05 production hurdles, with an annual cap of $7 million.
- Tranche 2: Further contingent considerations of up to $15 million are linked to the successful future development of certain Block 3/05A discoveries and associated oil price and production hurdles.
- During the year (as part of the completion) the Group paid contingent consideration of $1.2 million to Azule in respect of 2023, as well as an additional payment of $0.9 million in Q1 2025 in respect of 2024

These contingent payments are measured at fair value and changes in fair value are recognised in profit or loss.

Management have reviewed the contingent payments related to the above acquisitions, which are dependent upon production levels, future oil price hurdles, and future 3/05A developments. Judgement has been applied to the probability of the circumstances occurring that would give rise to some or all of the future payments. For each tranche of contingent consideration Management have applied a multiple scenario approach to each tranche along with the related weightings of probability resulting in an expected amount payable. The base case scenario, which has the greatest weighting is based on the Brent forward curve, with an average oil price of $72/bbl in 2025, $68/bbl in 2026, and $67/bbl in 2027.

Management has applied a discount rate that approximates to the incremental borrowing rate in arriving at a present value at the balance sheet date of the probable future liabilities. The discount rate is based on a market rate of 9.1% (2023: 9.1%). Management is therefore satisfied with the liabilities recorded at the balance sheet date in respect of these contingent future events.

Applying Management's judgements discussed above, has resulted in contingent consideration of $29.9 million. A 2% increase in the discount rate would result in a reduction in the contingent consideration liability of $1.7 million. A 2% decrease in the discount rate would result in an increase in contingent consideration of $1.9 million. The impact of removing the scenarios that have an expectation the realised Brent price hurdles will not be met (5% original weighting) and including a relative increase in the base case scenarios would increase the contingent consideration by $0.7 million. In the event of a sustained low oil price scenario, for any years where the average Brent oil price is below $65/bbl, we expect that the price related element of the non-current contingent consideration would be reversed.

22. Leases

During the year, the Group entered into a new lease on a new head office in London following the expiration of the previous head office lease. The Group recognizes a right-of-use asset in a consistent manner to its property, plant and equipment (see Note 11).

The Company recognises lease liabilities in relation to the head office in accordance with IFRS16. These liabilities are measured at the present value of the total lease payments, discounted using the lessee's incremental borrowing rate. The incremental borrowing rate applied to the lease liabilities was 9.74%.

The depreciation charge in 2024 was $217k (2023: $190k) (see Note 11) with an interest expense in 2024 of $18k (2023: $18k) (see Note 7). Cash outflow of principal payments in 2024 was $142k (2023: $227k).

Lease liabilities are presented in the statement of financial position as follows

	2024	2023
	$000	$000
Current	**97**	155
Non-current	**685**	-

	782	155

Extension options are included in the lease liability when, based on Management's judgement, it is reasonably certain that an extension will be exercised. As at 31 December 2024, the contractual maturities of the Company's lease liabilities are as follows:

	Within one year $000	Between one to two years $000	Over two years $000	Total $000	Interest $000	Carrying amount $000
Group						
Lease liability	**172**	**229**	**592**	**993**	**(211)**	**782**

23. Financial instruments

Capital risk and liquidity risk management

The Group and Company are not subject to externally imposed capital requirements. The capital structure of the Group and Company consists of cash and cash equivalents held for working capital purposes and equity attributable to the equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity. The Group and Company use cash flow models and budgets, which are regularly updated, to monitor liquidity risk.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, in respect of each material class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

Due to the short-term nature of these assets and liabilities, such values approximate their fair values as at 31 December 2024 and 31 December 2023.

	Carrying amount	
Group	**2024** **$000**	2023 Restated $000
Financial assets at amortised cost		
Cash and cash equivalents	46,880	14,729
Restricted funds	7,930	4,850
Trade and other receivables	8,627	7,397
Total	**63,437**	26,976
Financial liabilities at amortised cost		
Trade and other payables	52,939	34,396
Borrowings due within one year	11,271	6,752
Non-current borrowings	30,145	24,951
Total	**94,355**	66,099

Of the above assets and liabilities due to the short-term nature, carrying amounts approximate their fair values at 31 December 2024 and 31 December 2023 except for non-current borrowings, for which the fair value is based upon a market rate of 9.1% and therefore having a fair value of $34.7 million (2023: $27.4 million) against the carrying amount of $30.1 million (2023: $25.0 million).

The Group carries the assets and liabilities below at fair value through profit and loss.

Group	Fair value 2024 $000	2023 $000
Financial assets at fair value		
Derivative hedge assets	**196**	-

Financial liabilities at fair value	2024 $000	2023 $000
Derivative hedge liabilities	**1,279**	-
Contingent consideration	**29,902**	26,484
Total	**31,181**	26,484

Derivative hedge assets and liabilities are financial assets and liabilities measured through profit or loss with a level 2 fair value hierarchy classification. In the normal course of business the Group enters into derivative financial instruments to manage its exposure to oil price volatility.

Contingent consideration is a financial liability measured through profit or loss with a level 3 fair value hierarchy classification. Contingent consideration was valued using a discounted cash flow and scenario analysis method. The main inputs in the valuation process were discount rates, forecast realised crude oil prices and future production. See Note 21 for details of the sensitivity analysis performed.

There were no transfers between fair value levels during the year.

Financial risk

We are exposed to several financial risks, including oil and gas price volatility, credit risk, liquidity risk, foreign currency risk, and interest rate risk. Our policy is to reduce our exposure to these risks, where possible, within boundaries deemed appropriate by our management team. This may include the use of derivative instruments. Oil price volatility may also impact our contingent consideration liability, where market price hurdles have been included in the terms.

Interest rate risk

Our exposure to interest rate risk relates mainly to our floating rate borrowings and balances of surplus funds placed with financial institutions. We monitor this risk and will implement our hedging policy if and when required.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates at the reporting date and assumes the amount of the balances at the reporting date were outstanding for the whole year. A 100 basis point change represents management's estimate of a possible change in interest rates at the reporting date. If interest rates had been 100 basis points higher or lower, and all other variables were held constant, our profits and equity would be impacted as follows:

	Increase		Decrease	
	2024 $000	2024 $000	2024 $000	2023 $000
Cash and cash equivalents	**469**	147	**(469)**	(147)
Borrowings	**(414)**	(317)	**414**	317

Foreign currency risk

The Company's functional currency is the US dollar, being the currency in which the majority of the Group's expenditure is transacted. Small elements of its management, services and treasury functions are held and transacted in Pounds Sterling, Euro or Angolan Kwanza. The Group does not enter into derivative transactions to manage its foreign currency. Foreign currency risk is not considered material to the Group and Company.

The table below details our financial assets and liabilities that are held in currencies other than US$:

Financial assets

	Group	
	2024	2023
	$000	$000
Cash and cash equivalents		
- US$	**45,951**	13,222
- GBP	**885**	1,507
- EUR	**1**	-
- AOA	**43**	-
	46,880	14,729

	Group	
	2024	2023 Restated
	$000	$000
Trade and other receivables		
- US$	**8,549**	7,108
- GBP	**78**	289
	8,627	7,397

Financial liabilities

	Group	
	2024	2023 Restated
	$000	$000
Trade and other payables		
- US$	**50,854**	31,351
- GBP	**1,867**	3,045
- EUR	**217**	-
- AOA	**1**	-
	52,939	34,396

Credit risk management

The Group has to manage its currency exposures and the credit risk associated with the credit quality of the financial institutions in which the Group maintains its cash resources. At the year end the Group held approximately 98.0% (2023: 89.8%) of its cash in US dollars. Most of the counterparties are creditworthy financial institutions and, as such, we do not expect any significant loss to result from non-performance by such counterparties. The Group continues to proactively monitor its treasury management to ensure an appropriate balance of the safety of funds and maximisation of yield.

Trade and other receivables are non-interest bearing. The Group does not hold any collateral as security and the Group does not hold any significant allowance in the impairment account for trade and other receivables as they relate to counterparties with no default history. Default is considered to be where payments have been outstanding for more than 60 days. Apart from derivative hedge assets there are no financial assets held at fair value.

The Group's maximum exposure to credit risk is $65.4 million, based on our cash and cash equivalents, restricted cash, and trade and other receivables. Our cash balances are held with creditworthy financial institutions and there has been no significant increase in the credit risk of our debtors during the period.

Liquidity and interest rate tables

Management reviews budgeted cash forecasts regularly to ensure there is enough cash on hand to repay financing obligations and operational expenses as they become due. Additionally, the Group has access to a rotating Working Capital Credit Facility of up to $30 million. The following table details the remaining contractual maturity of our financial assets and liabilities, based on the undiscounted cash flows of on the earliest date on which the Group can be required to pay.

The table includes both interest and principal including cashflows on actual contractual arrangements.

	Less than six months $000	Six months to one year $000	One to six years $000	Total $000	Interest $000	Principal $000
Group						
As at 31 December 2024						
Non-derivative financial liabilities:						
Borrowings	7,930	7,608	38,292	53,830	11,810	42,020
Trade and other payables	1,046	47,529	-	48,575	-	-
Contingent consideration	5,535	-	24,367	29,902	-	-
Derivative financial instruments:						
Forward foreign exchange contracts – outflow	1,279	-	-	1,279	-	-
Forward foreign exchange contracts – inflow	(196)	-	-	(196)	-	-
	15,594	**55,137**	**62,659**	**133,390**	**11,810**	**42,020**
As at 31 December 2023 (Restated)						
Non-derivative financial liabilities:						
Borrowings	5,065	5,413	34,901	45,379	11,743	33,636
Trade and other payables	76	29,774	-	29,850	-	-
	5,141	**35,187**	**34,901**	**75,229**	**11,743**	**33,636**

24. Asset acquisitions

During the year the Group completed the acquisition of further interests in Block 3/05 (12%) and Block 3/05A (16%) offshore Angola for a net $28.4 million payment with subsequent contingent payments estimated at $5.4 million. See Note 21 for details of the contingent consideration.

	Block 3/05 $000	Block 3/05A $000	Total $000
Consideration			
Initial consideration	47,500	1,000	48,500
Actual adjustments from effective date	(15,151)	(6,096)	(21,247)
Contingent consideration - Extension of Block 3/05 licence	1,175	-	1,175
Consideration paid	**33,524**	**(5,096)**	**28,428**
Contingent consideration - Oil price and production linked future developments	1,415	4,022	5,437
Total consideration	**34,939**	**(1,074)**	**33,865**
Net assets			
Oil and gas properties	36,051	2,237	38,288
Other non-current assets (decommissioning fund)	52,166	-	52,166
Non-current provision (decommissioning)	(52,166)	-	(52,166)
Inventory (oil stock)	11,036	429	11,465
Joint venture partner balance	(4,092)	2,961	(1,131)
Joint venture working capital [1]	(8,056)	(6,701)	(14,757)
Net assets acquired	**34,939**	**(1,074)**	**33,865**

[1] Comprised of our share of the working capital balances of the Operator of the Joint Venture which include accounts payable, accruals, accounts receivable, and non-oil inventory.

The Group performed an assessment of the Azule acquisition to determine whether the acquisition should be accounted for as an asset acquisition or a business combination. Consistent with the acquisitions in 2023 from INA and SNL, the Group established that, under IFRS11, joint control does not exist, and therefore the Group have deemed the acquisition to qualify as an acquisition of a group of assets and liabilities, and not of a business. Furthermore, the Group gave regard to guidance included under IFRS11- Joint Arrangements, and will account for its share of the income, expenses, assets, and liabilities from the acquisition date.

The total consideration was allocated to assets and liabilities based on their relative fair values.

25. Share-based payments

The table below details the movement in share option reserve:

	2024 $000	2023 $000
At 1 January	**965**	-
Arising in the year	**989**	965
Options exercised	**(1,112)**	-
At 31 December	**842**	965

During the year, Afentra plc operated four share incentive schemes:

- Founder Share Plan (FSP)
- Long-term Incentive Plan (LTIP)
- Executive Director Long-term Incentive Plan (EDLTIP)

- Non-Executive Director Option plan (NEDP)

Details of the schemes are summarised below:

Founder Share Plan

Under the FSP, the founders are eligible to receive 15% of the growth in returns of the Company over the five year period commencing from its admission to AIM on 16 March 2021. The awards are expressed as a percentage of the total maximum potential award, being 10% of the Company's issued share capital.

Should a hurdle of doubling the Total Shareholder Return (TSR) over the five-year period be met, the awards will be converted into nil cost options over ordinary shares of 10p each in the share capital of the Company.

For the purpose of determining the fair value of an award, the following assumptions have been applied and a valuation calculation run through the Monte Carlo Model:

Award date	2022
Weighted average share price at grant date	£0.15
Exercise price	nil
Risk free rate	1.88%
Dividend yield	0%
Volatility of Company share price	44%

The risk-free rate assumption has been set as the yield as at the grant date on zero coupon government bonds of a term commensurate with the remaining performance period.

The volatility assumptions are based on the daily share price volatility over a historical period prior to the respective dates of grant with length commensurate to the expected life.

The weighted average exercise price of outstanding options is nil.

The weighted average remaining contractual life as at 31 December 2024 is 14 months.

At 31 December 2024 no options were exercisable.

During 2024 the first measurement date was reached and 10,235,080 nil cost options were vested and exercised. The share price at time of exercise was £0.39.

Long-term Incentive Plan

The awards issued under the LTIP are nil-cost options to acquire ordinary shares in the Company, subject to a performance condition. For the purpose of determining whether the condition has been met, the TSR of the Company is measured over a three year performance period, commencing at the grant date. The awards have been valued using the Monte Carlo model, which calculates a fair value based on a large number of randomly generated simulations of the Company's TSR.

Award date	16 Mar 21	1 Nov 22	30 Sep and 3 Oct 22	1 Mar 23	6 and 13 Dec 23	20 Feb and 1 Mar 24	24 Oct 24	19 Dec 24
Weighted average share price at grant date	£0.15	£0.30	£0.30	£0.28	£0.30	£0.39	£0.50	£0.49
Risk free rate	1.90%	4.20%	4.23%	3.75%	3.92%	4.12%	3.87%	4.21%
Dividend yield	0%	0%	0%	0%	0%	0%	0%	0%
Volatility of Company share price	40%	54%	54%	55%	54%	52%	52%	52%
Weighted average fair value	£0.04	£0.16	£0.16	£0.15	£0.16	£0.21	£0.27	£0.25

The risk-free rate assumption has been set as the yield as at the grant date on zero coupon government bonds with remaining term commensurate with the remaining projection period.

The volatility assumptions are based on the daily share price volatility over a historical period prior to the respective dates of grant with length commensurate to the expected life.

The table below details the movement in share awards for the year:

	2024	2023
	No.	No.
At 1 January	**2,774,439**	1,893,460
Granted	**1,059,036**	880,979
Forfeited	**(557,521)**	-
Exercised	**(1,251,460)**	-
At 31 December	**2,024,494**	2,774,439

The weighted average exercise price of outstanding options is £nil.

The weighted average remaining contractual life as at 31 December 2024 is 20 months.

Executive Director LTIP

The awards issued under the EDLTIP are nil-cost options to acquire ordinary shares in the Company, subject to a performance condition. For the purpose of determining whether the condition has been met, the TSR of the Company is measured each year over a three year performance period, commencing at the grant date. The awards have been valued using the Monte Carlo model, which calculates a fair value based on a large number of randomly generated simulations of the Company's TSR.

Award date	2024
Weighted average share price at grant date	£0.57
Exercise price	nil
Risk-free rate	4.05%
Dividend yield	0%
Volatility of Company share price	49%
Fair Value per award	£0.27

The risk-free rate assumption has been set as the yield as at the grant date on zero coupon government bonds of a term commensurate with the remaining performance period.

The volatility assumptions are based on the daily share price volatility over a historical period prior to the respective dates of grant with length commensurate to the expected life.

	2024	2023
	No.	No.
At 1 January	**-**	-
Granted	**3,228,373**	-
At 31 December	**3,228,373**	-

The weighted average exercise price of outstanding options is nil.

The weighted average remaining contractual life as at 31 December 2024 is 30 months.

Non-Executive Director Option plan (NEDP)

The awards issued under the NEDP are options to acquire ordinary shares in the Company at a set price. These options are subject only to a continued employment condition. The awards will vest three years after grant date and participants can exercise these awards up to the ten year anniversary of the grant date.

The awards have been valued using the Black-Scholes option pricing formula.

Award date	2024
Weighted average share price at grant date	£0.57
Exercise price	£0.57
Risk free rate	3.92%
Dividend yield	0%
Volatility of Company share price	53.3%
Fair Value per award	£0.31

The risk-free rate assumption has been set as the yield as at the grant date on zero coupon government bonds of a term commensurate with the remaining performance period.

The volatility assumptions are based on the daily share price volatility over a historical period prior to the respective dates of grant with length commensurate to the expected life.

	2024	2023
	No.	No.
At 1 January	**-**	-
Granted	**4,500,000**	-
At 31 December	**4,500,000**	-

The weighted average exercise price of outstanding options is nil.

The weighted average remaining contractual life as at 31 December 2024 is 30 months.

Employees (including Senior Executives) of the Company receive remuneration in the form of share-based payment transactions which are equity settled. The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which they are granted. The fair value is determined by an external valuer using an appropriate pricing model. Although these awards are deemed to be equity settled, an employee may elect to receive their entitled settlement, in whole or in part, in cash.

The estimated cost of equity-settled transactions is recognised in the profit and loss account as an expense, together with a corresponding increase in equity. This expense and adjustment to equity is recognised over the period in which the performance and/or service conditions are measured (the 'vesting period'), ending on the date on which the relevant participants become fully entitled to the award (the 'vesting date').

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 Company's best estimate of the number of equity instruments that will ultimately vest. The Income Statement charge for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

The key areas of estimation regarding share-based payments are share price volatility and estimated lapse rates due to service conditions and non-performance conditions not being met.

No adjustments are made in respect of market conditions not being met. Similarly, the number of instruments and the grant-date fair value are not adjusted, even if the outcome of the market condition differs from the initial estimate.

Where the terms of an equity-settled award are modified, the minimum expense recognised is the expense as if the terms had not been modified. An additional expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

In April 2024 a number of share option awards vested which were settled through both the issue of shares and the payment of cash to HMRC for the related taxes. In the interim accounts for the six-month period ended 30 June 2024, the cash tax payment was treated as a “cash settled” share-based payment, and an expense of $2.3 million was recognised in other administrative expenses. As part of the preparation of the year-end financial statements, it was identified that as Afentra had an obligation (rather than a choice) to settle these employment related taxes in cash, IFRS 2.33 requires that the transaction is classified in its entirety as an equity-settled share-based payment transaction. Accordingly, in the full year results this transaction has been recognised within equity, as $2.3 million directly to retained earnings. In the interim accounts for the period to 30 June 2025, the profit after tax for 30 June 2024 comparative period will be restated from the previously disclosed $22.2 million to $24.5 million to reflect this impact of this reclassification.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

26. Related party transactions

Details of Directors’ remuneration, which comprise key management personnel, are provided below:

	Group		Company	
	2024	2023	**2024**	2023
	$000	$000	**$000**	$000
Short-term employee benefits	**2,521**	2,684	**351**	212
Defined contribution pension	**128**	120	**-**	-
Share-based payments	**897**	843	**275**	-
	3,546	3,647	**626**	212

Further information on Directors’ remuneration is detailed in the Remuneration Committee Report, on pages 77 – 87. The Executive Directors (three) exercised share options during the year.

The Company’s subsidiaries are listed in Note 12. The following table provides the balances which are outstanding with subsidiary undertakings at the balance sheet date:

	2024	2023
	$000	$000
Amounts due from subsidiary undertakings	**18,025**	45,590
Amounts due to subsidiary undertakings	**(27,517)**	(27,540)

Amounts due from subsidiary undertakings are interest free apart from the amount receivable from Afentra (Angola) Limited which earns interest at a rate equal to the relevant US Treasury Bill rate plus a margin of 0.5%. The average interest rate on the loan to Afentra (Angola) Limited was 5.6% in 2024 (2023: 2.8%). During the year the Company recognised interest receivable from Afentra (Angola) Limited of $0.79 million (2023: $0.64 million).

The Group and Company has no other disclosed related party transactions.

27. Derivative assets and liabilities

	2024	2023
	$000	$000
Derivative assets	**196**	-
Derivative liabilities	**(1,279)**	-

The company manages its exposure to oil price risk through commodity price hedging. In 2024, Afentra hedged 70% of its sales volumes through a combination of put options and collar structures. The hedge portfolio consisted of put options ranging included $70 to $80 per barrel covering 70% of sales volumes and call option of $90 per barrel covering 29% of sales volumes.

28. Commitments

The Parent Company has provided a guarantee over the debt of Afentra (Angola) Limited and letters of support to Afentra (UK) Limited, Afentra (Onshore Developments) Limited, Afentra (Offshore Developments) Limited, Afentra (East Africa) Limited, and Afentra Holdings Limited.

29. Restatement of decommissioning provision and associated pre-funding asset

We have restated the Group's balance sheet to reflect a change in our accounting for the pre-funded liability to settle the future decommissioning obligation associated with Block 3/05, and the treatment of joint venture receivable and payable balances.

As of 31 December 2023, the pre-funding asset was presented as a non-current asset to be recovered from the Concessionaire and the decommissioning liability as a non-current liability on the balance sheet. Following investigation, independent and authoritative information was obtained during the second half of 2024 that provided certainty that the contractual position was that the contractor group would be discharged of its obligation to decommission the field should the pre-funding not be made available when due. The information received during 2024 confirmed the legal position at 31 December 2023, namely that the Group will not be liable for the decommissioning costs if the funds are not made available when due, and accordingly we have restated the 2023 balance sheet in line with the requirements of IFRIC 5 IAS 37, and the measurement of the decommissioning liability, including our evaluation of any future outflows, has been reduced by the amount already pre-funded by the contractor group. The decommissioning liability and the associated pre-funding asset were initially recognised during 2023 and that is the earliest period impacted.

As of 31 December 2023, the Group's $7 million share of the Block 3/05 joint venture receivable balance was offset against the payables position as it was anticipated that it would be settled net of the larger joint venture payable balance. Following investigation, information was obtained during the second half of 2024 that confirmed that the contacting group did not have the legal right to offset these separate receivable and payable balances. Consequently, we have restated the 2023 balance sheet. There is a consequential impact on the 2023 consolidated statement of cash flows, and the movement in the respective working capital balances has also been restated. There is no impact on the 2023 profit or equity position.

As of 31 December 2023, oil inventory was recorded at $9.7 million based on the Group's working interest share of 18% of the oil in the storage vessel as opposed to $12.8 million on an entitlement basis which reflects the volume of oil inventory the Group is entitled to lift based on a cumulative entitlement to production. The difference had been treated as an "underlift receivable" of $3.1 million. This has been revisited during 2024, and our approach revised to record inventory on an entitlement basis to reflect the Group's contractual right to oil inventory. Consequently, we have restated the 2023 balance sheet by $3.1 million with a corresponding adjustment to trade and other receivables. There is a consequential impact on the 2023 consolidated statement of cash flows, and the movement in the respective working capital balances has also been restated. There is no impact on the 2023 profit or equity position.

The table below highlights the impact of the restatement on the 31 December 2023 and 30 June 2024 consolidated statements of financial position (there is no impact to the Statement of Comprehensive Income):

	31 December 2023			30 June 2024		
Financial statement line item affected:	**As previously reported**	**Impact of restatement**	**Restated**	**As previously reported**	**Impact of restatement**	**Restated**
	$000	**$000**	**$000**	**$000**	**$000**	**$000**
Inventories	13,441	3,123	16,564	15,697	8,600	24,297
Trade and other receivables	3,640	3,966	7,606	46,443	4,993	51,436
Total current assets	36,660	7,089	43,749	75,958	13,593	89,551
Other non-current assets (Decommissioning fund)	76,973	(76,973)	-	130,882	(130,882)	-
Total non-current assets	173,971	(76,973)	96,998	269,164	(130,882)	138,282
Total assets	210,631	(69,884)	140,747	345,122	(117,289)	227,833
Trade and other payables	27,307	7,089	34,396	54,941	13,593	68,534
Total current liabilities	38,835	7,089	45,924	96,964	13,593	110,557
Provisions	77,010	(76,973)	37	130,919	(130,882)	37
Total non-current liabilities	123,824	(76,973)	46,851	178,087	(130,882)	47,205
Total liabilities	162,659	(69,884)	92,775	275,051	(117,289)	157,762
Total equity and liabilities	210,631	(69,884)	140,747	345,122	(117,289)	227,833

Contingencies

The latest approved estimate of the total cost for the contractor group to abandon the field at the end of the contract period in 2040 is $574 million (Afentra's share is $172 million), of which $554 million (Afentra's share is $166 million) has been pre-funded by the contractor group. The amounts pre-funded were deposited between 2004 and 2012 and substantially did not accrue interest on consequence of the manner in which they were held. The funds were deposited with the Concessionaire and will not be released to the contractor group until required for the purposes of abandoning the field.

On the basis that we consider that the contractor group will be discharged of its obligation to decommission, we do not forecast any further expenditure occurring over and above that which has been pre-funded ($554 million gross). We have therefore accounted for any future possible expenditure as a contingent liability as, while not considered probable, there remains a remote possibility of any future increase to the estimated cost to abandon the field or any unfunded balance being called by the Concessionaire. Commercial sensitivities associated with any future increase in the cost to decommission the field and interest accrued precluded a range of potential estimates being disclosed.

30. Subsequent events

Subsequent to the Balance Sheet date of 31 December 2024, the following business deliverables occurred:

- During Q1 2025, the Group made contingent consideration payments of $3.5 million, $1.2 million, and $0.9 million to Sonangol, INA, and Azule respectively.
- On 28 March 2025, the Group made a scheduled redetermination payment on its RBL facility of $7.9 million comprised of $5.3 million debt principal and $2.6 million accrued interest.
- On 19 February 2025, Afentra provided an update on its latest Competent Person's Report (CPR) for Block 3/05. As of 31 December 2024, total net 2P working interest reserves stand at 34.2 million barrels of oil (mmbo), (gross 114 mmbo). Since the previous CPR in June 2023, gross production of approximately 11 mmbo was offset by a gross increase in reserves of 15.4 mmbo resulting in a reserve replacement ratio of 140% over the 18-month period. Contingent resources on Block 3/05 have also increased since the last CPR with net working interest 2C resources of 13.8 mmbo (gross 46 mmbo)
- On 24 February 2025, Afentra announced the formal approval by Presidential Decree of the onshore licence KON15, the formal signing of the contract occurred on 07 April 2025. Under the terms of the KON15 award, Afentra has secured a 45% non-operating interest in the block, alongside Sonangol who will be block operator.

DEFINITIONS AND GLOSSARY OF TERMS

$	US dollars
2D	Two dimensional
2C	Denotes best estimate of Contingent Resources
2P	Denotes the best estimate of Reserves. The sum of Proved plus Probable Reserves
ABC	Anti-Bribery and Corruption
AIM	AIM, a SME Growth market of the London Stock Exchange
AGM	Annual General Meeting
ALNG	The Angola LNG project
ANPG	Agência Nacional de Petróleo, Gás e Biocombustíveis (holder of the mining rights of Exploration, Development and Production of liquid and gaseous hydrocarbons in Angola)
Articles	The Articles of Association of the Company
Block 3/05	The contract area described in and covered by the Block 3/05 PSA
Block 3/05A	The contract area described in the Block 3/05A PSA
Block 23 PSA	The contract area described in and covered by the Block 23
Board	The Board of Directors of the Company
bbls billion)	Barrels of oil ('k-' / 'mm-' / 'bn-' for thousand / million /
Bopd	Barrels of oil per day ('k-' / 'mm-' for thousand / million)
Bwpd	Barrels water injected per day
CCRA	Climate Change Risk Assessment
CODM	Chief operating decision maker
Companies Act or Companies Act	The Companies Act 2006, as
amended 2006 Company	Afentra plc
CPR	Competent Persons Report
CSR	Corporate Social Responsibility
D&P	Development and production assets
DSRA	Debt service reserve account
Directors	The Directors of the Company
ECL	Expected credit loss
E&E	Exploration and evaluation assets

EDLPTIP	Executive Director Long-term Incentive Plan
E&P	Exploration and production
EPS/LPS	Earnings/loss per share
EBITDAX (Adjusted)	Earnings before interest, taxation, depreciation, total depletion and amortisation, impairment and expected credit loss allowances, share-basedpayments, provisions, and pre-licence expenditure
EITI	Extractive Industries Transparency Initiative
Entitlement Reserves	Entitlement production/reserves refers to the share of oil/gas that a company is entitled to receive based on fiscal and contractual agreements governing the specific asset.
EOR	Enhanced Oil Recovery
ERCe	ERC Equipoise Limited (author of the Competent Person's Report)
ESP	Electrical Submersible Pumps
Farm-in & farm-out	A transaction under which one party (farm-out party) transfers part of its interest to a contract to another party (farm-in party) in exchange for a consideration which may comprise the obligation to pay for some of the farm-out party costs relating to the contract and a cash sum for past costs incurred by the farm-out party
FEED	Front-End Engineering Design
FID	Final investment decision
FSO	Floating storage and offloading
FSP	Founders' Share Plan
G&A	General and administrative
GBP	Pounds sterling
G&G	Geological and geophysical
Genel Energy	Genel Energy Somaliland Limited
GHG	Greenhouse gases
GOR	Gas Oil Ratio

Group	The Company and its subsidiary undertakings
H&S	Health and Safety
HSSE	Health, Safety, Security and Environment
hydrocarbons	Organic compounds of carbon and hydrogen
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
INA	INA-Indstrija Nafte d.d
IOC	International oil company
IPCC	Intergovernmental Panel on Climate Change
JV	Joint venture
JOA	Joint operating agreement
k	Thousands
km	Kilometre(s)
km^2	Square kilometre(s)
KPIs	Key performance indicators
lead	Indication of a potential exploration prospect
LiDAR	Light Detection and Ranging
Lifex	Life extension capex
LNG	Liquefied Natural Gas
LSE	London Stock Exchange
LTI	Lost time Injury
LTIP	Long-term incentive plan
LWI	Light Well Intervention
M&A	Mergers and acquisitions
m	Metre(s)
MVO	Market Value Options
NED	Non-Executive Director
NEDP	Non-Executive Director Option plan
NFA	No Further Activity - forecast without new Capex invested
NGO	Non-governmental organisation
NOCs	National oil company
O&G	Oil and gas
OECD	Organisation for Economic Cooperation and Development
OIW	Oil in water
Op.	Operator
Opex	Operating expenditure

Opex/bbl	Gross operating cost / Gross production
Ordinary Shares	ordinary shares of 10 pence each
Petroleum	Oil, gas, condensate and natural gas liquids
Petrosoma	Petrosoma Limited (JV partner in Somaliland)
Plc	Public limited company
Prospect	An area of exploration in which hydrocarbons have been predicted to exist in economic quantity. A group of prospects of a similar nature constitutes a play.
PSA	Production sharing agreement
PWTS	Produced Water Treatment System
QCA Code	QCA (Quoted Companies Alliance) Corporate Governance Code 2023
RBL	Reserve-Based Lending
Reserves	Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Reserves must satisfy four criteria; they must be discovered, recoverable, commercial and remaining based on the development projects applied. Reserves are further categorised in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterised by development and production status
RTO	Reverse takeover (pursuant to Rule 14 of the AIM Rules)
SPA	Sale and Purchase Agreements
Seismic	Data, obtained using a sound source and receiver, that is processed to provide a representation of a vertical cross-section through the subsurface layers
SOFR	Secured Overnight Financing Rate
Shares	10p ordinary shares
Shareholders	Ordinary shareholders of 10p each in the Company
Subsidiary	A subsidiary undertaking as defined in the 2006 Act

Sonangol	Sonangol Pesquisa e Producao S.A.
Sonangol EP	Sociedade Nacional de Combustíveis de Angola, Empresa Pública
TCFD	Task force on Climate-related Financial Disclosure
Third and Fourth Period	Exploration terms: Third Period is to May 2025 with a work commitment of 500km 2D seismic acquisition; Fourth Period is to October 2026 with a work commitment of 1,000km 2D seismic acquisition and one exploration well
Trafigura	Trafigura PTE
TRIF	Total Recordable Incident Frequency
TSR	Total Shareholder Return
United Kingdom or UK	The United Kingdom of Great Britain and Northern Ireland
Working Interest or WI	A Company's equity interest in a project before reduction for royalties or production share owed to others under the applicable fiscal terms
ZRF	Zero Routine Flaring