



**TOTALENERGIES MARKETING NIGERIA PLC**  
**ANNUAL REPORT**  
**2021**

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## TABLE OF CONTENTS

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Corporate Profile .....	2
Mission Statement .....	3
Directors, Officers and Professional Advisers .....	4
Corporate Directory .....	5
Results at a Glance .....	6
Notice of Annual General Meeting .....	7
Chairman's Statement .....	9
Board of Directors Profile .....	12
Report of the Directors .....	15
Statement of Corporate Responsibility .....	21
Corporate Governance Report.....	22
Statement of Directors Responsibilities.....	30
Report of the Statutory Audit Committee .....	31
Report of the Independent Auditors.....	32
Statement of Financial Position.....	37
Statement of Profit or Loss and other Comprehensive Income.....	38
Statement of Changes in Equity.....	39
Statement of Cash Flows.....	40
Notes to the Financial Statements.....	41
Other National Disclosures.....	83
Share Capital History.....	86
List of Major Distributors.....	87

## CORPORATE PROFILE

TotalEnergies Marketing Nigeria Plc was incorporated in 1956 and was listed on the Nigerian Stock Exchange in 1979. Our first petrol station was commissioned at Herbert Macaulay Street, Yaba, Lagos in 1956. Today we have over 540 service stations, 2 lubricants blending plants, 2 petroleum product depots, 1 bitumen depot, holdings in 5 aviation depot and have other facilities spread across the country. We are the only International Oil Company (IOC) actively present in the downstream sector; We are the market leader, reference point and pacesetter in the downstream sector of the Nigerian oil and gas industry.

TotalEnergies S.E. which holds 62% of TotalEnergies Marketing Nigeria Plc is a publicly-traded oil company that produces and markets fuels, natural gas and electricity. Active in more than 130 countries with over 100,000 employees, TotalEnergies SE wants to be part of the solution to climate change with a commitment to delivering reliable, affordable and clean energy to the population as many people as possible. TotalEnergies, the company of responsible energies, aims to be one of the major players in the energy transition to get to Net Zero by 2050, together with society.

# TOTAL ENERGIES MARKETING NIGERIA PLC

RC 1396

## **Mission Statement**

We are in business to ensure total customer satisfaction by the creation of quality products and services delivered with a strong commitment to safety and respect for the environment.

This objective drives all our corporate actions and the mutual acknowledgement of them by our partners forms the basis for our business relationships.

To sustain this objective and our leadership of the market, our commitment is to build and sustain a work culture firmly rooted in professionalism, respect for employees, internal efficiency and dedicated services.



**Dr. Samba Seye**  
Managing Director

# TOTALENERGIES MARKETING NIGERIA PLC

COMPANY REGISTRATION NO. 1396

## DIRECTORS, OFFICERS AND PROFESSIONAL ADVISERS\*

### DIRECTORS

Mr. Jean-Phillipe Torres	-	Chairman	(French)
Dr. Samba Seye	-	Managing Director	(Senegalese)
Mrs. Lesley Baxter-Green	-	Executive Director	(British)
Ms. Tejiro Ibru	-	Non Executive Director	
Engr. Ahmed Rufai Sirajo	-	Non Executive Director	
Prince (Dr.) Jeff Nnamani	-	Non Executive Director	
Mrs. Lucille Badaire	-	Non Executive Director	(French)
Mr. Noubi Ben Hamida	-	Non Executive Director	(French)

### COMPANY SECRETARY & EXECUTIVE GENERAL MANAGER TOTALENERGIES COUNTRY SERVICES

Mrs. Olubunmi Popoola-Mordi

### REGISTERED OFFICE

TotalEnergies House  
4 Churchgate Street,  
Victoria Island,  
Lagos.  
Telephone No. 01 4617041-2

### REGISTRAR

CardinalStone Registrars Limited  
335-337 Herbert Macaulay Way,  
Yaba,  
Lagos.  
Telephone No. 01 712 0090

### AUDITOR

KPMG Professional Services  
KPMG Tower,  
Bishop Aboyade Cole Street,  
Victoria Island,  
Lagos.  
Nigeria  
Telephone No. 01 2718955

### BANKERS

Access Bank Plc  
Citibank Nigeria Limited  
Ecobank Nigeria Limited.  
First Bank of Nigeria Ltd.  
Guaranty Trust Bank Plc  
Stanbic IBTC Bank Plc  
Standard Chartered Bank Nigeria Limited  
United Bank for Africa Plc  
Wema Bank Plc  
Zenith Bank Plc

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

**CORPORATE DIRECTORY**

**HEAD-OFFICE**

**TOTALENERGIES HOUSE**  
4, Churchgate Street,  
Victoria Island, Lagos.  
P.M.B 2143, Lagos  
Tel: 01 4631681-4  
01 4617041 – 2  
TOTAL CARD: 01- 4617044

**AIR TOTALENERGIES**  
IKEJA  
JUHI  
ABUJA Tel: 08113624144

**SALES AREA OFFICES**

**ABUJA**  
TotalEnergies Marketing Nigeria Plc  
Total House  
Plot 247, Herbert Macaulay Way.  
Central Business District, Abuja  
Tel: 01- 4618914

**KANO**  
TotalEnergies Marketing Nigeria Plc.  
181, Airport Road,  
P.O.Box 21, Kano.  
Tel: 01- 4619183

**BENIN**  
TotalEnergies Marketing Nigeria Plc  
8/10, Akpakpava Street  
P.O.Box 20, Benin City.  
Tel: 01- 4619189

**LAGOS SOUTH**  
TotalEnergies Marketing Nigeria Plc  
6, Bonny Road, Apapa, Lagos  
Tel: 01- 4618913

**IBADAN**  
TotalEnergies Marketing Nigeria Plc  
Mokola Roundabout  
P.O. Box 868, Ibadan  
Tel: 01- 4619188

**LAGOS NORTH**  
TotalEnergies Marketing Nigeria Plc  
3, Steve Ajose Street  
Former SCOA Yard,  
Behind Elida Hotel,  
Kirikiri, Lagos  
Tel: 01- 4619182

**KADUNA**  
TotalEnergies Marketing Nigeria Plc  
2, Kachia Road,  
P.O.Box 1433, Kaduna

**PORT HARCOURT**  
TotalEnergies Marketing Nigeria Plc  
NO. 59 Trans Amadi Industrial  
Layout,  
Port Harcourt.  
Tel: 01- 4619180

## TOTAL ENERGIES MARKETING NIGERIA PLC

### RESULTS AT A GLANCE FOR THE YEAR ENDED

	31 December 2021	31 December 2020	Change
	₦'000	₦'000	%
Revenue	341,346,345	204,721,463	67
Profit before taxation	24,835,555	2,909,038	754
Profit for the year	16,862,130	2,063,385	717
Total comprehensive income for the year	16,863,720	2,063,385	717
Share capital	169,761	169,761	
Shareholders' funds	41,619,305	28,150,979	48
<b>Total dividend</b>	<b>7,537,384</b>	<b>2,063,385</b>	
Interim dividend - paid	1,358,087	-	
Final dividend - proposed	6,179,297	<b>2,063,385</b>	
Dividend declared	2,063,385	<b>2,278,192</b>	

	31 December 2021	31 December 2020	Change
			%
<b>PER SHARE DATA:</b>			
<i>Based on 339,521,837 ordinary shares of 50 kobo each:</i>			
<i>Earnings per 50 kobo share (Naira) - basic</i>	49.66	6.08	712
<i>Dividend per 50 kobo share (Naira)<sup>1</sup></i>	22.20	6.08	(31)
<i>Dividend cover (times)</i>	2.24	1.00	1,134
<i>Stock exchange quotation (Naira)</i>	221.90	130.00	71

Number of staff	436	438
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<sup>1</sup>Interim dividend of ₦4.00 per share was paid during the year. At the board of directors meeting of 31<sup>st</sup> March, 2022, a final dividend of ₦18.20 was proposed for the year ended 31<sup>st</sup> December, 2021 (2020: ₦6.08).

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTICE OF ANNUAL GENERAL MEETING

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 44<sup>th</sup> Annual General Meeting of **TOTALENERGIES MARKETING NIGERIA PLC** will hold at **The Grand Banquet Hall, The Civic Centre**, Ozumba Mbadiwe Street, Victoria Island, Lagos on **Thursday, the 16<sup>th</sup> day of June, 2022 at 11.00 a.m.** to transact the following:

#### ORDINARY BUSINESS:

1. To lay before Members for approval, the Financial Statements for the year ended 31<sup>st</sup> December, 2021 and receive the Reports of the Directors, Auditors and Statutory Audit Committee thereon;
2. To declare a final dividend;
3. To re-elect Directors;
4. To appoint Directors;
5. To disclose the remuneration of Managers of the Company;
6. To appoint External Auditors.
7. To authorize the Directors to fix the remuneration of the External Auditors; and
8. To elect members of the Statutory Audit Committee.

#### SPECIAL BUSINESS:

1. To fix the remuneration of the Directors; and
2. To renew general mandate for Related Party Transactions.

#### BY ORDER OF THE BOARD



#### OLUBUNMI POPOOLA-MORDI

Company Secretary  
FRC/2013/ICSAN/00000002042

31<sup>st</sup> March, 2022

#### Registered Office

TOTALENERGIES HOUSE  
4 Churchgate Street,  
Victoria Island,  
Lagos,  
Nigeria.

#### NOTES:

##### I. PROXY

A member of the Company entitled to attend and vote at the meeting who is unable to attend the meeting and wishes to be represented at the meeting is entitled to appoint a proxy to attend, speak and vote in his/her stead. A proxy need not be a member of the Company. A Proxy Form is enclosed herewith, and if it is to be valid for the purpose of the meeting, it must be completed and duly stamped by the Commissioner of Stamp Duties and deposited at the office of the Registrars, CardinalStone Registrars Limited, 335-337 Herbert Macaulay Way, Yaba, Lagos not less than 48 hours before the time of the meeting.

##### II. PAYMENT OF DIVIDEND



If the payment of a dividend is approved and declared by members at the Annual General Meeting, the dividend warrants will be posted or the accounts of shareholders whose names are registered in the Company's Register of Members as at close of business on Friday 22<sup>nd</sup>, April, 2022 will be credited on Friday 17<sup>th</sup> June, 2022.

**III. CLOSURE OF REGISTER AND TRANSFER BOOKS**

Notice is hereby given that the Register of Members and Transfer Books of the Company will be closed from Monday the 25<sup>th</sup> day of April, 2022 to Friday the 29<sup>th</sup> day of April, 2022 both days inclusive for the purpose of preparing an up-to date Register of Members.

**IV. BIOGRAPHICAL DETAILS OF DIRECTORS**

The biographical details of the Directors standing for re-election and appointment are provided in the 2021 annual report and posted on the Company's website [www.services.totalenergies.ng](http://www.services.totalenergies.ng)

**V. NOMINATION OF MEMBERS OF THE STATUTORY AUDIT COMMITTEE**

Pursuant to Section 404 (6) of the Companies and Allied Matters Act (CAMA) 2020 any member may nominate a shareholder for election as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 days before the Annual General Meeting. Nominations should please be accompanied by a copy of the nominee's curriculum vitae.

**VI. RIGHT OF SHAREHOLDERS TO ASK QUESTIONS**

Shareholders have a right to ask questions not only at the meeting but also in writing prior to the meeting and such questions must be submitted to the Company Secretary on or before the 2<sup>nd</sup> day of June, 2022.

**VII. UNCLAIMED DIVIDEND WARRANTS AND SHARE CERTIFICATES**

Several dividend warrants and share certificates remain unclaimed, and are yet to be presented for payment or returned to the Registrars for revalidation. We implore any shareholder affected by this to please write to the Company Secretary or Registrars or call at either office during working hours. We have also published a list in the newspapers and on our website

**VIII. e-DIVIDEND**

In accordance with the Securities and Exchange directives, Shareholders are hereby advised to open bank accounts, stockbroking and CSCS accounts for the purpose of timely receipt of dividend payments. A detachable application form for e-dividend is attached to this Annual Report to enable all shareholders furnish particulars of their bank accounts/CSCS details to the Registrar or Company Secretary expeditiously.

**IX. e-REPORT**

In order to improve delivery of our Annual Reports, we have inserted a detachable form to this Annual Report and are requesting shareholders who wish to receive the Annual Report in an electronic format to complete and return the form to the Registrars or Company Secretary for further processing.

**X. SEC RULE ON COMPLAINTS MANAGEMENT FRAMEWORK**

Please note that in accordance with the Securities and Exchange Commission rule No. 10 (a) shareholders who have complaints should use the electronic complaints register on the website of the company at [www.services.totalenergies.ng](http://www.services.totalenergies.ng) to register their complaints. This will enable the company handle complaints from shareholders in a timely, effective, fair and consistent manner.

**BY ORDER OF THE BOARD**



**OLUBUNMI POPOOLA-MORDI, FCIS**

Company Secretary

FRC/2013/ICSAN/00000002042

**Dated this 31<sup>st</sup> Day of March, 2022**

The electronic version of the Annual Report and Accounts 2021 is available on the Company's website [www.services.totalenergies.ng](http://www.services.totalenergies.ng)

## CHAIRMAN'S STATEMENT AT THE 44<sup>th</sup> ANNUAL GENERAL MEETING OF TOTAL NIGERIA PLC

### INTRODUCTION

Good morning distinguished shareholders, members of the Board of Directors of TotalEnergies Marketing Nigeria Plc, esteemed customers, gentlemen of the press, invited guests, ladies and gentlemen. It is with great pleasure that I, on behalf of the Board of Directors of TotalEnergies Marketing Nigeria Plc, welcome you to the 44<sup>th</sup> Annual General Meeting of your Company. During the course of this meeting, I shall present to you the Directors' Report and Financial Statements for the year ended 31<sup>st</sup> December, 2021.

### THE BOARD

Since our last Annual General Meeting, there have been changes to the composition of the Board. Mr. Imrane Barry and Mr. Alexander Adotevi resigned from the Board as they took on new roles in TotalEnergies. Also, Mr. Stanislas Mittelman resigned from the services of TotalEnergies in November, 2021. We thank Messrs. Barry, Adotevi and Mittelman for their contributions to the Board and Company. In July, 2021 Dr. Samba Seye was appointed to the Board (Managing Director in September), in October, 2021 Mr. Noubi Ben Hamida was appointed as a Non Executive Director and in November 2021 Mr. Jean-Phillipe Torres was appointed as a Non Executive Director and Chairman of the Board. At this meeting we shall be asking you to ratify their appointments. Please join me in wishing the new directors a very successful tenure on the Board.

### OUR ENVIRONMENT AND YOUR COMPANY'S PERFORMANCE

Security challenges persists across the country with Boko Haram in the North-East, cross-border banditry in the North West, clashes between herdsmen and farmers in the North Central, ethnic tensions in the South East / West and increasing cases of kidnapping (with school children being targeted) all across the country. This has not only disrupted economic activity (low productivity, increased post-harvest losses, difficult logistics) it has contributed significantly to rising food insecurity and spiked the high food inflation.

The year commenced at a slow pace as Nigeria struggled to recover from the pandemic induced recession. The Finance Act 2021 was enacted to support Nigeria's 2021 budget. The Naira was devalued at both the parallel and official market; the Central Bank of Nigeria (CBN) adjusted the official exchange rate. CBN intensified its efforts to harmonise the foreign exchange rate by adopting the Import & Export window rate as the official exchange rate. The Nigerian economy commenced recovery on the back of the discovery of Covid vaccines, however, unemployment and inflation continued to rise in the first half of the year. Key drivers of inflation included insecurity, decayed infrastructure, depreciation of the Naira, rising cost of energy, transportation and logistics. In the second half of the year inflation moderated thus in 2021 inflation was 17%.

Availability of petroleum products has remained consistently very difficult. Nigeria's 4 refineries remain unutilized and the country therefore remains largely dependent on imports. The Nigerian National Petroleum Company (NNPC) continues to use the direct purchase of refined products (DSDP) scheme to ensure stability of supply. Throughout 2021, international quotations for PMS was very high thus importation of PMS was not viable. The government, through the NNPC, continued to import and subsidize the product. This, combined with the inability of marketers to access foreign exchange at the official rate used in the Petroleum Products Pricing Regulatory Agency (PPPRA) template, resulted in the NNPC remaining the sole importer of PMS. AGO & Jet A1 remain fully deregulated, access to foreign exchange by marketers continued to be a challenge inhibiting imports thereby necessitating periodic intervention by the NNPC. The rollout of COVID-19 vaccines led to an uptick in economic activities, which drove oil prices to a 2-year high in September 2021. In late Q3- Q4 the country experienced a supply crisis of PMS, deregulation was very much in the forefront in as the government agencies acknowledged that the subsidy regime was not sustainable and even announced that subsidies would be removed in 2022 (this is yet to occur).

In August 2021 the Petroleum Industry Act (PIA) was enacted (effective from 2022) and is expected to drive investments in the oil and gas sector, liberalise downstream operations, foster socio-economic development of host communities and support economic growth. The PIA allows the Nigerian National Petroleum Company transition into and it has been incorporated as a limited liability company. In addition, 2 new regulatory agencies were created with the Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA) having as part of its responsibility the downstream sector of the Nigerian Petroleum industry and the Nigerian Upstream Regulatory Commission (NURC).

Nigeria recorded rising number of Covid cases as we experienced a third wave of COVID-19. The World Bank announced that Nigeria and 91 other developing countries would benefit from a new COVID-19 vaccine financing mechanism, which is a product of a partnership between World Bank and COVAX. In the fourth quarter of 2021 the Omicron variant of the COVID-19 virus was detected in South Africa and it made its way to Nigeria and other

countries but the impact was not as severe as was experienced in 2020; it would appear that the world at large had graduated to a level of managing the COVID-19 virus.

## KEY DEVELOPMENTS

In August 2021, our shareholders approved our name change from Total Nigeria Plc to **TotalEnergies Marketing Nigeria Plc (TEMNPLC)**. A new name, a new logo, that anchors at the heart of our identity our strategy towards transformation and our ambition: *to be a world-class player in the energy transition*. It is a reinforcement of our commitment to delivering reliable, affordable and clean energy to the population. TotalEnergies is stepping up to the double challenge facing the energy industry: more energies, fewer emissions, always more responsible. We immediately commenced rebranding of our stations; this will be concluded in 2022.

Our pledge to our number one core value *Safety* remains unwavering. Our 2021 HSE performance was yet again satisfactory. Our Total Rate of Incident Recorded stands at Zero, with no accident within and outside our perimeter. We conducted technological risk awareness training for sites operators, Integrity & Major Risk Awareness training for sites operators and a review of Technical Integrity Procedures. We continued to provide our employees, station staff and contractors with up-to-date information on COVID-19 protocols, precautionary measures, hand sanitisers and masks.

We remain steadfast in our commitment to renewable energies and by the end of 2021 a total of 131 service stations had been solarized, a further 125 stations are planned for solarization in 2022. Over 1.5 million people in Nigeria have been impacted from the sale of 400,000 TotalEnergies solar lamps, we have also deployed several B2B solar hybrid solutions in Nigeria .

TEMNPLC remains very active in the lubricant market and has continued to grow its market share which by the end of the year stood at 17%. The Company commenced installation of its end of line automated machines at its blending plants which will be concluded in 2022; it will increase production output of small pack lubricants (1-5 Litre) by about 30%.

At the 2020 Annual General Meeting, you, our Shareholders unanimously gave management the mandate to establish a Domestic Commercial Paper Programme of up to ₦30 Billion, this was implemented in 2020. The restructuring and refinancing of the Company's debt profile using commercial papers contributed to improved liquidity and positive cash flow; I am pleased to report that the commercial paper was fully repaid from cash reserves in August 2021.

## AWARDS

I am delighted to inform you that your Company received two notable awards: an award from the Sustainability Enterprise and Responsibility Awards (SERAS) for the best company in stakeholder engagement and also won the 2020 fully Integrated Company of the year award in the Nigeria oil and gas sector at the Nigeria International Energy Summit.

## COMPANY PERFORMANCE

Distinguished shareholders, despite global, national and local economic and social challenges your Company's turnover increased by 67% from ₦205 Billion in 2020 to ₦341 Billion in 2021. Profit after tax increased by an unprecedented 712% from ₦2.06 Billion to ₦16.8 Billion. This is indeed a remarkable achievement. With your kind permission I would like to use this medium to thank you our Shareholders for your loyalty, the Board for its steer, Management for its dynamism and the Staff for their commitment.

## DIVIDENDS

The Company had earlier distributed the sum of ₦1.36 Billion as interim dividends, representing ₦4.00 (Four Naira only) per share for the year ended 31<sup>st</sup> December, 2021. The Board proposes for approval by shareholders the sum of ₦6.18 Billion representing another ₦18.20 (Eighteen Naira Twenty Kobo only) to be distributed as final dividend for the year 2021 subject to the deduction of appropriate withholding taxes at the time of payment. In line with our corporate reputation for early disbursement of shareholders' dividends, we are delighted to confirm to you that if approved at this meeting, your dividends will be paid on the 17<sup>th</sup> of June, 2022.

## OUR PEOPLE

Our people remain at the forefront of the Company's successes. They are indeed our greatest asset. Considering the challenges and uncertainties of the economy, we believe that your Company performed creditably, and this is a testament to the passion and commitment of its staff. Our employees are our priceless assets and remain the significant difference between TotalEnergies and her competitors. Our welfare, recruitment, talent management and training are continuously geared towards attracting, motivating and developing our teams.

I am confident that our structure and workforce will enable us deliver excellent returns to our shareholders in 2022 and beyond.

On behalf of my colleagues on the Board of our great company and you the shareholders, I hereby express our appreciation to the management and staff of the Company for their dedication, unwavering loyalty and commitment to the Company.

#### **CONCLUSION**

Distinguished Shareholders, the decade 2020-2030 will see TotalEnergies transform into a true multi energy company. Your company is poised to play its role in the energy transition. With your support and an enabling environment 2022 should be a year of sustaining the momentum.

Distinguished shareholders, I thank you for your encouragement, support and the cooperation given to the Board and Management. Our gratitude also goes out to our customers, transporters and suppliers. We thank you for your patronage, cooperation and contributions to achieving the results for the year.

Finally, I thank you all for your presence at this Annual General Meeting, and I look forward to your participation in this meeting.

Thank you.

A handwritten signature in dark ink, appearing to read 'JP Torres', with a stylized, flowing script.

**Mr. JEAN-PHILLIPE TORRES**

***Chairman***

**31<sup>st</sup> March, 2022**

## BOARD OF DIRECTORS PROFILE



**MR. JEAN-PHILIPPE TORRES:** Mr. Torres is a finance graduate of the University of Lille. He obtained a Masters in finance from the Ecole Supérieure de Commerce de Tours in France and a Master of Science in Management from the IÉSEG School of Management, Lille. He started his working career as an Analyst in the French Ministry for Economy and Finance. He joined the TotalEnergies in 1992 as a Financial Controller in the Combustible Fuels Division of Elf Antar France. In 1993 he moved to Elf Raffinage Distribution as Treasurer in charge of the African affiliates. In 1995 he was the Sales and Marketing Manager for Elf Oil Zaire and went on to hold a similar position in Senegal in 1997. Thereafter in 1999 he was appointed General Manager of TotalFinaElf Gambia. In 2001, he was appointed Managing Director of TotalEnergies Togo and Total Benin and in 2004, Managing Director of Fina Congo. In 2007 he was appointed Strategy and M&A Senior Project Manager, Strategy & Development Division, TotalEnergies Marketing, Paris. In 2011 he was appointed General Manager Retail and Fuel Cards of TotalEnergies Germany. In 2014 Mr. Torres became the Executive Vice-President North & Central America of TotalEnergies Marketing & Services, Americas Division. He was appointed Managing Director of TotalEnergies Marketing Nigeria Plc in 2016, Vice President East & Central Africa TotalEnergies Marketing & Services in 2018, Executive Vice President Mediterranean & Indian Ocean TotalEnergies Marketing & Services in 2021 and in 2021 he was appointed Senior Vice President Africa Middle/East and a director of TotalEnergies Marketing Nigeria Plc. He is the Chairman of the Board.

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**DR. SAMBA SEYE:** Dr. Seye holds a Doctorate Degree in fluid mechanics from the University of Sciences and Techniques of Lille, France, where he worked as an assistant lecturer from 1990 until 1993 when he joined Shell, working in various capacities before joining Total Marketing and Services in 2014 as a Project Manager in the Strategy Department. In 2015, he was appointed Deputy Executive Vice President, West Africa, a position he held until his appointment as Vice President Specialties/General Trade Total MS /Africa, in 2016. Thereafter, he was appointed Executive Vice President West Africa, Total MS /Africa, in 2017. He has been a member of the TotalEnergies SE Ethics Committee since 2019. Dr. Seye was appointed to the Board in July 2021 and Managing Director of TotalEnergies Marketing Nigeria Plc. on the 1<sup>st</sup> of September, 2021.

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**MRS. LESLEY BAXTER-GREEN:** Mrs. Lesley Baxter-Green is an MBA (with Distinction) graduate of Manchester Business School, UK and holds a bachelor's degree (with Honours) from The Robert Gordon University, UK, she is additionally a Fellow of the Association of Chartered Certified Accountants (FCCA). She started her career with TotalEnergies in 1998 as Management Accountant for Total Gas & Power Ltd, UK where she ultimately held the position of Director Central Services. She moved to TotalEnergies Gaz SA, France in 2009 as Secretary General (Intérim). In the same year, she became Senior Economist at TotalEnergies SA, France until 2010 when she was appointed Chief Financial Officer, Total Coal South Africa (Pty) Ltd. In 2014, she was appointed as the Vice President Finance & Control, TotalEnergies (China) Investment Co Ltd in Beijing, China. In 2017, she joined the audit team in Paris as an Internal Auditor until her current assignment in TotalEnergies Marketing Nigeria PLC as Executive Director (Secretary General). Mrs. Baxter-Green was appointed as an Executive Director of TotalEnergies Marketing Nigeria Plc. on the 16<sup>th</sup> of August, 2019.



## BOARD OF DIRECTORS PROFILE

**MS. TEJIRO IBRU:** Ms. Tejiro Ibru obtained a Masters in Engineering and a Master of Finance from Imperial College, London and started her career with Deloitte & Touche Petroleum Services Group, London. In 2005, she joined Oceanic Bank International Plc as Head of the International Banking Group and later as Head of the Project Management Office. In 2010, she was appointed the Head of Corporate Services of Destiny Dredgers International Limited and in 2014 she joined Dorman Long Engineering Limited as Head of the Programme Management Office. From 2015 to 2017, she worked at Midwestern Oil and Gas Company Limited as a Corporate Finance Analyst. She is an Associate of the Royal School of Mines, Imperial College. She was appointed to the Board to the Board as a Non-Executive Director on the 27<sup>th</sup> of October, 2011.



**ENGR. RUFA'I SIRAJU:** Engr. Rufa'i Sirajo obtained a National Diploma in Electrical/Electronic Engineering from the Federal Polytechnic Mubi, Adamawa State, a Higher National Diploma in Electronics/Telecommunications Engineering from Kaduna Polytechnic, Kaduna State, a Post Graduate Diploma in Electrical Engineering from Bayero University, Kano and an MBA degree from the University of Calabar. He commenced his working career in 1986 as Engineering Superintendent (Electrical) at Geotechnical Services Limited from where he moved on to Northern Cables Processing and Manufacturing Company Limited as Quality Control Supervisor. He is currently the Managing Director/Chief Executive Officer of Afri-International Projects Consulting Limited. He is registered with The Council for the Regulation of Engineering in Nigeria (COREN); he is a Member of the Society of Engineers (MNSE) and is also a Member of the Solar Energy Association of Nigeria. He was appointed to the Board as a Non-Executive Director on the 28<sup>th</sup> of March, 2012.



**PRINCE (DR.) JEFFERSON NNAMANI:** Prince Jefferson Nnamani is a graduate of Political Science and Administration with a Masters of Public Administration (MPA) from the University of Maiduguri, Borno State, Nigeria. In his over 29 years career with Total Nigeria Plc, he served the Company in various capacities starting as a Sales Representative in Borno State, Industrial Sales Executive in Lagos, Senior Network Inspector, Lagos Region, Sales Executive, Eastern Region, Regional Manager North Central, Regional Manager, Lagos and Western Region, Territorial Sales Manager, West, General Manager, Sales and in 2011 he was appointed General Manager Strategy, a position he held until his appointment in 2015 as Executive Director, Strategy. He retired in December 2017. Jeff has also served on the Board of Nikon Insurance Corporation and the Governing Council, Yaba College of Technology. Jeff is a fellow of the Institute of Credit Administrators of Nigeria and a Member of the Institute of Directors of Nigeria. He currently runs his private business. He was appointed to the Board as a Non-Executive Director with effect from the 16<sup>th</sup> of December, 2017.



## BOARD OF DIRECTORS PROFILE



**MRS. LUCILE BADAIRE:** Mrs. Badaire is a graduate of Ecole Normale Supérieure de Paris and is an Engineer of the Corps des Mines. She began her professional career in 2003 and held various positions in French ministries and public administration covering Digital, Market Regulation and Public Policies Reforms. From 2010 to 2012, she was appointed Advisor to the Minister of Industry. Mrs Badaire joined TotalEnergies in 2012 as Field Development Manager, on African projects for TotalEnergies EP, based in Paris. In 2014, she was promoted to the position of New Business & Planning Director, based in Abu Dhabi. In 2017 she became Supply, Pricing & Hedging Director (Marketing & Services) based in Paris and in 2020 was appointed Supply & Logistics Director for the Africa division (Marketing & Services). Mrs. Lucile Badaire was appointed Non Executive Director on the 13<sup>th</sup> day of May 2020.



**MR. NOUBI BEN HAMIDA:** Mr. Ben Hamida began his professional career in 1994 at Societe Generale working in Paris and Italy in various positions in Trade Finance. He joined TotalEnergies in 2001 in Switzerland as Head of Credit Management for the Trading and Shipping Division, was appointed Downstream Corporate and Project Finance Manager in 2005 (during which time he served on the Board of Directors of listed subsidiaries in Ivory Coast, Nigeria, and Kenya). In 2010 he was appointed Group Head of FX/Money Market finance division France, Vice President Business Development and Assets Operated by Others TotalEnergies Exploration & Production - Doha, Qatar in 2015 and Chief Financial Officer Saudi Aramco TotalEnergies Refining and Petrochemicals Co.Jubail, Saudi Arabia in 2018. In 2021 he was promoted to Vice President Corporate & Project Finance Downstream TotalEnergies in Paris. Mr. Ben Hamida is an engineering graduate of Centrale Supélec France. Mr. Ben Hamida was appointed a Non Executive Director on the 28<sup>th</sup> day of October, 2021.

# REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2021

## TOTAL ENERGIES MARKETING NIGERIA PLC

In accordance with the provisions of the Companies and Allied Matters Act ((CAMA) 2020 the Directors present their Annual Report together with the Company's Audited Financial Statements for the year ended 31<sup>st</sup> December, 2021 which discloses the state of affairs of the Company.

### 1. PRINCIPAL ACTIVITIES

The principal activities of the Company are marketing and distribution of refined petroleum products.

### 2. LEGAL FORM

The Company was incorporated as a private limited liability company in 1956 and was converted to a public limited liability company in 1978. Its shares are currently quoted on the Nigerian Stock Exchange. Under a scheme of arrangement concluded and sanctioned by the Federal High Court of Nigeria on the 11<sup>th</sup> of September 2001, the Company merged with Elf Oil Nigeria Limited and changed its name to TotalFinaElf Nigeria Plc. To mark the completion of its corporate mergers, TotalFinaElf Group worldwide reverted to its former name TOTAL in 2003. Accordingly, the Company changed its name from TotalFinaElf Nigeria Plc to TOTAL Nigeria Plc in the same year. 61.72% of the Company's ordinary shares were held by Total Societe Anonyme and Elf Aquitaine S.A. until 2013 when a restructuring was concluded and Total Raffinage Marketing became the shareholder of 61.72% of Total Nigeria Plc while the remaining 38.28% are held by some members of the Nigerian public. At an extraordinary general meeting in 2013, Total Raffinage Marketing resolved to change its corporate name to Total Marketing Services. In May 2021 the Company in line with its ambition to be a broad based energy company changed its name to TotalEnergies Marketing SE. In August 2021 Total Nigeria changed its name to TotalEnergies Marketing Nigeria Plc. The shareholding structure remains the same.

### 3. OPERATING RESULTS

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

	2021	2020
	N'000	N'000
Revenue	341,346,345	204,158,930
Profit before taxation	24,835,555	3,092,500
Profit for the year	16,862,130	2,063,685
Dividend	6,179,297	2,063,685

### 4. DIVIDEND

The Board of Directors pursuant to the powers vested in it by the provisions of section 426 Of the Companies and Allied Matters Act (CAMA) 2020 hereby recommend to members the payment of a final dividend of ₦18.20 (2020: ₦6.08) per ordinary share of 50 kobo each. The dividend is subject to deduction of withholding tax at the rate applicable at the time of payment. This will be presented to shareholders for approval at the Annual General Meeting.

### 5. DIRECTORS

The directors who served during the year and to the date of this report are:

Name of Director	
Mr. J-P. Torres	Chairman (French)
Dr. S. Seye	Managing Director (Senegalese)
Mrs. L. Baxter-Green	Executive Director (British)
Ms. T. Ibru	
Engr. A.R. Sirajo	
Dr. J.E Nnamani	
Ms. L. Badaire	(French)
Mr. N. Ben Hamida	(French)
Mr. A. Adotevi	(Dutch) Resigned 31 <sup>st</sup> July, 2021
Mr. I. Barry	Managing Director (Guinean) Resigned 31 <sup>st</sup> August, 2021
Mr. S. Mittelman	Chairman (French) Resigned 10 <sup>th</sup> November, 2021

The names of the current Directors are listed on page 4. Their thumbnail pictures and brief profiles are also indicated on pages 12 to 14.



# REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2021

## 6. DIRECTORS TO RETIRE BY ROTATION

In accordance with Section 285 (1) and (2) of the Companies and Allied Matters Act, ((CAMA) 2020, the Directors to retire by rotation at this Annual General Meeting are Ms. T. Ibru, Engr. R. Sirajo and Mrs. L. Badaire who, being eligible, offer themselves for re-election. Pursuant to Section 285 (1) of the Companies and Allied Matters Act, ((CAMA) 2020, a resolution will be proposed at the Annual General Meeting for their reelection as Directors.

## 7. DIRECTORS INTEREST IN SHARE CAPITAL

The interests of each Director in the issued share capital of the company as recorded in the register of Directors' shareholding, as notified by the Directors for the purpose of Section 301 of the Companies and Allied Matters Act, (CAMA), 2020, and in compliance with the listing requirements of the Nigerian Stock Exchange and the 2011 Securities and Exchange Commission Corporate Governance Code as at 31<sup>st</sup> December, 2020 were as follows:

Directors	31 <sup>st</sup> December 2021 No. Of shares (Direct)	31 <sup>st</sup> December 2021 No. of shares (Indirect)	31 <sup>st</sup> December 2020 No. of shares (Direct)	31 <sup>st</sup> December 2020 No. of shares (Indirect)
Ms. T. Ibru	902,903	43,135	902,903	43,135
Dr. J.E Nnamani	100	-	100	-

Ms. Ibru is a shareholder (0.5%) of Mas Makay Limited which owns shares in TEMNPLC

## 8. DIRECTORS INTEREST IN CONTRACTS

No Director notified the Company for the purpose of Section 303 of the Companies and Allied Matters Act (CAMA), 2020 of any declarable interest in any contracts involving the Company. However, some of the directors hold positions in other companies with which TotalEnergies Marketing Nigeria Plc had transactions during the current financial year. The selection and conduct of the other companies were in conformity with the rules of ethics and acceptable standards. In addition, TotalEnergies ensures that such contracts are conducted at arm's length at all times and shareholders have given approval for such interrelated party transactions.

## 9. PROPERTY, PLANT AND EQUIPMENT

Movements in intangible assets and Property, Plant and Equipment during the year are shown in Notes 16 of the Financial Statements.

## 10. POST BALANCE SHEET EVENTS

As at 31<sup>st</sup> March, 2022 the Directors were not aware of any post balance sheet events which have not been adequately provided for and which could have a material effect on the financial position of the Company as at 31<sup>st</sup> December, 2021 as well as the profit for the year to that date.

## 11. COMPANY'S DISTRIBUTORS

The names of the Company's significant distributors are shown on pages 87 to 88.

## 12. SUPPLIERS

Key suppliers of products and materials to the Company are:

S/N	Vendor Name	S/N	Vendor Name
1	PRO BONO HAULAGE LTD	13	ASB INVESTMENT COMPANY LIMITED
2	PANAR LIMITED	14	PETRICHOR BOX FACTORY LIMITED
3	PACEGATE LIMITED	15	ADS INVESTMENT LTD
4	POLY PRODUCTS NIGERIA PLC	16	EUNISELL LIMITED
5	ELIZADE NIGERIA LTD	17	SAM NOBLE TECHNICAL SERVICES
6	AVON CROWNCAPS & CONTAINERS LTD	18	S.A OLADITI & SONS
7	COSCHARIS MOTORS LIMITED	19	JMG LIMITED
8	WAYNE (WEST AFRICA) LIMITED	20	BERICAP S.A.U
9	T MARINDOT VENTURES NIG. LTD	21	SILVERFREIGHT LTD
10	SUNPOWER SYSTEMS	22	CORMART
11	PATRICK TELFORD & CO	23	TOTAL OUTRE MER
12	TSL YTS LIMITED	24	AFFORDABLE CARS LIMITED

# REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2021

## 13. INTER-COMPANY TRANSFERS AND TECHNICAL MANAGEMENT AGREEMENTS

The Company is a party to a subsisting agreement in respect of License, Marketing know-how and Training. This agreement is between the Company and TotalEnergies Raffinage Marketing and TotalEnergies Outré Mer.

The terms of the agreements include:

- (a) Provision of assistance and advice on the general organization and management of the Company.
- (b) Provision of suitable expatriate personnel for employment as required and at the request of the Company.
- (c) Provision of overseas training and retraining for Nigerian employees to enable them assume positions of higher responsibility within the Company.
- (d) Product research development assistance.
- (e) Constructions, engineering and design assistance, provision of accounting and operations computer software, sample analysis and control.
- (f) Technical assistance for inventory control, product storage and handling procedures; aviation services assistance and provision of operational manual to ensure compliance with international standards.
- (g) Payment of technical assistance and management fees.

## 14. ACQUISITION OF OWN SHARES

The Directors affirm that the Company did not purchase its own shares during the year. The employees of the Company are participants in the TotalEnergies Employees' shareholding plan. TotalEnergies Marketing Nigeria Plc finances the purchases made by Staff and this is repayable over a number of years.

## 15. DONATIONS

As the Company did in the previous year, donations were made to several charitable organizations during the year 2021 and the beneficiaries are as follows:

	DONATION	AMOUNT ₦
1	SOS Annual Corporate Sponsorship	8,595,728
2	Koko Scholarship fund 2021	1,420,000
3	Skills Acquisition Program for Koko Youths	1,070,000
4	SERAs Awards	2,500,000
5	Products Donation - Koko PCC	158,785
6	Olu of Warri Coronation Committee	2,300,000
7	Products to the KHRDC	200,000
8	ICSAN Annual Conference	1,000,000
9	SOS Year end sponsorship activities	9,775,000
10	Young Women Small Holder Farmers Initiative Sponsorship	6,967,500
11	Donation of Petroleum Products to Federal Road Safety Corps	812,500
12	Donation of Petroleum Products to Lagos State Government	812,500
13	Wesley School -1 for the Hearing Impaired.	273,000
14	Wesley School-2 for the Hearing Impaired	273,000
15	Paroche Outreach Foundation	273,000
16	The Care People Foundation	273,000
17	Nigerwives Braille book production centre	273,000
18	Galilee Foundation	273,000
19	Black Diamonds Support Foundation	273,000
20	Rosalie Home Rehabilitation Center. 273,000	273,000
21	Heart Of Dorcas Children's Center	273,000
22	General Hospital Koko	273,000
23	Nigerian Red Cross Society Motherless Babies Home	273,000
24	Orphange Tender Love Foundation	273,000
25	Little Sisters of the Poor Home for the Elderly. 273,000	273,000
26	Right Steps Family Outreach in Nigeria (SUSANA HOMES)	273,000

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2021

27	St. Joseph's Home for the Elderly and Handicapped	273,000
28	Ministry Of Mercy Orphanages	273,000
29	Fatherless & Motherless Children Aid Organisation 273,000	273,000
30	Tivid Orphanage Home International	273,000
31	Honour Ground Orphanage Home	273,000
32	Adonai Orphanage and Widows Center	273,000
33	FARID Center for People with Special needs	273,000
34	Green Stations Environmental Clean up Initiative for secondary schools	7,100,057
35	Books Donation	5,379,200
36	Stations Internship	1,200,000
	<b>TOTAL</b>	<b>55,024,270</b>

**No donations were made to any political parties.** Extensive information on our societal actions can be found in our sustainability report [www.services.totalenergies.ng](http://www.services.totalenergies.ng)

### 16. EMPLOYMENT AND EMPLOYEES

We have created and are sustaining an atmosphere of diversity and inclusion in TotalEnergies. Equality of opportunity, diversity and inclusion are a part of TotalEnergies Marketing Nigeria Plc's identity.

#### (a) **Our Inclusion Policy**

TotalEnergies Marketing Nigeria Plc is an equal opportunity employer and does not discriminate on any grounds. We support fair employment practices. We aim to have an institution free from discrimination and based upon the values of dignity and respect. Respect for the employees is at the heart of our organization and is one of our core values. We encapsulate listening to each other and respecting human rights. In recognition of our commitment to respecting human rights TotalEnergies is ranked amongst the top oil and gas major in the Corporate Human Rights Benchmark.

We employ and retain people from a wide range of backgrounds. Our employment policy is free of discrimination against existing or potential employees on grounds of race, ethnicity, nationality, gender, age, disability, political opinion, competencies, background or faith. We have relevant policies and processes including recruitment, retention, evaluation, remuneration and talent management to ensure they are gender sensitive. We recognise and mitigate unconscious biases in selection and retention processes. It is TotalEnergies policy not to discriminate against physically challenged persons or persons living with HIV/AIDS. The Company continues to pursue its policy of non-discrimination in recruitment and continued employment, offering physically challenged persons career opportunities. The Company ensures that the work environment is accessible and conducive for them.

#### (b) **Equal opportunities and Diversity**

TotalEnergies is committed to promoting and fostering a culture of equality, diversity, fairness, integrity and dignity. The Company recognizes the need for and values diversity and inclusion in its workforce and leadership. We have created an open and inclusive corporate culture where all genders can flourish. All employees are given equal opportunities and resources to develop professionally and personally to their full potential. We also believe that gender parity is not just a quota to meet – it's also something that helps drive performance as it is a key success driver. It plays a pivotal role in our employee community. TotalEnergies decided to create a proactive and ambitious roadmap for gender parity: by 2025, the Company expects to have 30% of its top management, management committee and executive director positions held by women. The Company is taking active steps to make this happen. Diversity and inclusion do make a positive difference and we celebrate the rich diversity of our employees. We have a diversity policy which we actively propagate and implement; our code of conduct also propagates our positive diversity stance.

#### (c) **Health, Safety, Environment and Quality Policy**

Our first core value has remained Safety. Health, Safety, Environment and Quality (HSEQ) protection continues to be of utmost importance in our operations. TotalEnergies considers people safety and security, health protection, operational safety, respect for the environment, customer satisfaction and listening to stakeholders as paramount priorities. We are conscious at all levels of the organization, of our personal responsibility and give due consideration to the prevention of accidents, injury, environmental damage or adverse impacts of product and service quality. Health, Safety, Quality and Environmental protection is of utmost importance to us. Our commitment to HSEQ values was unwavering throughout the year despite the challenging environment. We are committed to maintaining the highest standards of safety and enforce strict health and safety rules and practices.

Our pledge to our number one core value *Safety* remains unwavering. Our 2021 HSE performance was yet again quite impressive. As at the 31<sup>st</sup> of December 2021 we were 2,275 days without fatal accident had recorded 1,897 days Loss Time Incident Rate and had no accident within and outside our perimeter.

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2021

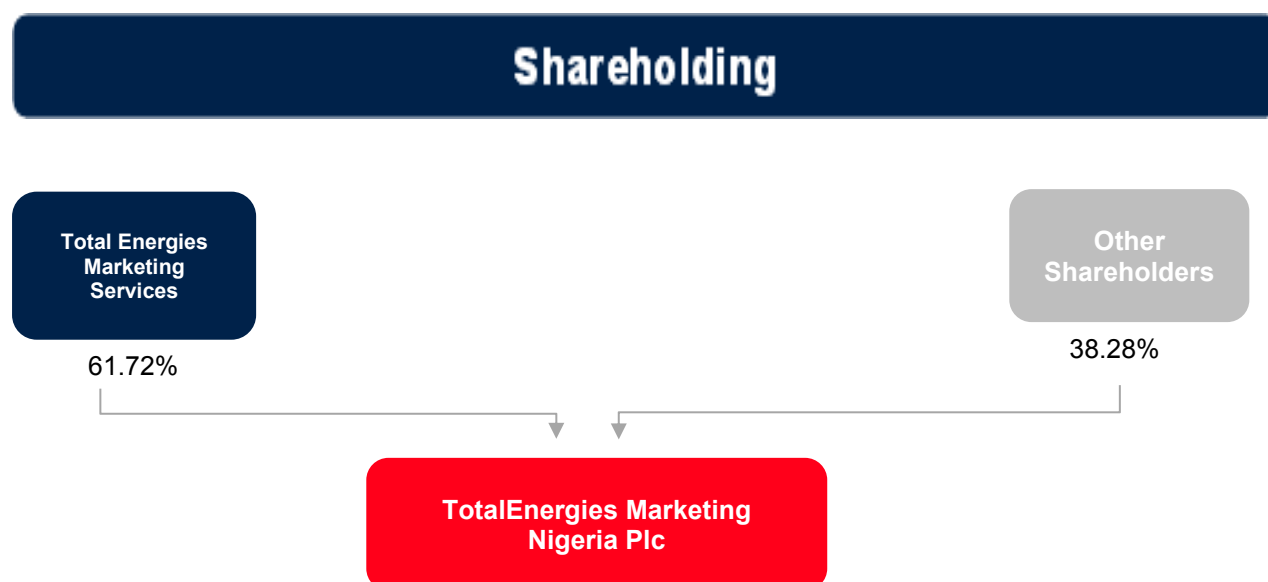
We conducted technological risk awareness training for sites operators, Integrity & Major Risk Awareness training for sites operators and a review of Technical Integrity Procedures. We continued to provide our employees, station staff and contractors with up-to-date information on COVID-19 protocols, precautionary measures, hand sanitisers and masks.

(d) **Employees Welfare, Development, Training and Engagement.**

The Company operates a medical scheme under which free healthcare is provided to employees and their dependants. We have well equipped clinics at our offices. Employees are mandated to undergo annual medical examinations which form the basis for the provision of timely medical interventions. In 2021 the Company provided interested employees, their families and dependants with the Covid vaccine and booster shots. The Company also periodically runs various beneficial health campaigns (including mental health campaigns). In 2021 82% of the workforce were trained and we achieved an average of 5 training days per employee.

### 17. MAJOR SHAREHOLDINGS.

- a) The issued and fully paid shares of 50 kobo each of the Company as at 31<sup>st</sup> December, 2021 were beneficially held as follows:



Shareholder	2021 Number of Shareholding '000	%	2020 Number of Shareholding '000	%
TotalEnergies Marketing Services	209,560	61.72	209,560	61.72
Other Shareholders	129,962	38.28	129,962	38.28
<b>Total</b>	<b>339,522</b>	<b>100.00</b>	<b>339,522</b>	<b>100.00</b>

- b) No shareholder, except as disclosed above, held more than 5% of the issued capital as at 31<sup>st</sup> December, 2021 and as at 31<sup>st</sup> March, 2022.

REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31ST DECEMBER 2021

(c) Range analysis of ordinary shareholdings

RANGE			NO.OF HOLDERS	% HOLDERS	HOLDINGS	% HOLDINGS
1	-	500	14,029	51.95	2,339,678	0.69
501	-	1,000	3,536	13.09	2,621,492	0.77
1,001	-	5,000	7,202	26.67	15,184,905	4.47
5,001	-	10,000	1,153	4.27	8,021,438	2.36
10,001	-	20,000	547	2.03	7,585,674	2.23
20,001	-	50,000	277	1.03	8,559,897	2.52
50,001	-	100,000	107	0.40	7,714,345	2.27
100,001	-	500,000	119	0.44	26,338,554	7.76
500,001	-	5,000,000	33	0.12	41,440,617	12.21
5,000,001	-	50,000,000	2	0.01	10,155,607	2.99
50,000,001	-	339,521,837	1	0.00	209,559,630	61.72
GRAND-TOTAL:			27,006	100.00	339,521,837	100.00

19. **INTERNAL FINANCIAL CONTROLS**

Effective financial controls are an essential management tool. Accordingly, reasonable care has been taken to establish and maintain a framework of financial controls to ensure that the Company's assets are safeguarded and that proper accounting records are maintained with a view to providing reliable financial information.

There exist adequate guidelines for all aspects of internal controls relating to operational and compliance controls as well as risk management. The Board and Management will in line with regulation and international best practices continue to review the effectiveness and the adequacy of the Company's internal control systems and update such as may be necessary.

20. **AUDITORS**

In accordance with Section 401 of the Companies and Allied Matters Act, (CAMA) 2020, a resolution will be proposed at the next Annual General Meeting authorizing the directors to appoint new auditors and determine their remuneration.

**BY ORDER OF THE BOARD**



*O. A. Popoola-Mordi*

**Olubunmi Popoola-Mordi**

FRC/2013/ICSAN/00000002042

Company Secretary

**LAGOS, NIGERIA**

31<sup>st</sup> March, 2022

## STATEMENT OF CORPORATE RESPONSIBILITY

In accordance with the provisions of Sections 405 of the Companies and Allied Matters Act (CAMA) 2020, we have reviewed the Audited financial statements for the year ended 31<sup>st</sup> December, 2021 and based on our knowledge confirm as follows:

- The audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading in light of the circumstances under which the statement was made;
- The audited financial statements and all other financial information included in the statements fairly present in all material respects, the financial condition and results of operation of the Company as of the period ended 31<sup>st</sup> December, 2021;
- The Company's internal controls have been designed to ensure that all material information relating to the Company is received and provided to the auditors in the course of the audit;
- The Company's internal controls were evaluated within 90 days of the financial reporting date and are effective as at 31<sup>st</sup> December, 2021;
- That we have disclosed to the Company's Auditors and the Statutory Audit Committee the following information:
  - a) That there are no significant deficiencies in the design or operation of the Company's internal control which could adversely affect the Company's ability to record, process, summarise and report financial data and have discussed with the auditors any weaknesses in internal controls observed in the course of the audit
  - b) There is no fraud involving management which could have any significant effect on the Company's internal control.
  - c) There is no significant change in internal controls or in other factors that could significantly impact
- There is no significant change in internal controls or in other factors that could significantly affect internal controls subsequent to the date of this audit, including any corrective actions with regard to any observed deficiencies and material weaknesses.



**Mrs. L. Baxter-Green**  
FRC/2020/003/00000020680  
Executive Director  
31<sup>st</sup> March, 2022



**DR. S. SEYE**  
FRC/2020/003/00000024858  
Managing Director  
31<sup>st</sup> March, 2022

## CORPORATE GOVERNANCE REPORT

TotalEnergies is committed to institutionalizing the principles of corporate governance and ethical business practices. We have always adopted a responsible attitude towards corporate governance and issues of Corporate Social Responsibility in Nigeria. The Company conducts its business with integrity and pays due regard to the laws of Nigeria and the legitimate interest of its stakeholders. The Board of Directors ("the Board") is continually reviewing corporate governance standards and procedures and subscribes to regulation, legislation and international best practices.

The Board recognizes that good Corporate Governance is a key driver of corporate accountability and business prosperity thus it has demonstrated commitment towards embedding excellent corporate governance practices across the entire Company. This commitment is visibly seen in its sustained drive to institutionalize practices, policies and structures which accentuate the very essence of good corporate governance and best practices in its functions and across the entire Company.

In 2021 the Board actively moved to ensure compliance with the Nigerian Code of Corporate Governance 2018 which seeks to institutionalise corporate governance best practices in Nigerian companies. This it did by commissioning an internal review and taking steps to implement same.

### THE BOARD OF DIRECTORS

As currently constituted, the Board of Directors comprises the Chairman, the Managing Director, one Executive Director as well as five Non-Executive Directors. The positions of the Chairman and that of Managing Director are held by different persons. In accordance with the provisions of the Company's Articles of Association, the Board is mandated to manage the business and affairs of the Company except as required by statute or the Articles to be exercised by the Company in the general meeting. The Directors of TotalEnergies are knowledgeable about the Company's business, well established in various fields of endeavour and bring a wealth of experience to bear on the activities of the Board. The Board ensures that its governance standards, practices and processes are adequate and effective. The Board has a charter which regulates its operations.

### Roles and Responsibilities of the Board of Directors

The Board is responsible for ensuring that the Company is properly managed and meets its strategic objectives. The Board provides both entrepreneurial and strategic leadership. The Directors act in good faith, with due diligence and care and in the best interest of the Company. The Board in discharging its duties, adopts best international practice principles in line with laid down regulations.

The responsibilities of the Board include:

- i) Management of the business and affairs of the Company except as required by statute or the Articles to be exercised by the Company in the general meeting;
- ii) Articulation and formation of Strategy;
- iii) Formulation of policies and overseeing the management and conduct of business;
- iv) Formulation and management of risk management framework;
- v) Succession planning and the appointment, training, remuneration and replacement of Board members and Executive Committee members;
- vi) Overseeing the effective performance of management in order to protect and enhance shareholder value and to meet the Company's obligations to its stakeholders.
- vii) Overseeing the effectiveness and adequacy of internal control systems;
- viii) Performance monitoring and appraisal of the Company;
- ix) Overseeing the maintenance of the Company's communication and information dissemination policy;
- x) Serving the legitimate interests of the shareholders and the Company and accounting to them fully;
- xi) Ensuring effective communication with stakeholders;
- xii) Reviewing and approving annual budgets;
- xiii) Ensuring the integrity of financial reports;



- xiv) Promoting and ensuring that ethical standards are maintained;
- xv) Ensuring that the human and financial resources of the Company are effectively deployed towards achieving her goals;
- xvi) Ensuring that no one person or group of persons has unfettered power and that there is an appropriate balance of power and authority on the Board which is usually reflected by separating the roles of the Managing Director/Chief Executive Officer (MD/CEO) and Chair and by having a balance between executive and non-executive Directors;
- xvii) Regularly assessing its performance and effectiveness as a whole and that of the individual Directors, including the MD/CEO;
- xviii) Appointment of the MD/CEO;
- xix) Ensuring the motivation and protection of human capital intrinsic to the Company; ensuring that there is adequate training in the Company for management and employees and a succession plan;
- xx) Ensuring that all technology and systems used in the Company are adequate to properly run the business and for it to remain effectively competitive;
- xxi) Identifying key risk areas and key performance indicators of the business and monitoring these factors;
- xxii) Ensuring annually that the Company survives, thrives and continues as a viable going concern;
- xxiii) Ensuring compliance with the Company's articles, all laws and regulations;
- xxiv) Conducting performance and progress monitoring against the strategies and objectives of the Company, including assessing the Company's financial position and performance (at least quarterly);
- xxv) ensuring that management systems are in place to identify and manage environmental and social risks as well as their impact;
- xxvi) Approving the Company's interim dividend and proposing dividends to be finally approved by the shareholders at the annual general meeting; and
- xxvii) Deciding and approving the expenditure and authorising, investment and credit limits to be delegated to the Chair, Board Committees, Executive and Senior Management.

### **Board Appointment, Induction and Training**

Once a vacancy on the Board of Directors is declared, curricula vitae of suitable candidates (depending on the required experience, competencies and skills set) are obtained and reviewed; interviews are conducted and a recommendation is made to the Board of Directors. Appointment is by the Board of Directors. Subsequently, Directors appointed by the Board are presented to shareholders at the next Annual General Meeting for election. Board members undergo an induction and training from time to time. To ensure effective management of the Company, Directors attend relevant seminars and conferences designed to acquaint them with new trends in governance and organizational development as well as empower them for their roles. The Board of Directors is able to retain external counsel for independent advice.

### **Board Evaluation**

The Board did not conduct a formal evaluation of its performance in the year under review. However, an internal evaluation exercise was conducted taking into account all relevant codes on corporate governance and international best practices. The Report shows that TotalEnergies's governance procedures and practices during the year ended 31<sup>st</sup> December, 2021 were in conformity with the provisions of applicable legislation, regulations, corporate governance Codes and international best practices. All action points from the Evaluation will be addressed in the course of 2022.

### **Re- election of Directors**

As prescribed by the Company's Articles of Association and Section 285 of the Companies and Allied Matters Act, 2020 a maximum of one third of the Directors who are longest in office since their last appointment are required to retire by rotation and are eligible for re-election. Messrs. Ibru, Sirajo and Badaire are Directors seeking re-election at this Annual General Meeting. Their biographical details are contained on Pages 12 to 14 of this Annual Report and Accounts. Likewise, Directors appointed since the last Annual General Meeting retire and being eligible, offer themselves for re-election. Messrs..Seye, Hamida and Torres are directors appointed since the last



Annual General Meeting. Their biographical details are contained on Pages 12 to 14 of this Annual Report and Accounts.

#### Code of business conduct and ethics

The Board is committed to conducting all business activities, legally, ethically and in accordance with the highest standards of integrity and propriety. The Board exercises leadership, enterprise, integrity and judgment in directing the Company so as to achieve continuing survival and prosperity for the company.

The Board promotes an ethical corporate culture. Every Director and employee subscribes to comply with the Company's Business Integrity Guide and Code of Conduct which covers TotalEnergies business principles and ethics. We are committed to maintaining a brand of repute and business reputation.

#### Attendance at Board Meetings

The Board met 6 (six) times during the 2021 financial year. Attendance at Board Meetings during the year ended 31<sup>st</sup> December, 2021 is as indicated below:

Directors	24 <sup>th</sup> March	31 <sup>st</sup> May	19 <sup>th</sup> July	27 <sup>th</sup> October	25 <sup>TH</sup> November	15 <sup>th</sup> December	Total Attendance
Mr. S. Mittelman	P	P	P	P	R	R	4
Mr. I. Barry	P	P	P	R	R	R	3
Mrs. L. Baxter-Green	P	P	P	P	P	P	6
Ms. T. Ibru	P	P	P	P	P	P	6
Engr. A.R. Sirajo	P	P	P	P	P	P	6
Dr. J.E Nnamani	P	P	P	P	P	P	6
Mr. A. Adotevi	P	P	P	R	R	R	3
Ms. T. Ibru	P	P	P	P	P	P	6
Mrs. L. Badaire	P	P	P	P	P	P	6
Mr. N. Ben Hamida	N	N	N	P	P	P	3
Mr. J-P Torres	N	N	N	N	P	P	2

Attendance Keys: A= Absent with apology, P= Present, R= Resigned, N = Not Applicable

#### Board Committees

In line with its Articles, the Companies and Allied Matters Act, 2020 and in conformity with the Securities and Exchange Commission's 2011 Corporate Governance Code and the Nigerian Code of Corporate Governance 2018 the Board has established some committees and will in the course of the coming year establish additional committees to cover specific subject matters. These committees assist the Board to effectively perform its guidance and oversight functions. All committees have terms of reference which guide them in the carrying out of their responsibilities. The committees comprise of Directors and shareholder representatives. In 2021, there were three Board Committees and a Statutory Committee: Diversity and Staff Development Committee, Corporate Governance Committee, Risk Management Committee and the Statutory Audit Committee. In the opinion of the Board, the committees performed creditably during the year under review.

##### (i) Diversity and Staff Development Committee:

The Company recognizes diversity as a decisive factor for its competitiveness, attractiveness and ability to adapt. This committee is charged with studying diversity patterns in the workforce and developing ideas and solutions towards ensuring a balanced and productive human resource base for the Company as well as recommending methods for building and developing employee potential in line with Company policy. The committee has also has oversight of the welfare of employees and labour relations. The members of the Diversity and Staff Development Committee were:

- Ms. T. Ibru
- Engr. R. Sirajo
- Dr. J.E Nnamani
- Mrs. L. Badaire

Attendance at the meetings of the committee during the year ended 31<sup>st</sup> December, 2021 was as indicated below:

Director	23 <sup>rd</sup> March	19 <sup>th</sup> July	15 <sup>th</sup> December	Total Attendance
Ms. T. Ibru (Chair)	P	P	P	3
Engr. A.R. Sirajo	P	P	P	3
Dr. J. Nnamani	A	P	P	2
Mrs. L. Badaire	N	N	p	1

Attendance Keys: P= Present N = Not Applicable

(ii) **Corporate Governance Committee:**

This committee's brief is essentially the application of the Code of Corporate Governance to the structure and operations of the Company with a view to ensuring compliance with internationally accepted guidelines, practices and norms of corporate conduct. In this respect, it examines matters that bear potential risks for the Company. The members of the committee were:

- Ms. T. Ibru
- Engr. A.R Sirajo
- Dr. J.E Nnamani

Attendance at meetings of the meeting of the committee during the year ended 31<sup>st</sup> December, 2021 was as indicated below:

Director	23 <sup>rd</sup> March	19 <sup>th</sup> July	23 <sup>rd</sup> November	15 <sup>th</sup> December	Total Attendance
Engr. A.R. Sirajo (Chair)	P	P	P	P	4
Ms. T. Ibru	P	P	A	P	3
Dr. J. Nnamani	P	P	P	P	4

Attendance Keys: A= Absent with apology , P= Present

(iii) **Risk Management Committee:**

The Board established a Risk Management Committee. This committee's brief is essentially to assist the Board of Directors in fulfilling its guidance and oversight responsibility relating to establishment of policies, standards and guidelines for risk management and compliance with legal and regulatory requirements in the Company. The members of the committee were:

- Dr. J.E Nnamani
- Engr. A.R Sirajo
- Mr. N. Ben Hamida

Director	14 <sup>th</sup> December
Dr. J. E Nnamani (Chair)	P
Engr. A.R. Sirajo	P
Mr. n. Ben Hamida	P

Attendance Keys: P= Present

(iv) **Statutory Audit Committee:**

In compliance with Section 404(2) of the Companies and Allied Matters Act, (CAMA) 2020 the Company has established a Statutory Audit Committee. In 2020 the Statutory Audit Committee membership was revised to comply with the provisions of Section 404(3) of the Companies and Allied Matters Act (CAMA), 2020 which requires that the committee be composed of two Non-Executive Directors and three shareholders elected at the Annual General Meeting. It is chaired by a shareholder representative. The terms of reference of the committee are as prescribed in the provisions of Section 404(7) of the Companies and Allied Matters Act (CAMA) 2020 and the Statutory Audit Committee Charter.

In the performance of their duties, members of the committee have direct access to the internal audit department, the external auditors, management and any other officer that is required. In compliance with the provisions of Section 404(3) of the Companies and Allied Matters Act (CAMA), 2020 the following members and Directors were elected and will serve on the committee up to the conclusion of the 44<sup>th</sup> Annual General Meeting:

- Chief T.A. Adesiyan - Shareholder (Chairman)
- Mr. T.K Akanji - Shareholder
- Mr. C. Achara - Shareholder
- Ms. T. Ibru - Director
- Engr. R. Sirajo - Director

In accordance with Section 404 of the Companies and Allied Matters Act (CAMA), 2020 the Shareholders and Directors listed below sat on the Audit Committee for the purpose of the Company's year 2021 audit. Attendance at meetings of the Committee was as indicated below:

	19 <sup>th</sup> July 2021	27 <sup>th</sup> October 2021	15 <sup>th</sup> December 2021	25 <sup>th</sup> February 2022	29 <sup>th</sup> March 2022	25 <sup>th</sup> April 2022	4 <sup>th</sup> May 2022	Total Attendance
Chief T.A. Adesiyun (Chairman)	P	P	P	P	P	S	S	5
Mr. K.A. Taiwo.	P	P	P	P	P	S	S	5
Mr. C. Achara	P	P	P	P	P	S	S	5
Ms. T. Ibru	P	P	P	P	P	S	S	5
Engr. R. Sirajo	P	P	P	P	P	S	S	5

Attendance Keys: P= Present S=Scheduled

## COMPLIANCE STATEMENT

Corporate compliance is an essential part of the Company's operations as it lays out expectations for employee behaviour, helps staff stay focused on organization's broader goals, ensures the company and employees follow applicable laws, regulations and ethical practices and fosters a workplace culture that values integrity and ethical conduct. We have a formal system in place to create awareness, monitor, train and support employees and directors to uphold policies and procedures. We conduct due diligence exercise on partners, customers, contractors and other stakeholders where necessary. We conduct an annual conflict of interest declaration exercise and observed the business ethics day on the 9<sup>th</sup> of December, 2021.

The Company has complied with the requirements of the Securities and Exchange Commission's 2011 Code of Corporate Governance for Public Companies in Nigeria, the Nigerian Code of Corporate Governance 2018 and the Post-listing Requirements of the NGX Regulation.

TEMNPLC has complied with regulations guiding its operations and activities throughout the year. TotalEnergies ensures that its existence and operations remain within the law. The Company complies with the laws and regulations of Nigeria. We are committed to the continued sustenance of the principles of sound corporate governance.

## SHARE TRADING POLICY

The Company has put in place a securities trading policy which guides all directors, employees and counterparts who may at any time possess inside or material information about the Company. The said policy is in accordance with the Post-listing Requirements of the NGX Regulation and also contains a reminder of the Investment and Securities Act 2007 and the Companies and Allied Matters Act (CAMA), 2020. It can be found on our website. To ensure compliance, the Policy and Closed Periods are communicated periodically.

In the course of 2021, none of our directors, employees and counterparts notified us of any contravention of TotalEnergie's Securities Trading Policy.

## COMPLAINTS MANAGEMENT POLICY

In accordance with the rules of the Securities and Exchange Commission relating to the Complaints Management Framework of the Nigerian Capital Market ("SEC Rules") 2019, shareholders who have complaints may use the electronic complaints register on the Company's website to register their complaints. This enables the Company to handle complaints from shareholders in a timely, effective, fair and consistent manner.

## WHISTLE-BLOWING POLICY

In line with the requirements of the Securities and Exchange Commission's 2011 Code of Corporate Governance and global best practices, the Company has put in place a Whistle-Blowing Policy which is a process whereby the illegal, unethical or inappropriate actions of employees that are injurious to the interest of the company can be reported. The whistle blowing hotline is confidentially managed by PriceWaterhouseCoopers.

## CORRUPTION

Safety is one of the foremost pillars of our organization, and so are Governance and Ethics. They define who we are, what we believe in, how we behave and interact. We shall continue to strongly promote integrity whilst sanctioning corrupt and fraudulent behaviour. TotalEnergies Marketing Nigeria Plc is an ethical business organization. In all our dealings, we are committed to the highest standards of integrity and ethical conduct. We do not tolerate bribery and corruption in any form. We actively promote transparency, encourage and monitor strict adherence to our anti-corruption policy. Not only is our anti-corruption policy entrenched in-house (as our staff are trained and uptrained), we have extended the same to our suppliers, partners and third parties acting for and on behalf of TotalEnergies Marketing Nigeria Plc. Periodic tone at top messages were sent to all staff by members of the management Executive Committee. Compliance with our codes of business conduct, ethics and integrity

guidelines is mandatory and monitored at the highest level of the organization. Our stance remains a policy of zero tolerance for corruption.

Demonstrating high ethical standards has today become a business imperative and is a vital criterion in achieving our ambition to become **THE responsible energy major**. The Company has developed a robust compliance plan, which involves knowing who you are doing business with, continuously analyzing the risks associated with every transaction, monitoring, making our expectations clear to our suppliers and demanding them to cascade same to their stakeholders. Our staff and stakeholders are encouraged to approach issues with individual and collective vigilance. Everyone in the chain must play his / her role. In the course of the year several programmes and activities were run on ethics; these culminated in the Company commemorating the TotalEnergies Business Ethics Day on the 9<sup>th</sup> of December, 2021 which focused on the importance of training our people to speak up (**Train Up to Speak Up!**) issues that violates our values and the principles set out in our Code of Conduct, knowing who to Speak to and where to go when in doubt, developing best practices and adopting the right habits.

### ANTI-COMPETITION

We recognize that competition is an instrument of promoting growth and sustainable development. We are at the forefront of fostering competition in our sector of the economy as we actively play by the rules and ensure that we do not engage in anti-competitive activities.

### ROLE IN SOCIETY

TotalEnergies Marketing Nigeria Plc is one of the major players in the downstream sector of the oil and gas industry and is an integral part of the Nigerian society as an employer, a supplier, a customer, a partner and a taxpayer.

TEMNPLC is not only socially responsible we are a socially responsive organization. We utilise the stakeholders relationship management model so hence consult with our stakeholders and have a policy which, not only drives but equally regulates our relationships within our operating environment. TotalEnergies organizes stakeholders' fora in all its sites where joint decisions are taken concerning projects implementation and monitoring jointly implemented. The Company has a strong belief that sustenance of its business is linked to the wellbeing of its immediate environment hence its decision to invest in health, education and economic empowerment of its host communities, stakeholders and the Nigerian public. This means that the CSR initiatives must be implemented in a climate of respect, listening, continuous dialogue and transparency with stakeholders, and in line with their specific needs.

TotalEnergies Marketing Nigeria Plc conducted its societal actions in 2021 in line with the Company's CSR strategy while taking into account the objectives of supporting the attainment of the Sustainable development goals, stakeholder engagement, negative impact management and socio-economic development of its communities. The key 2021 TotalEnergies M & S CSR activities were:

The **L.E.A.D Career Program**: The Learn, Experience, Articulate & Decide (L.E.A.D) Career Project a youth educational development program that focuses on exposing secondary school students to career options as well providing practical insights into the work environment. In 2021, the program focused on Leadership, innovation, Personal Branding, Digital Technology Transformation and Trends, Knowledge and application of the Sustainable development Goals/Agenda 2030 and STEAM (Science, Technology, Engineering, Arts and Math). Total audience reached was 1,381 students across Nigeria.

The **Koko Youth Entrepreneurship Program**: A youth skills development and economic empowerment program with a one year paid vocational training. TEMNPLC trains and sets up small and medium scale enterprises for indigenous youths of Koko in Delta State. Vocations include catering, fish farming, welding, tailoring, hair and makeup artistry, carpentry etc. The program has a positive multiplier effect on the socio-economic status not only of the community, but the entire region as the trainers are also hired locally, while the graduates in turn provide internships for other youth.

The **SOS annual sponsorship** and **Mentor-a-Child-Program**: Under this umbrella TEMNPLC supports 4 family houses (40 children) in the SOS Children's Villages Nigeria. This is reinforced by the **Mentor-a-Child-Program** for children through the intervention of company employees. In 2021, the Leave-no-Child-Behind project was also deployed where SOS donation boxes were placed at select Service stations to support the villages.

The **Action Programme**: Employees participated in several virtual Action program of which 50% covered youth inclusion and education; environmental interventions covered 37.5 while other initiatives accounted for 12.5%.

The **Startupper of the Year Challenge**: The Startupper of the year challenge by TotalEnergies stemmed from the TotalEnergies CSR policy to empower young entrepreneurs for economic growth as well as the recognition of the need to support the socio-economic development of countries where the Company operates; Also more importantly, it is in keeping with TotalEnergies promise to support the achievement of the United Nations sustainable Development Goals through job creation and ending poverty. TotalEnergies Companies in Nigeria are

partaking in the third edition which commenced in the 4th quarter of 2021 and will culminate in April 2022 with the announcement of 3 winners who will benefit from financial reward, massive media visibility and an incubation program aimed at birthing or supporting their businesses.

The **Green Stations Initiative**: This is a tree planting and environmental clean-up initiative of TotalEnergies Service Stations neighborhoods and school perimeters. The initiative was spread across 10 Schools/Stations in 9 states. Objectives of the program include Reducing the impact of our activities on the environment using our vast network of service stations as contacts; creating environmental awareness among students, neighboring communities, and station staff; Gradually creating carbon sinks in our environment; and Contributing to TotalEnergies climate ambition of reaching Net zero emissions by 2050.

The **Book reading /Donation/ Station Internship**: The Book Donation / Book Reading and Station Internship Program for Secondary Schools is a Network Educational program of the Company around the neighborhood of TotalEnergies Service Stations. Three Schools benefitted from the book reading and donation initiative while 60 students from 30 schools across Nigeria benefitted from the Internship program aimed at encouraging the spirit of entrepreneurship amongst students from an early stage.

The **HIV/AIDS Campaign**: The Company commemorated the World AIDS Day with free HIV/AIDS testing for the Nigeria Union of Petroleum and Natural Gas Workers (NUPENG) and truck drivers in the Apapa environs and Abule-Ado- Satellite town of Lagos state. The truck drivers and other audiences who participated were encouraged to know their HIV/AIDS status as part of measures to curtail further spread of the disease. The Company conducted free HIV tests for 1,000+ people.

The **Agri Business Empowerment for Young Women**: This Program aims to support a pool of economically empowered females that will impact their communities. These pool of female indigenes had already acquired skills but lacked finance, business support and expertise to start or manage or grow their small scale businesses. TEMNPLC provided a grant to empower young female small holder farmers in pursuit of livestock and agricultural farming. This is in line with the United Nations sustainable development goals 1, 2 and 5 which are: no poverty, no hunger and gender equality respectively.

Through our donations we continue to support several charity organizations. These charities focus on youth, education, local economic empowerment and the environment.

Extensive information on our societal actions can be found in our sustainability report [www.services.totalenergies.ng](http://www.services.totalenergies.ng).

## RELATIONSHIP WITH SHAREHOLDERS

The Board considers effective communication with Shareholders as being of utmost importance. The Board is committed to continuous engagement with its shareholders and ensures that shareholder rights are well protected. Transparency and equitable treatment for all our shareholders are the principles that guide our actions. We make sure that you are regularly informed. The Company reports formally throughout the year with the quarterly and full year results announcements, Sustainability and Annual Reports. Through these reports the Board renders an account of its stewardship to shareholders. From time to time the Company also makes other announcements which can be found on our website ([www.services.totalenergies.ng](http://www.services.totalenergies.ng)).

We can also be contacted on social media via:



Twitter ([www.twitter.com/TotalEnergiesNG](https://www.twitter.com/TotalEnergiesNG))



Facebook ([www.facebook.com/TotalEnergiesNigeria](https://www.facebook.com/TotalEnergiesNigeria)).



Youtube ([www.youtube.com/TotalEnergiesNigeria](https://www.youtube.com/TotalEnergiesNigeria))

Instagram [www.instagram.com/TotalEnergies\\_Ng](https://www.instagram.com/TotalEnergies_Ng)

In addition to this, periodically, management holds meetings with institutional investors and other Shareholders. In 2021, we continued to maintain active dialogue with our shareholders using digital channels.

The Board also welcomes the participation of all Shareholders at the Annual General Meeting during which Shareholders are able to put questions to the Directors, Audit Committee and Senior Managers in writing prior to the meeting, formally during the meeting and informally after the meeting. The Annual General Meeting is a key moment of democracy and shareholder dialogue.

Our records show that several dividends and share certificates remain unclaimed despite publications in the newspapers to our shareholders and the circulation of the e-dividend forms. Affected shareholders are urged to kindly update their records to enable the Registrars complete the e-dividend process. The e-dividend form is attached to this annual report for your necessary and urgent attention.

A handwritten signature in black ink, appearing to read 'O. A. Popoola-Mordi'.

**Olubunmi Popoola-Mordi**  
FRC/2013/ICSAN/00000002042  
**Company Secretary**  
**31<sup>st</sup> day of March, 2022**

## STATEMENT OF DIRECTORS RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021

In accordance with the provisions of Sections 385 of the Companies and Allied Matters Act (CAMA) 2020, the Company's Directors are responsible for the preparation of the financial statements which give a true and fair view of the state of affairs of the Company for the year ended 31<sup>st</sup> December, 2021 and its results for that year. This responsibility includes ensuring that:

- Proper accounting records are maintained;
- Appropriate internal control procedures are instituted which, as far as is reasonably possible, safeguard the assets, prevent and detect fraud and other irregularities;
- Applicable accounting standards are followed;
- Suitable accounting policies and standards are adopted and consistently applied;
- Judgments and estimates made are reasonable and prudent; and
- The going concern basis is used, unless it is inappropriate to presume that the Company will continue in business.

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

The Directors are of the opinion that these financial statements give a true and fair view of the state of affairs of the Company as at the end of the financial year and its results for that year. The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act (CAMA) 2020 and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatements whether due to fraud or error.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe that the Company will not remain a going concern for twelve months from the date of this statement.



**Mrs. L. Baxter-Green**  
FRC/2020/003/00000020680  
Executive Director  
31<sup>st</sup> March, 2022



**Dr. S. Seye**  
FRC/2020/003/00000024858  
Managing Director  
31<sup>st</sup> March, 2022



## REPORT OF THE STATUTORY AUDIT COMMITTEE TO THE MEMBERS OF TOTALENERGIES MARKETING NIGERIA PLC

In compliance with section 404 (7) of the Companies and Allied Matters Act (CAMA) 2020 we confirm that we have:-

- A. Reviewed the scope and planning of the audit requirements;
- B. Reviewed the External Auditors Management Report for the year ended 31st December, 2021 as well as the managements response thereon; and
- C. Ascertained that the accounting and reporting policies of the Company for the year ended 31st December, 2021 are in accordance with legal requirements and agreed ethical practices.

In our opinion, the internal control and internal audit functions are operating effectively and the scope and planning of the audit for the year ended 31st December, 2021 were adequate and Management's responses to the Auditor's findings are satisfactory,

In addition the scope, planning and reporting of these Financial Statements is compliant with the requirements of the International Financial Reporting Standards as adopted by the Company.

Dated this 29th day of March, 2022



**Chief T. Adesiyan**  
Chairman

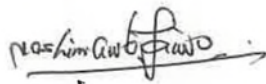
**FRC/2013/10DN/00000003745**

### MEMBERS OF THE COMMITTEE

Mr. C. Achara



Mr. K. Taiwo



Ms. T. Ibru



Engr. R. Sirajo





**KPMG Professional Services**

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## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of TotalEnergies Marketing Nigeria PLC

### Report on the Audit of the Financial Statements

#### **Opinion**

We have audited the financial statements of TotalEnergies Marketing Nigeria PLC ("the Company"), which comprise:

- the statement of financial position as at 31 December 2021;
- the statement of profit or loss and other comprehensive income;
- the statement of changes in equity;
- the statement of cash flows for the year then ended; and
- the notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria Act, 2011.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

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Registered in Nigeria No BN 986925

#### Partners:

Adegoke A. Oyelami	Ayodele H. Othihiwa	Joseph O. Tegbe	Olanike I. James	Tayo I. Ogungbenro
Adekunle A. Elebute	Bolanle S. Afolabi	Kabir O. Okunola	Olufemi A. Babem	Temitope A. Onitiri
Adetola P. Adeyemi	Chibuzor N. Anyanechi	Lawrence C. Amadi	Olumide O. Olayinka	Tolulope A. Odukale
Adeyemi K. Ajayi	Chineme B. Nwigbo	Martins I. Arogie	Olusegun A. Sowande	Uzodinma G. Nwankwo
Ajibola O. Olomola	Elijah O. Oladunmoye	Mohammed M. Adama	Olutoyin I. Ogunlowo	Victor U. Onyenkpa
Akinyemi Ashade	Goodluck C. Obi	Nneka C. Eluma	Oluwafemi O. Awotoye	
Ayobami L. Salami	Ibitomi M. Adepoju	Olabinpe S. Afolabi	Oluwatoyin A. Gbagi	
Ayodele A. Soyinka	Ijeoma T. Emezio-Ezigbo	Oladimeji I. Salaudeen	Oseme J. Obalajo	



**The key audit matter - Refer to Note 4.2 (Accounting policy) and Note 6 to the financial statements.**

**Revenue Recognition**

Revenue was considered to be of most significance in our audit due to the risk of an overstatement of revenue through premature revenue recognition towards year end as a result of the nature and significance of revenue to management and stakeholders. This heightened the susceptibility to the risk of fraud.

**How the matter was addressed in our audit**

In this area, our audit procedures included the following:

- We evaluated the effectiveness of the design and implementation of certain controls over revenue; and tested the operating effectiveness of the relevant controls around the sales order process, inventory balance reconciliation process, bank reconciliation process, customer registration process, monthly customer reconciliation process, price change/discount process to ensure there was no fictitious revenue recognition during the year and at year end.
- We evaluated the effectiveness of the design and implementation of IT controls over revenue and tested the operating effectiveness of certain relevant IT controls around the revenue process.
- We evaluated manually recorded credit entries in the revenue accounts by checking that they represented valid adjustments to recognize revenue and were approved by personnel with the appropriate authority within the Company.
- We performed cut-off testing procedures to ensure that revenue recognition criteria has been met before such revenue was recognized.
- We assessed the existence and accuracy of sales volumes by checking the product volume reconciliation (PVR) across the product types. Using the year-end inventory count observation and reconciliation process, we validated the closing inventory for the purpose of our product volume reconciliation (PVR).

**Other Information**

The Directors are responsible for the other information. The other information comprises the Corporate profile, Mission statement, Directors, Officers and Professional Advisers, Corporate directory, Results at a glance, Notice of Annual General Meeting, Chairman's statement, Board of Directors profile, Report of the Directors, Statement of corporate responsibility, Corporate Governance Report, Statement of Directors' responsibilities, Report of the Statutory Audit Committee, Other national disclosures, Share capital history and List of Major distributors, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the Directors for the Financial Statements**

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria Act, 2011, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

*Compliance with the requirements of Schedule 5 of the Companies and Allied Matters Act (CAMA), 2020*

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii. In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books
- iii. The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account

Signed:  
Chineme B. Nwigbo, FCA  
FRC/2013/ICAN/00000001897  
For: KPMG Professional Services  
Chartered Accountants  
31 March 2022  
Lagos, Nigeria



# FINANCIAL STATEMENTS

# TOTALENERGIES MARKETING NIGERIA PLC

## STATEMENT OF FINANCIAL POSITION AS AT

		31 December 2021	31 December 2020
	Notes	₦'000	₦'000
<b>Non-current assets</b>			
Property, plant and equipment	16	38,734,517	36,207,654
Right-of-use assets	17 (i)	7,862,178	8,189,839
Intangible assets	15	123,302	142,420
Withholding tax receivables	11.2.1	-	433,774
Trade and other receivables	19.1	2,830,275	2,326,547
<b>Total non-current assets</b>		<b>49,550,272</b>	<b>47,300,234</b>
<b>Current Assets</b>			
Inventories	18	29,202,091	21,619,936
Withholding tax receivables	11.2.1	1,608,541	1,212,223
Trade and other receivables	19	63,966,447	41,335,763
Prepayments	20	1,448,934	1,130,452
Cash and cash equivalents	24	62,952,681	31,014,277
<b>Total current assets</b>		<b>159,178,694</b>	<b>96,312,651</b>
<b>Total assets</b>		<b>208,728,966</b>	<b>143,612,885</b>
<b>Equity</b>			
Share capital	23	169,761	169,761
Retained earnings		41,449,544	27,981,218
<b>Total equity</b>		<b>41,619,305</b>	<b>28,150,979</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	11.3	5,970,517	4,503,670
Lease liabilities	21 (ii)	548,114	498,810
Employee benefits	12	1,150,202	641,174
<b>Total non-current liabilities</b>		<b>7,668,833</b>	<b>5,643,654</b>
<b>Current liabilities</b>			
Current tax liabilities	11.2	6,136,740	438,797
Loans and borrowings	21 (i)	15,116,802	32,614,323
Employee benefits	12	7,893	67,159
Trade and other payables	22	134,545,293	73,485,400
Deferred income	22.1	3,068,991	2,698,297
Lease liabilities	21 (ii)	565,109	514,276
<b>Total current liabilities</b>		<b>159,440,828</b>	<b>109,818,252</b>
<b>Total liabilities</b>		<b>167,109,661</b>	<b>115,461,906</b>
<b>Total equity and liabilities</b>		<b>208,728,966</b>	<b>143,612,885</b>

These financial statements were approved and authorised for issue by the Board of Directors of the Company on 31 March 2022 and signed on behalf of the Board by:



Seye Samba - Managing Director  
FRC/2021/003/00000024858



Lesley Green - Executive Director  
FRC/2020/003/00000020680

Additionally certified by:



Samson Eghwerehe - Head of Finance  
FRC/2018/ICAN/00000018952

The accompanying notes form an integral part of these financial statements.

# TOTALENERGIES MARKETING NIGERIA PLC

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED

		31 December 2021	31 December 2020
	Notes	₦'000	₦'000
Revenue	6	341,316,345	204,721,463
Cost of sales	10	(286,316,055)	(173,974,052)
<b>Gross profit</b>		<b>55,000,290</b>	<b>30,747,411</b>
Other income	9.1	4,478,604	1,040,064
Other expenses	9.2	(101,569)	-
Selling & distribution costs	10	(3,230,780)	(2,962,259)
Administrative expenses	10	(30,157,057)	(25,058,942)
Impairment loss on financial assets	27 (iv)	(215,315)	(228,053)
<b>Operating profit</b>		<b>25,774,173</b>	<b>3,538,221</b>
Finance income	8	831,039	2,263,185
Finance costs	8	(1,769,657)	(2,892,368)
<b>Net finance costs</b>		<b>(938,618)</b>	<b>(629,183)</b>
<b>Profit before income taxation</b>		<b>24,835,555</b>	<b>2,909,038</b>
Income taxation	11.1.1	(7,973,425)	(845,653)
<b>Profit for the year</b>		<b>16,862,130</b>	<b>2,063,385</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Actuarial gain on employee benefits during the year	12 (i)	2,356	-
Related tax		(766)	-
<b>Other comprehensive income, net of income tax</b>		<b>1,590</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>16,863,720</b>	<b>2,063,385</b>
<b>Earnings per share</b>			
Basic and diluted earnings per share	14	49.66	6.08

The accompanying notes form an integral part of these financial statements.

# TOTAL ENERGIES MARKETING NIGERIA PLC

## STATEMENT OF CHANGES IN EQUITY

*for the year ended 31 December 2021*

		Share capital ₦'000	Retained earnings ₦'000	Total equity ₦'000
	Notes			
<b>Balance at 1 January 2021</b>		169,761	27,981,218	28,150,979
Profit for the year		-	16,862,130	16,862,130
Other comprehensive income for the year	12(i)	-	1,590	1,590
<b>Total comprehensive income for the year</b>		-	16,863,720	16,863,720
<b>Transactions with owners of the Company:</b>				
<b>Contributions and Distributions</b>				
Forfeited dividend	13.1	-	26,078	26,078
Prior year final dividend	13.1	-	(2,063,385)	(2,063,385)
Current year interim dividend	13.1	-	(1,358,087)	(1,358,087)
Total transactions with owners of the Company		-	(3,395,394)	(3,395,394)
<b>Balance at 31 December 2021</b>		<b>169,761</b>	<b>41,449,544</b>	<b>41,619,305</b>

*for the year ended 31 December 2020*

		Share capital ₦'000	Retained earnings ₦'000	Total equity ₦'000
	Notes			
<b>Balance as at 1 January 2020</b>		169,761	28,150,023	28,319,784
Profit for the year		-	2,063,385	2,063,385
Other comprehensive income for the year		-	-	-
<b>Total comprehensive income for the year</b>		-	2,063,385	2,063,385
<b>Transactions with owners of the Company:</b>				
<b>Contributions and Distributions</b>				
Forfeited dividend	13.1	-	46,002	46,002
Prior year final dividend	13.1	-	(2,278,192)	(2,278,192)
Total transactions with owners of the Company		-	(2,232,190)	(2,232,190)
<b>Balance at 31 December 2020</b>		<b>169,761</b>	<b>27,981,218</b>	<b>28,150,979</b>

The accompanying notes form an integral part of these financial statements.



# TOTALENERGIES MARKETING NIGERIA PLC

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED

		31 December 2021 ₦'000	31 December 2020 ₦'000
	Note		
Profit for the year		16,862,130	2,063,385
<b>Adjustments for:</b>			
Depreciation of property, plant and equipment	16	5,051,448	4,791,893
Depreciation of right-of-use asset	17 (i)	1,929,556	1,730,183
Amortisation of intangible assets	15	46,724	14,692
Provision for employee benefits	12 (i)(a)	572,663	120,873
Write down of inventory (Net)	18.1	(101,993)	64,208
Loss/ (gain) on disposal of property, plant and equipment	9.2	101,569	(26,827)
Net foreign exchange gain	9.1	(2,162,712)	(44,724)
Net finance costs	8	938,618	629,183
Income taxation	11.1.1	7,973,425	845,653
		<u>31,211,428</u>	<u>10,188,519</u>
<b>Changes in:</b>			
- Inventories	18 (a)	(7,480,162)	11,958,346
- Trade and other receivables	19.1 (a)	(23,030,961)	5,098,713
- Prepayments	20 (a)	359,266	(437,804)
- Trade and other payables	22 (a)	60,304,627	16,969,783
- Derecognition of right-of-use asset	17(iii)	14,071	-
- Lease liabilities	21.1	178,227	719,531
- Withholding tax receivable	11.2.1	37,456	-
- Deferred income	22.1 (a)	370,694	532,683
		<u>61,964,646</u>	<u>45,029,771</u>
<b>Cash generated from operating activities</b>			
Payment for employee benefits	12	(120,545)	(53,395)
Petroleum Subsidy Fund (PSF)	8	-	2,038,435
Interest on loans	8	218,820	122,600
Interest on lease liabilities	8	(253,742)	(143,210)
Tax paid	11.2	(275,947)	(1,280,703)
Withholding tax credit notes recovered	11.1.1	174,398	19,832
Withholding tax credit notes	11.2	(707,852)	(1,137,289)
		<u>60,999,778</u>	<u>44,596,040</u>
<b>Net cash generated from operating activities</b>			
<b>Cash flows from investing activities</b>			
Additions to right-of-use asset	17 (iii)	(1,615,966)	(2,427,909)
Purchase of property, plant and equipment	16	(8,455,242)	(5,842,850)
Purchase of intangible assets	15	(27,606)	(145,382)
Interest received on deposits for unclaimed dividend	8	37,726	59,745
Interest received on deposits	8	574,493	42,405
Proceeds from disposal of property, plant and equipment		97,615	33,039
		<u>(9,388,980)</u>	<u>(8,280,952)</u>
<b>Net cash used in investing activities</b>			
<b>Cash flows from financing activities</b>			
Interest paid on bank overdraft	21.1	(133,296)	(1,813,922)
Interest paid on import loans	21.1	(101,220)	(637,520)
Interest paid on other loans	21.1	(1,281,399)	(297,716)
Payment on lease liabilities	21.1	(78,090)	(430,252)
Additional borrowings	21.1	4,867,766	24,311,914
Repayment of borrowings	21.1	(17,586,240)	(10,226,575)
Dividends paid	13.1	(3,510,183)	(1,981,399)
		<u>(17,822,662)</u>	<u>8,924,530</u>
<b>Net cash (used in)/ generated from financing activities</b>			
<b>Net increase in cash and cash equivalents</b>		<b>33,788,136</b>	<b>45,239,619</b>
Cash and cash equivalents at 1 January		25,272,980	(18,010,135)
Effect of movement in exchange rates on cash held		3,891,566	(1,956,504)
<b>Cash and cash equivalents as at year ended 31 December</b>	24	<b>62,952,682</b>	<b>25,272,980</b>

The accompanying notes form an integral part of these financial statements.

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 1 The Company

#### Legal form:

The Company was incorporated as a private limited liability company in 1956 and was converted to a public company in 1978. The merger of the Company with Elf Oil Nigeria Limited which commenced globally in November 1999 was completed in Nigeria in 2002. With this development, the authorised, issued and fully paid share capital was ₦148,541,000 made up of 297,082,000 ordinary shares of 50k each. In 2003, to mark the completion of its corporate mergers, Total Group worldwide reverted to its former name Total and adopted a new logo with a unifying design to express its corporate ambition.

With the capitalisation of the bonus issue of 42,440,228 ordinary shares of 50k each in March 2004, the authorised share capital became ₦169,760,918 made up of 339,521,837 ordinary shares of 50k each. 61.72% of the Company's ordinary shares were held by Total Societe Anonyme up until 2013 when a restructuring was concluded and Total Raffinage Marketing became the shareholders of 61.72% of Total Nigeria Plc (now TotalEnergies Marketing Nigeria Plc) while the remaining 38.28% are held by some members of the general public. Total Raffinage Marketing is now called TotalEnergies Marketing Services.

In 2021, Total Group worldwide changed its name to TotalEnergies and adopted a new logo, thereby anchoring the transformation into a broad energy business within the Company's identity. Accordingly, the Company changed its name from Total Nigeria Plc to TotalEnergies Marketing Nigeria Plc in the same year.

	31 December 2021		31 December 2020	
	Number	Holdings	Number	Holdings
	'000	%	'000	%
TotalEnergies Marketing Service	209,560	61.72	209,560	61.72
Other shareholders	129,962	38.28	129,962	38.28
	<b>339,522</b>	<b>100.00</b>	<b>339,522</b>	<b>100.00</b>

No shareholder, except as disclosed above, held more than 5% of the issued share capital of the Company as at 31 December 2021 (2020: Nil).

#### Principal activities

The principal activity of the Company is the blending of lubricants, sales and marketing of refined petroleum products and solar products .

#### Description of business

TotalEnergies Marketing Nigeria Plc. ("the Company") is a subsidiary of TotalEnergies Marketing Services ("the Parent Company") in France and operates in the petroleum marketing and distribution business in Nigeria. The Company's registered office is situated at:

No. 4, Churchgate Street  
Victoria Island  
Lagos State

### 2.0 Basis of preparation

#### 2.1 Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and in the manner required by the Financial Reporting Council (FRC) of Nigeria Act, 2011 and the Companies and Allied Matters Act (CAMA), 2020.

#### 2.2 Basis of measurement

These financial statements have been prepared on the historical cost basis except for the provision for employee benefits which has been measured at the present value of the obligation (Note 12) and as otherwise indicated.

#### 2.3 Functional and presentation currency

These financial statements are presented in Nigerian Naira (NGN), which is the Company's functional currency. All financial information presented in Nigerian Naira have been rounded to the nearest thousand unless otherwise stated.

# TOTAL ENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 2.4 Financial period

These financial statements cover the financial period from 01 January 2021 to 31 December 2021, with corresponding figures for the financial period from 01 January, 2020 to 31 December, 2020.

### 2.5 Going concern

The directors have undertaken a review of the Company's business activities and have concluded that the Company will still be able to realise its assets and settle its obligations as they fall due and as such these financial statements have been prepared on the basis applicable to a going concern.

### 2.6 Significant events and transactions

Other than events already disclosed in the various notes, there are no other significant events in the year that are required to be disclosed.

### 2.7 Use of estimates and judgments

In preparing these financial statements, the directors have made certain judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised prospectively.

#### (a) Judgement

Information about judgements made in applying accounting policies that have the most significant effects on amounts recognised in the financial statements are as follows;

##### (i) Cash held with Total Treasury - Note 24

Determining if balances held with Total Treasury meets the criteria for classification as cash and cash equivalents.

##### (ii) Lease term - Note 17 (iv)

Whether the Company is reasonably certain to exercise extension options.

##### (iii) Asset retirement obligation - Note 17 (iv)

Whether the Company will dismantle and remove its leasehold improvements on underlying asset or restore underlying asset.

#### (b) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 31 December 2021 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year includes;

##### (i) Measurement of defined benefit obligation: Key actuarial assumptions

The amount recognised in Note 12 of the financial statements as employee benefits - measurement of the Company's employee benefits. This estimate relates to the discount rate, withdrawal, mortality and inflation rate applied in the computation of the Company's liabilities.

##### (ii) Measurement of Expected Credit Loss (ECL) allowance - Note 27(iv)

Information about measurement of trade receivables and contract assets: Key assumptions in determining the weighted-average loss rate.

##### (iii) Measurement of contingencies - Note 25

Recognition of contingencies - key assumptions about likelihood and magnitude of an outflow of resources.

##### (iv) Incremental borrowing rate - Note 21.1

Estimation of the applicable borrowing rates.

## TOTALENERGIES MARKETING NIGERIA PLC

### NOTES TO THE FINANCIAL STATEMENTS

#### 3 New standards and interpretations not yet adopted

Amendments to Standards and Interpretations are effective for annual periods beginning after 1 January 2021 and early application is permitted; however, the Company has not applied the amended standards in preparing these financial statements. Those Amendments to Standards and Interpretations which may be relevant to the Company are set out below.

The directors are of the opinion that the impact of the application of the relevant standards and interpretations will be as follows:

Standard/Interpretation not yet effective as at 31 December 2021		Date issued by IASB	Effective date Periods beginning on or after	Summary of the requirements and assessment of impact
Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41	Annual Improvements to IFRS Standards 2018–2020	May 2020	1 January 2022 Early adoption is permitted.	<p>IFRS 9 <i>Financial Instruments</i> - This amendment clarifies that – for the purpose of performing the “10 per cent test” for derecognition of financial liabilities – in determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other’s behalf.</p> <p>IFRS 16 - <i>Leases</i> - The amendment removes the illustration of payments from the lessor relating to leasehold improvements. As currently drafted, this example is not clear as to why such payments are not a lease incentive.</p> <p>The amendments are effective from 1 January 2022 but may be applied earlier. The amendments are not expected to have a significant impact on the Company’s financial statements.</p>
Amendments to IAS 1	<i>Classification of liabilities as current or non-current</i>	January 2020	1 January 2023 Early adoption is permitted	<p>Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the Board has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.</p> <p>There is limited guidance on how to determine whether a right has substance and the assessment may require management to exercise interpretive judgement.</p> <p>The existing requirement to ignore management’s intentions or expectations for settling a liability when determining its classification is unchanged.</p> <p>The amendments also clarify how a company classifies a liability that includes a counterparty conversion option, which could either be recognised as either equity or liability separately from the liability component under IAS 32 <i>Financial Instruments: Presentation</i>.</p> <p>The standard is effective for annual periods beginning on or after 1 January 2023. Early adoption is permitted.</p> <p>The amendments are not expected to have a significant impact on the Company’s financial statements.</p>
Amendments to IAS 16	<i>Property, Plant and Equipment: Proceeds before Intended Use</i>	May-20	1 January 2022	<p>The amendment prohibits deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before its intended use by management.</p> <p>As such, proceeds from selling items before the related item of property, plant and equipment is available for use should be recognised in profit or loss, together with the costs of producing those items. IAS 2 Inventories should be applied in identifying and measuring these production costs.</p> <p>Companies will therefore need to distinguish between:</p> <ul style="list-style-type: none"> <li>• costs associated with producing and selling items before the item of property, plant and equipment is available for use; and</li> <li>• costs associated with making the item of property, plant and equipment available for its intended use.</li> </ul> <p>Making this allocation of costs may require significant estimation and judgement. The amendments also clarify that testing whether an item of PPE is functioning properly means assessing its technical and physical performance rather than assessing its financial performance – e.g. assessing whether the PPE has achieved a certain level of operating margin</p> <p>The amendments apply for annual reporting periods beginning on or after 1 January 2022, with earlier application permitted. The amendments apply retrospectively, but only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the company first applies the amendments.</p> <p>The amendments are not expected to have a significant impact on the Company’s financial statements.</p>

# TOTAL ENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

#### 4.1 Foreign currency transactions

Transactions denominated in foreign currencies are translated at the exchange rate on the transaction date. At each reporting date, monetary assets and liabilities are translated at the closing rate. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss on a net basis as "Other income" (net foreign exchange gain) or "Other expenses" (net foreign exchange loss).

#### 4.2 Revenue and other income

##### (i) Revenue recognition

###### *Revenue streams*

The Company generates revenue primarily from the sale of refined petroleum products and lubricants to its customers (see Note 6). Other sources of revenue include sale of special fluids and solar products.

###### *Performance obligations and revenue recognition policies*

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good or service to a customer. Revenue from the sale of non-regulated products in the course of ordinary activities is measured at the fair value of the received consideration or receivable, net of value added tax, sales returns, trade discounts and volume rebates where applicable. Revenue for regulated products is measured at the regulated price of the products net of standard distribution cost directly recoverable from the prices of the regulated products.

The following table provides information about the timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Nature and timing of satisfaction of performance obligations, including significant payment terms.	Revenue recognition policies
Customers obtain control of products when the goods are delivered to and have been accepted at their premises or picked up by the customer. Invoices are generated and revenue is recognised at that point in time. Credit sales are due for collection within 30 days. This applies to all sales products.	Revenue is recognised when the goods are delivered and have been accepted by customers at their premises or picked up by the customer.

##### (ii) Other income

The Company recognises income from commission on sales at its *bonjour* shops as well as the rental of some of its space. The period of occupancy is the basis upon which rental income is recognised and the lease term is usually for 12 months. Rental income are for short term leases and are recognised in profit or loss on a straight line basis over the term of the lease.

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 4.3 Finance income and finance costs

The Company's finance income comprises interest income on bank balances and advances to employees and reimbursement of any foreign exchange loss and/or interest from Petroleum Product Pricing Regulatory Agency (PPPRA). Interest income on bank balances and advances to employees, is recognised as it accrues in profit or loss, using the effective interest method.

PPPRA foreign exchange differentials arise when there is a difference between the CBN rate used for imports and the rate per the PPPRA pricing template. Reimbursement of interest by PPPRA arise when there is a delay in the payment of subsidy earned on import by PPPRA. Reimbursements of foreign exchange loss and/or interest from PPPRA are classified under operating activities in the Statement of Cash Flows while interest income on funds invested are classified under investing activities.

Finance costs comprise interest expense on borrowings, finance costs of commercial papers and unwinding of discount on provisions. Interest expenses are recognised in profit or loss using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability

### 4.4 Income taxes

Income tax expense comprises current tax (company income tax, tertiary education tax and Nigeria Police Trust Fund levy) and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

The Company had determined that interest and penalties relating to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore are accounted for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

#### *Current taxes*

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, and any adjustment to tax payable or receivable in respect of previous years.

The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date and is assessed as follows:

- Company income tax is computed on taxable profits (i.e the assessable profit after capital allowances (tax depreciation) and brought forward losses (if any) have been considered).
- Tertiary education tax is computed on assessable profits (i.e the profit of the Company that is liable to tax after exempting non-taxable income and subjecting to tax, expenses which were not wholly, reasonably, exclusively or necessarily incurred for the operations of the Company, but before the consideration of capital allowances and losses).
- Nigeria Police Trust Fund levy is computed on net profit (i.e. profit after deducting all expenses and taxes from revenue earned by the company during the year).
- The National Agency for Science and Engineering Infrastructure (NASENI) levy is computed on net profit (i.e. profit after deducting all expenses and taxes from revenue earned by the company during the year).

Total amount of tax payable under CITA is determined based on the higher of two components namely Company Income Tax (based on taxable income (or loss) for the year); and minimum tax. Taxes based on profit for the year are treated as income tax in line with IAS 12.

#### *Minimum tax*

Minimum tax which is based on a gross amount is outside the scope of IAS 12 and therefore, are not presented as part of income tax expense in the profit or loss.

In line with the Finance Act 2021, minimum tax is determined at a base rate of 0.25% (2020: 0.25%) of the qualifying company's gross turnover less franked investment income. The Finance Act defines gross turnover as the gross inflow of economic benefits (cash, revenues, receivables and other assets) arising from the operating activities of a Company, including sales of goods, supply of services, receipt of interest, rents, royalties or dividends.

Where the minimum tax charge is higher than the Company Income Tax (CIT), a hybrid tax situation exists. In this situation, the CIT is recognised in the income tax expense line in the profit or loss and the excess amount is presented above the income tax line as minimum tax.

The Company offsets the tax assets arising from withholding tax (WHT) credits and current tax liabilities if, and only if, the entity has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. The tax asset is reviewed at each reporting date and written down to the extent that it is no longer probable that future economic benefit would be realised.

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### *Deferred tax*

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences.

If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans of the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

### **Accounting for uncertain tax treatments under IFRIC 23**

The Company's judgements with respect to income taxes are based on the likelihoods that the tax authority will accept an uncertain tax treatment that has been taken or is expected to be taken on its tax returns. The Company specifically reviews whether its tax treatments are consistent with requirements and recommendations of tax laws while ensuring its proper coverage of avoidable tax risks and exposures in the process.

The Company measures the impact of the uncertainty using the method that best predicts the resolution of the uncertainty; either the most likely amount method or the expected value method. Furthermore, the judgements and estimates made to recognise and measure the effect of uncertain tax treatments are reassessed whenever circumstances change or when there is new information that affects those judgements.

TOTALENERGIES MARKETING NIGERIA PLC

NOTES TO THE FINANCIAL STATEMENTS

4.5 Earnings per share (EPS)

- i *Basic earnings per share*  
Basic earnings per share is calculated by dividing the profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for bonus elements in ordinary shares issued during the year.
- ii *Diluted earnings per share*  
Diluted earnings per share adjusts the figures used in the determination of Basic earnings per share to take into account the weighted average number of additional shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

4.6 Property plant and equipment

i Recognition, derecognition and measurement

Property, plant and equipment are measured at cost, less accumulated depreciation and any accumulated impairment losses. The cost of an item of property, plant and equipment shall be recognised as an asset if;

- it is possible that future economic benefits associates with the item will flow to the entity: and
- the cost of the item can be measured reliably.

Property, plant and equipment under construction are disclosed as work in progress. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for their intended use including, where applicable, the cost of dismantling and removing the items and restoring the site on which they are located and borrowing costs on qualifying assets.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss.

Property, plant and equipment are derecognised on disposal or when it is withdrawn from use and no future economic benefits are expected from its disposal.

ii Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

iii Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

Property, plant and equipment are depreciated to their residual values using the straight-line method over their useful lives for current and comparative periods as follows:

Type of asset	Useful lives
• Motor vehicles	4 years
• Office equipment and furniture	4 years
• Computer equipment and other tangibles	4 - 20 years
• Plant, machinery and fittings	3 - 30 years
• Buildings	10 - 25 years
• Land	Not depreciated

Capital work in progress is not depreciated. The attributable cost of each asset is transferred to the relevant asset category immediately the asset is available for use and depreciated accordingly.



# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 4.7 Intangible assets

#### i Recognition and measurement

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets are computer software and software licenses. These are capitalised on the basis of acquisition costs as well as costs incurred to bring the assets to use.

Intangible assets are derecognised upon sale. The gain or loss arising from the derecognition of an intangible asset shall be determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset.

#### ii Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific intangible asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

#### iii Amortisation of intangible assets

Amortisation is calculated on the cost of the asset, or other amount substituted for cost, less its estimated residual value. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Computer software and software licences have estimated useful lives for the current and corresponding periods of 3 to 5 years.

Amortisation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

### 4.8 Dividend payable

An accrual is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

Any accrual made in respect of dividend payable is recognised as a deduction from equity.

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 4.9 Impairment

#### i Non-derivative financial assets

##### *Financial instruments*

The Company recognises loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortised cost. The company also recognises loss allowances for ECLs on employee loan receivables which are disclosed as part of trade and other receivables. (See Note 19)

The Company measures loss allowances at an amount equal to lifetime ECLs, except for bank balances, lease and loan receivables for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition, which are measured at 12-month ECLs. Loss allowance for trade receivables are always measured at an amount equal to lifetime ECL.

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

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The company considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

#### **Measurement of ECLs**

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

##### *Credit-impaired financial assets*

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 360 days past due; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

##### *Presentation of allowance for ECL in the statement of financial position*

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

##### *Write-off*

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For customers, the Company makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

# TOTAL ENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

# TOTAL ENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 4.9 Impairment (Cont'd)

#### ii Non financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash flows from continuing use that are largely independent of the cash flows of other assets or Cash Generating Units (CGUs).

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### 4.10 Financial instruments

#### i Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

#### ii Classification and subsequent measurement

##### Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income (FVOCI) as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

##### Financial assets - Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfer of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose consistent with the company's continuing recognition of the assets.

Financial assets that are held for trading or are merged and whose performance is evaluated on a fair value basis are measured at FVTPL.

##### Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 4.10 Financial instruments (cont'd)

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

#### Financial assets – Subsequent measurement and gains and losses

##### *Financial assets at amortised cost*

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

#### Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

### iii Derecognition

#### *Financial assets*

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

#### *Financial liabilities*

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

### iv Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

TOTALENERGIES MARKETING NIGERIA PLC

NOTES TO THE FINANCIAL STATEMENTS

TOTALENERGIES MARKETING NIGERIA PLC

NOTES TO THE FINANCIAL STATEMENTS

**4.11 Share capital**  
The Company has only one class of shares namely ordinary shares. Ordinary shares are classified as equity. When new shares are issued, they are recorded in share capital at their par value. The excess of the issue price over the par value is recorded in the share premium reserve.

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity.

**4.12 Statement of cash flows**  
The statement of cash flows is prepared using the indirect method. Dividends paid to ordinary shareholders are included in financing activities. Interest paid is also included in financing activities while interest received is included in investing activities. Interest received on employee loans and receivables, foreign exchange differential, interest claim on Petroleum Support Fund (PSF) and Interest on lease liabilities are included in operating activities.

**4.13 Cash and cash equivalents**  
Cash and cash equivalents comprise cash on hand, cash balances with commercial banks and Total Treasury as well as call deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

**4.14 Inventories**  
Inventories are measured at the lower of cost and net realisable value. The cost of blended products/lubricants includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. Inventory values are adjusted for obsolete, slow-moving or defective items.

The basis of costing inventories based on the product types are as follows:

Product Type	Cost Basis
Refined Petroleum Products (AGO, ATK, PMS, DPK, LPFO)	Weighted Average Cost
Packaging Materials, Solar Lamps, Lubricants, Greases, Special fluids and Car care products	Weighted Average Cost
Inventories-in-transit	Total purchase cost incurred at transaction date

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 4.15 Provisions

Provisions comprise liabilities for which the amount and the timing are uncertain. They arise from environmental risks, legal and tax risks, litigation and other risks. A provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event for which it is probable that an outflow of resources will be required and when a reliable estimate can be made regarding the amount of the obligation. Provisions are determined by discounting the expected future cash flow at a pre-tax rate that reflects current market assessment of the value and the risk specific to the liability. The unwinding of the discount is recognised in profit or loss as a finance cost.

However, possible obligations depending on whether or not certain future events occur are disclosed as contingent liabilities.

### 4.16 Employee benefits

#### i Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

In line with the provisions of the Pension Reform Act 2014, the Company has instituted a defined contribution pension scheme for its permanent staff. Employees contribute 8% of their Basic salary, Transport and Housing Allowances to the Fund on a monthly basis. The Company's contribution is 10% of each employee's Basic salary, Transport and Housing Allowances. Staff contributions to the scheme are funded through payroll deductions while the Company's contribution is recognised in profit or loss as staff costs in the periods during which services are rendered by employees.

#### *Gratuity scheme*

The Company operates a gratuity scheme for its employees in service before January 2001. This is funded by the Company on a monthly basis, at a rate of contribution of 9.5% of total annual emolument and paid to Fund Managers chosen by each employee.

The Company's obligation are extinguished once the amounts have been transferred to the Fund Managers.

#### ii Other long-term employee benefits

The Company's other long-term employee benefits represents a Long Service Award scheme for a minimum milestone of ten (10) years and the Total home ownership scheme (TEHOS) which is a one-off payment upon tenth anniversary. These schemes are instituted for all permanent employees. The Company's obligations in respect of these schemes are the amounts of future benefits that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value. The discount rate is a result of the Company's objective to ensure underlying cost inflation remains below country headline inflation having considered the weighted average of five (5) years yield on Federal Government of Nigeria issued bonds that have maturity dates approximating the term of the Company's obligation. The calculation is performed using the Projected Unit Credit method. Remeasurements are recognised in profit or loss in the period in which they arise. This Scheme is not funded. The obligations are paid out of the Company's cash flows as and when due.

#### iii Termination benefits

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

#### iv Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

#### v Post-employment benefits

The Company's post-employment benefits represents a post-retirement medical coverage for five (5) years on early retirement or seven (7) years on normal retirement (i.e. at the retirement age of 60 years). This scheme is instituted for all permanent employees and is provided after the completion of employment via the Health Insurance Scheme offered third party providers. The Company's exposure under this arrangement is limited to premium payable to the providers. The benefit is discounted to determine its present value. The discount rate is a result of the Company's objective to ensure underlying cost inflation remains below country headline inflation having considered the weighted average of five (5) years yield on Federal Government of Nigeria issued bonds that have maturity dates approximating the term of the Company's obligation. The calculation is performed using the Projected Unit Credit method. Remeasurements which comprise actuarial gains or losses are recognized in other comprehensive income in the period in which they arise. Net interest expense and other expenses related to the post employment benefits are recognised in profit or loss. This Scheme is not funded. The obligations are paid out of the Company's cash flows as and when due.

### 4.17 Government grant

Petroleum Products Pricing Regulatory Agency (PPPRA) subsidises the cost of importation of certain refined petroleum products whose prices are regulated in the Nigerian market. The subsidies are recognised when there is reasonable assurance that they will be recovered and the Company has complied with the conditions attached to receiving the subsidy. The subsidies are recognised as a reduction to the landing cost of the subsidised petroleum product in the year in which the Company makes the determination that all conditions have been met and the amount will be recovered. Where the amounts relate to interest and foreign exchange differentials, they are recognised in profit or loss when there is reasonable assurance that the amounts will be recovered. Refer to Note 4.3 for additional details on subsidy.

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 4.18 Operating Profit

Operating profit is the result generated from the continuing principal revenue producing activities of the Company as well as other income and expenses related to operating activities. Operating profit excludes net finance costs and income taxes.

### 4.19 Measurement of fair values

Some of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Final Account Manager (FAM) has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Board of Directors.

The FAM regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the FAM assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified. Significant valuation issues are reported to the Audit Committee and the Board of Directors.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### 4.20 Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

## TOTALENERGIES MARKETING NIGERIA PLC

### NOTES TO THE FINANCIAL STATEMENTS

#### 4.21 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### A. As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

##### Short-term leases

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

##### B. As a lessor

The Company leases out trucks to its transporters and these are classified as finance leases.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease. If an arrangement contains lease and non-lease components, then the Company applies IFRS 15 to allocate the consideration in the contract.

The Company applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease and regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease. The Company recognises lease payments received under operating leases as income on a straightline basis over the lease term as part of 'other income'.

Generally, the accounting policies applicable to the Company as a lessor in the comparative period were not different from IFRS 16 except for the classification of the sub-lease entered into during current reporting period that resulted in a finance lease classification.



TOTALENERGIES MARKETING NIGERIA PLC

NOTES TO THE FINANCIAL STATEMENTS

5 Seasonality and Segment Reporting

Seasonality of Operations

The Company's operations are such that revenue and cost are not affected by the impact of seasonality.

Segment Reporting

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

The Board has given the Company's Chief Executive Officer (CEO) the power to assess the financial performance and position of the Company, allocate resources and make strategic decisions. Segment reports that are reported to the CEO includes items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Products and services from which reportable segments derive their revenues

Information reported to the Company's CEO for the purposes of resource allocation and assessment of segment performance is focused on the sales channels for the company's products (petroleum products, lubricants and others). The principal sales channels are Network, General Trade and Aviation. The Company's reportable segments under IFRS 8 are therefore as follows: Network, General Trade and Aviation.

The following summary describes the operations of each reportable segment.

Reportable Segment	Operations
Network	Sales to service stations
General Trade	Sales to corporate customers excluding customers in the aviation industry
Aviation	Sales to customers in the aviation industry

Segment revenue reported below represents revenue generated from external customers. There were no inter-segment sales in the current year (2020: Nil). Performance is measured based on segment which correspond with IFRS amounts in the Financial Statement.

5.1 Segment profit or loss (key items)

31 December 2021								
		NETWORK		GENERAL TRADE		AVIATION		TOTAL
		N'000		N'000		N'000		N'000
Revenue	53%	180,897,663	37%	126,287,048	10%	34,131,635	100%	341,316,345
- Petroleum products	49%	125,743,083	37%	95,313,061	13%	34,131,635	100%	255,187,779
- Lubricant and others	64%	55,154,580	36%	30,973,986	0%	-	100%	86,128,566
Gross profit	53%	29,150,154	35%	19,250,102	12%	6,600,035	100%	55,000,290
- Petroleum products	41%	11,810,489	37%	10,737,571	23%	6,600,035	100%	29,148,095
- Lubricant and others	67%	17,339,665	33%	8,512,532	0%	-	100%	25,852,197
Finance income	70%	581,727	27%	232,691	3%	16,621	100%	831,039
Finance costs	65%	(1,150,277)	31%	(566,291)	4%	(53,089)	100%	(1,769,657)
Income taxation	13%	(1,036,545)	61%	(4,863,789)	26%	(2,073,091)	100%	(7,973,425)
Impairment loss on trade receivable	-74%	159,333	174%	(374,648)	0%	-	100%	(215,315)
Depreciation <sup>1</sup>	93%	(4,697,847)	7%	(352,525)	0%	(1,076)	100%	(5,051,448)
Amortisation	92%	(42,986)	6%	(2,803)	2%	(934)	100%	(46,724)
Depreciation of Right-of-use asset	65%	(1,254,211)	35%	(675,345)	0%	-	100%	(1,929,556)

<sup>1</sup> The allocated percentage of depreciation in the aviation segment during the year (0.03%) has been rounded to the nearest whole number.

31 December 2020								
		NETWORK		GENERAL TRADE		AVIATION		TOTAL
		N'000		N'000		N'000		N'000
Revenue	70%	143,305,024	24%	49,133,151	6%	12,283,288	100%	204,721,463
- Petroleum products	72%	112,905,738	20%	31,865,401	8%	12,283,288	100%	157,054,427
- Lubricant and others	64%	30,399,286	36%	17,267,750	0%	-	100%	47,667,036
Gross profit	73%	22,445,610	26%	7,994,327	1%	307,474	100%	30,747,411
- Petroleum products	81%	10,639,765	17%	2,256,347	2%	307,474	100%	13,203,586
- Lubricant and others	67%	11,805,845	33%	5,737,981	0%	-	100%	17,543,826
Finance income	87%	1,968,971	8%	181,055	5%	113,159	100%	2,263,185
Finance costs	87%	(2,516,360)	8%	(231,389)	5%	(144,619)	100%	(2,892,368)
Income taxation	12%	(101,478)	110%	(930,218)	-22%	186,043	100%	(845,653)
Impairment loss on trade receivable	63%	(143,673)	37%	(84,380)	0%	-	100%	(228,053)
Depreciation	95%	(4,552,298)	5%	(239,595)	0%	-	100%	(4,791,893)
Amortisation	94%	(13,810)	6%	(882)	0%	-	100%	(14,692)
Depreciation of Right-of-use asset	95%	(1,643,674)	5%	(86,509)	0%	-	100%	(1,730,183)

## TOTALENERGIES MARKETING NIGERIA PLC

### NOTES TO THE FINANCIAL STATEMENTS

#### 5.2 Segment assets and liabilities

31 December 2021							
		NETWORK		GENERAL		AVIATION	TOTAL
		₦'000		TRADE		₦'000	₦'000
				₦'000			
Non-current assets	74%	36,435,744	21%	10,637,014	5%	2,477,514	49,550,272
Current tax assets	54%	871,179.00	37%	592,593.00	9%	144,769	1,608,541
Inventories	54%	15,815,731	37%	10,758,172	9%	2,628,188	29,202,091
Receivables and prepayments	54%	35,428,697	37%	24,099,299	9%	5,887,384	65,415,381
Cash and cash equivalents <sup>1</sup>	53%	33,364,921	37%	23,292,492	10%	6,295,268	62,952,681
<b>ASSETS</b>		<b>121,916,272</b>		<b>69,379,570</b>		<b>17,433,123</b>	<b>208,728,966</b>
Addition to non-current assets	74%	1,654,518	21%	483,018	5%	112,502	2,250,038
Payables, deferred income, employee benefits and current tax liabilities <sup>2</sup>	54%	77,859,223	37%	52,961,391	9%	12,938,303	143,758,917
Borrowings <sup>1</sup>	53%	8,011,906	37%	5,593,217	10%	1,511,679	15,116,802
Non-current liabilities (less non-current portion of lease liabilities)	53%	3,773,980	35%	2,492,252	12%	854,487	7,120,719
Lease liabilities	100%	1,113,223	0%	-	0%	-	1,113,223
<b>LIABILITIES</b>		<b>90,758,332</b>		<b>61,046,860</b>		<b>15,304,468</b>	<b>167,109,661</b>

31 December 2020							
		NETWORK		GENERAL		AVIATION	TOTAL
		₦'000		TRADE		₦'000	₦'000
				₦'000			
Non-current assets	76%	35,948,177	19%	8,987,044	5%	2,365,012	47,300,234
Current tax assets	73%	884,923.00	20%	242,445.00	7%	84,856	1,212,223
Inventories	73%	15,782,553	20%	4,323,987	7%	1,513,396	21,619,936
Receivables and prepayments	73%	31,000,337	20%	8,493,243	7%	2,972,635	42,466,215
Cash and cash equivalents <sup>1</sup>	70%	21,657,221	24%	7,425,683	6%	1,931,374	31,014,277
<b>ASSETS</b>		<b>105,273,211</b>		<b>29,472,402</b>		<b>8,867,273</b>	<b>143,612,885</b>
Addition to non-current assets	76%	211,141	19%	52,785	5%	13,891	277,817
Payables, deferred income, employee benefits and current tax liabilities	73%	55,983,447	20%	15,337,931	7%	5,368,276	76,689,653
Borrowings <sup>1</sup>	70%	22,774,531	24%	7,808,778	6%	2,031,014	32,614,323
Non-current liabilities (less non-current portion of lease liabilities)	73%	3,755,735	26%	1,321,345	1%	67,764	5,144,844
Lease liabilities	100%	1,013,086	0%	-	0%	-	1,013,086
<b>LIABILITIES</b>		<b>83,526,799</b>		<b>24,468,054</b>		<b>7,467,054</b>	<b>115,461,906</b>

<sup>1</sup>For the purpose of monitoring segment performance and allocating resources between segments, cash and borrowings are allocated to reportable segments on the basis of the revenues earned by individual segments.

<sup>2</sup>Payables, deferred income, employee benefits and current tax liabilities are allocated based on the ratio of business activity of individual segments.

#### 5.3 Geographic information

The Company is domiciled in Nigeria. During the year, no products were sold to any of its affiliates in Congo, Cameroon, Niger and Gabon. The geographic information analyses the Company's revenue and cost of sales by the Company's country of domicile and other countries. No customer accounted for more than 10% of revenue in the year ended (2020: Nil).

The Company does not hold non-current assets in these foreign countries.

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

### 6 Revenue

Revenue generated from the Company's revenue streams are as follows;

	31 December 2021	31 December 2020
	₦'000	₦'000
Petroleum products	255,187,779	157,054,427
Lubricants and others	86,128,566	47,667,036
	<u>341,316,345</u>	<u>204,721,463</u>

The above revenue streams are recognised at a point in time.

### 7 Auditor's remuneration

The analysis of auditors' remuneration is as follows:

	31 December 2021	31 December 2020
	₦'000	₦'000
Statutory audit fees	53,750	46,000
Total audit fees	53,750	46,000
Other services <sup>1</sup>	-	4,281
Total fees	<u>53,750</u>	<u>50,281</u>

<sup>1</sup>Other services relates to the review of the summary financial information included in the Commercial Paper Programme Memorandum.

### 7.1 Fees paid to professional consultants

	31 December 2021	31 December 2020
	₦'000	₦'000
Tax services	125,692	134,730
Information technology services	1,279,874	918,167
Litigation services	105,331	42,963
Recruitment and remuneration services	2,943	8,894
Air Total International subrogation fees	39,775	36,128
Product supply fees and certifications	355,986	302,453
Other services	80,093	52,914
	<u>1,989,694</u>	<u>1,496,249</u>

### 8 Net finance costs

	31 December 2021	31 December 2020
	₦'000	₦'000
<b>Finance income:</b>		
Petroleum Subsidy Fund (PSF)	-	2,038,435
<b>Interest income</b>		
Interest on deposits for unclaimed dividend	37,726	59,745
Interest on loans	218,820	122,600
Interest on deposits	574,493	42,405
<i>Total interest income arising from financial assets measured at amortized cost</i>	<u>831,039</u>	<u>224,750</u>
Total finance income	<u>831,039</u>	<u>2,263,185</u>
<b>Finance costs:</b>		
Interest on lease liabilities	(253,742)	(143,210)
Interest on import loans	(101,220)	(637,520)
Interest on bank overdrafts	(133,296)	(1,813,922)
Interest on other loans	(1,281,399)	(297,716)
Total finance costs	<u>(1,769,657)</u>	<u>(2,892,368)</u>
Net finance costs	<u>(938,618)</u>	<u>(629,183)</u>

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 9 Other income and expenses

	31 December 2021	31 December 2020
	₦'000	₦'000
<b>9.1 Other income</b>		
Network income <sup>1</sup>	2,315,892	968,513
Gain on disposal of property, plant and equipment	-	26,827
Net foreign exchange gain	2,162,712	44,724
	<u>4,478,604</u>	<u>1,040,064</u>
<b>9.2 Other expenses</b>		
Loss on disposal of property, plant and equipment	101,569	-
	<u>101,569</u>	<u>-</u>

<sup>1</sup>Network income represents income from Bonjour shop, rent, vendor management fees and other miscellaneous income.

### 10 Expenses by nature

	31 December 2021	31 December 2020
	₦'000	₦'000
Net changes in inventory of lubes, greases and refined products	277,395,014	171,176,600
Custom duties	3,480,650	1,181,427
Transport of supplies	5,440,391	1,616,025
Transport on sales	3,230,780	2,962,259
Staff costs (Note 32(iii))	11,063,187	8,612,443
Depreciation (Note 16)	5,051,448	4,791,893
Depreciation - Right-of-use asset (Note 17 (i))	1,929,556	1,730,183
Amortisation of software (Note 15)	46,724	14,692
Rent <sup>2</sup>	210,572	147,624
Technical assistance and management fees (Note 31.2)	3,623,336	3,330,664
Maintenance expenses	1,483,570	1,219,854
Motor fuels and travelling expenses	1,019,560	741,741
Communication, computer and stationery expenses	368,426	316,567
Directors' remuneration (Note 31.3)	441,519	436,343
Bank charges	39,412	348,296
Business promotion and publicity	628,365	521,535
Rebranding cost <sup>1</sup>	377,771	-
Other expenses	79,320	41,663
Security & guarding	332,734	278,815
Bad debts written off	41,560	35,000
Fees paid to professional consultants (Note 7.1)	1,989,694	1,496,249
Purchase of consumables	180,536	73,201
Insurance	232,061	275,792
Service charge	180,466	86,583
Levies	397,204	131,233
Entertainment expenses	174,416	149,961
Engineering studies	211,870	228,329
Auditor's Remuneration (Note 7)	53,750	50,281
Total cost of sales, selling & distribution costs and administrative expenses	<u>319,703,892</u>	<u>201,995,253</u>

<sup>1</sup> Rebranding cost relates to costs associated with changing the old totems and signages from the previous Total logo to the new TotalEnergies logo.

<sup>2</sup> Relates to rent on short-term leases to which practical expedient under IFRS 16 applies.

Analyzed in the statement of profit and loss and other comprehensive income as follows;

	2021 ₦'000	2020 ₦'000
Cost of sales	286,316,055	173,974,052
Selling & distribution	3,230,780	2,962,259
Administrative expenses	<u>30,157,057</u>	<u>25,058,942</u>
	<u>319,703,892</u>	<u>201,995,253</u>

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 11 Company Income Tax Income tax expense

The tax charge for the year has been computed after adjusting for certain items of expenditure and income, which are not deductible or chargeable for tax purposes and comprises:

#### Minimum Tax

The Company has applied the provisions of the Companies Income Tax Act and the Finance Act 2021 that mandates a minimum tax assessment, where a tax payer's tax liability based on taxable profit is less than the minimum tax liability. The Company's assessment based on the minimum tax legislations for the year ended 31 December 2021 is nil (31 December 2020: Nil) See Note 11.1.3.

The Directors believe that the tax liabilities recognised represents best estimate based on their interpretation of the tax law.

#### 11.1.1 Amounts recognised in profit or loss

	31 December 2021	31 December 2020
	₦'000	₦'000
<b>Current tax expenses:</b>		
Company Income Tax (CIT)	5,845,533	821,283
Tertiary Education Tax (TET)	773,261	162,452
Capital gains tax	24	65
Nigeria Police Trust Fund Levy (NPTF) <sup>1</sup>	834	41
National Agency for Science and Engineering Infrastructure Act (NASENI) levy	62,089	-
Current year tax expense	6,681,742	983,841
Reversal of withholding tax impaired in prior years	(174,398)	(19,832)
	6,507,344	964,009
<b>Deferred tax</b>		
Origination and reversal of temporary differences (Note 11.3)	1,466,081	(118,356)
	<b>7,973,425</b>	<b>845,653</b>

#### 11.1.2 Reconciliation of effective tax rate

	31 December 2021	31 December 2020
	₦'000	₦'000
<b>Profit before tax</b>	<b>24,835,555</b>	<b>2,909,038</b>
Income tax using the statutory tax rate (30%)	7,450,666	872,711
Effect of tertiary education tax rate - 2.5% (2020: 2%)	620,889	58,181
Capital gains tax	24	65
Nigeria Police Trust Fund Levy (NPTF)	834	41
Non-deductible expenses	(73,381)	(37,289)
Non-taxable income	9,953	-
National Agency for Science and Engineering Infrastructure (NASENI) Levy <sup>2</sup>	62,089	-
Tax incentives	88,244	(86,189)
Withholding tax credit notes recovered	(174,398)	(19,832)
Other differences	(11,495)	57,965
	<b>7,973,425</b>	<b>845,653</b>

<sup>1</sup> The Nigerian Police Trust Fund (Establishment) Act, 2019 imposes a levy of 0.005% of the net profit of companies operating business in Nigeria.

<sup>2</sup> The National Agency for Science and Engineering Infrastructure (NASENI) Act imposes a levy of 0.25% of the net profit of companies operating business in Nigeria.

#### 11.2 Movement in current tax liability

	31 December 2021	31 December 2020
	₦'000	₦'000
Balance as at 1 January	438,797	1,470,099
Provision for the year (Note 11.1.1)	6,681,742	983,841
Payments during the year	(275,947)	(1,280,703)
Withholding tax utilization	-	(414,486)
Withholding tax credit notes	(707,852)	(319,954)
Balance as at 31 December	<b>6,136,740</b>	<b>438,797</b>

#### 11.2.1 Movement in Withholding tax

	31 December 2021	31 December 2020
	₦'000	₦'000
Balance as at 1 January	1,645,997	1,243,148
WHT Credit Notes received in the year	670,396	722,803
Withholding Tax used to offset CIT	(707,852)	(319,954)
Balance as at 31 December	<b>1,608,541</b>	<b>1,645,997</b>
<b>Analysed as</b>		
Current	1,608,541	1,212,223
Non-current	-	433,774
	<b>1,608,541</b>	<b>1,645,997</b>
<i>Amount recognised in statement of cashflows</i>	<b>37,456</b>	<b>(402,849)</b>

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 11.3 Deferred taxation

Deferred tax assets and liabilities are attributable to the following;

	Assets		Liabilities		Net	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Property, plant and equipment	-	-	(6,810,410)	(5,102,521)	(6,810,410)	(5,102,521)
Provision for doubtful debts	520,193	416,607	-	-	520,193	416,607
Provision for employee benefits	377,146	226,669	-	-	377,146	226,669
Provision for inventory	-	24,583	-	-	-	24,583
Right of Use Lease provisions	2,602	22,926	-	-	2,602	22,926
Net unrealised foreign exchange differences	-	-	(182,823)	(91,934)	(182,823)	(91,934)
Provision for rebranding cost	122,775	-	-	-	122,775	-
	<b>1,022,716</b>	<b>690,784</b>	<b>(6,993,233)</b>	<b>(5,194,455)</b>	<b>(5,970,517)</b>	<b>(4,503,670)</b>

Movement in deferred tax balances during the year;

	Balance 1 January 2020	Recognised in profit or loss	Balance 31 December 2020	Recognised in profit or loss	Recognised in OCI	Balance 31 December 2021
		₦'000	₦'000	₦'000	₦'000	₦'000
Property, plant and equipment	(5,114,649)	12,128	(5,102,521)	(1,707,889)	-	(6,810,410)
Provision for doubtful debts	343,630	72,977	416,607	103,586	-	520,193
Provision for employee benefits	205,073	21,595	226,668	151,243	(766)	377,145
Provision for inventory	24,583	-	24,583	(24,583)	-	-
Lease provisions	11,865	11,061	22,926	(20,324)	-	2,602
Net unrealised foreign exchange differences	(92,528)	595	(91,933)	(90,889)	-	(182,822)
Provision for rebranding cost	-	-	-	122,775	-	122,775
	<b>(4,622,026)</b>	<b>118,356</b>	<b>(4,503,670)</b>	<b>(1,466,081)</b>	<b>(766)</b>	<b>(5,970,517)</b>

Amount recognised in OCI

	Before tax ₦'000	Tax charge ₦'000	Net of tax ₦'000
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurements of defined benefit liability	<b>2,356</b>	<b>(766)</b>	<b>1,590</b>

- 11.4 The charge for income tax in these financial statements is based on the provisions of the Companies Income Tax Act CAP C21 LFN 2004 (as amended), the Finance Act 2021, the tertiary education tax charge is based on the Tertiary Education Trust Fund Act, 2011 and the Nigeria Police Trust Fund (Establishment) Act 2019.

TOTALENERGIES MARKETING NIGERIA PLC

NOTES TO THE FINANCIAL STATEMENTS

12 Employee benefits

	31 December 2021	31 December 2020
	<b>₦'000</b>	<b>₦'000</b>
Long service awards (Note 12(a))	1,003,659	541,483
Home ownership scheme (Note 12(b))	70,076	82,050
	1,073,735	623,533
<b>Other long term employee benefits</b>		
Post employment medical services (Note 12(c))	84,360	84,800
<b>Balance as at 31 December 2021</b>	<b>1,158,095</b>	<b>708,333</b>
Analysed as:		
Current	7,893	67,159
Non-current	1,150,202	641,174
	<b>1,158,095</b>	<b>708,333</b>

Employee benefits represents the Company's liability for:

a) Long service awards - Staff who have attained the milestones for the specified number of years of service in the Company (i.e. 10 years, 15 years and 20 years) are rewarded with cash and gift items as long service awards. An additional provision of ₦526.73 million has been made during the year ended 31 December 2021 (2020: ₦48.25 million). See note 32 (iii). Payment of ₦64.55 million was made to qualifying employees during the year (2020: ₦9.40 million).

b) Home ownership scheme - Under the home ownership scheme, qualifying staff are entitled to a grant which is a one-off payment upon tenth anniversary. Additional provision of ₦36.61 million was made for the year ended 31 December 2021 (2020: Nil). Payment of ₦48.58 million was made to qualifying employees during the year (2020: ₦34.20 million).

c) Post employment medical benefits - A post-retirement medical coverage is extended to ex-staff for five (5) years on early retirement or eight (8) years on normal retirement (i.e. at the retirement age of 60 years) as well as two (2) years for dependent relatives of a deceased staff. An additional provision of ₦9.33 million was made for the year ended 31 December 2021 (2020: ₦6.71 million). Payment of ₦7.41 million was made to qualifying ex-employees during the year (2020: ₦9.79 million).

Provision for employee benefits as at 31 December 2021 was ₦1.16 billion (2020: ₦708.33 million) with a non-current portion of ₦1.15 billion (2020: ₦641.17 million) and a current portion of ₦7.89 million. (2020: ₦67.16 million).

i. Movement in net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability and its components.

	2021	2020
	<b>₦'000</b>	<b>₦'000</b>
Balance as at 1 January	708,333	640,855
<b>Included in profit or loss</b>		
Current service costs	87,701	120,873
Past service costs	-	-
Interest cost	77,917	-
Actuarial gain	407,045	-
	572,663	120,873
<b>Included in other comprehensive income</b>		
Remeasurement gain:		
- Actuarial gain arising from:		
- experience adjustment	(2,356)	-
	(2,356)	-
<b>Other</b>		
Benefits paid	(120,545)	(53,395)
	(120,545)	(53,395)
<b>Balance as at 31 December</b>	<b>1,158,095</b>	<b>708,333</b>
<i>Amount recognised in profit or loss (Note 32 (iii))</i>	<b>572,663</b>	<b>120,873</b>

(a) Allocation of employee benefits provisions during the year

Amount recognised in profit or loss (Note 32 (iii))	572,663	120,873
Amount recognised in other comprehensive income	(2,356)	-
	<b>570,307</b>	<b>120,873</b>

Actuarial Assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	2021	2020
Discount rate	13%	11%
Future salary growth	10%	8%
Benefit increase rate	13%	11%

These assumptions depict management's estimate of the likely future experience of the Company.

Demographic assumptions

Withdrawal Rates

	2021	2020
<b>Age band</b>		
Less than or equal to 30	2%	2%
31 – 39	2%	2%
40 – 44	2%	2%
45 – 59	2%	2%

Mortality assumptions

Active Staff	A67/70 UK Tables
Retirees	PA90

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

		2021				
	Long service awards		Home ownership scheme		Post employment medical benefits	
		₦'000		₦'000	₦'000	
Base		1,003,659		70,076	84,360	
Discount rate	+1%	939,564	+1%	68,552	77,981	
	-1%	1,076,166	-1%	71,669	91,642	
Salary increase rate	+1%	1,020,180	+1%	-	-	
	-1%	988,467	-1%	-	-	
Benefit increase rate	+1%	1,064,174	+1%	-	86,429	
	-1%	949,666	-1%	-	82,349	
Mortality	Age Rated up by 1 year	999,039	Age Rated up by 1 year	70,041	Age Rated up by 1 year	95,492
	Age Rated down by 1 year	1,007,840	Age Rated down by 1 year	70,105	Age Rated down by 1 year	75,070

Although the analysis does not take account of the full distribution of cash flows expected under the schemes, it does provide an approximation of the sensitivity of the assumptions shown.

TOTALENERGIES MARKETING NIGERIA PLC

NOTES TO THE FINANCIAL STATEMENTS

13 Dividends  
Declared dividends  
The following dividends were declared by the Company during the year.

	31 December 2021 ₦'000	31 December 2020 ₦'000
<i>Final dividend - Prior year</i>		
₦6.08 per qualifying ordinary share (2020: ₦6.71)	2,063,385	2,278,192
<i>Interim dividend:</i>		
₦4.00 per qualifying ordinary share (2020: ₦0.00)	1,358,087	-
	<u>3,421,472</u>	<u>2,278,192</u>

13.1 Dividend payable	31 December 2021 ₦'000	31 December 2020 ₦'000
Balance as at 1 January	2,362,882	2,112,091
Final dividend (prior year)	2,063,385	2,278,192
Interim dividend (current year)	1,358,087	-
	<u>5,784,354</u>	<u>4,390,283</u>
Forfeited dividend (Note 13.1(a))	(26,078)	(46,002)
Dividend paid	<u>(3,510,183)</u>	<u>(1,981,399)</u>
Balance as at 31 December	<u>2,248,093</u>	<u>2,362,882</u>

(a) By the provision of Section 429 of the Companies and Allied Matters Act (CAMA), 2020, where dividends paid by a company remain unclaimed, the company shall publish in two national newspapers, a list of the unclaimed dividends and the names of the persons entitled to the dividends, and attach the list, as published in the national newspapers, to the notice that is sent to the members of the company for each subsequent annual general meeting of the company.

After the expiration of three months of the publication and notice, the company may invest the unclaimed dividend for its own benefit in investments outside the company and no interest shall accrue on the dividends against the company.  
However, Section 60 (3) of the Finance Act 2020 provides that dividends of a public limited liability company quoted on the Nigerian Stock Exchange which has remained unclaimed for a period of six years or more from the date of declaring the dividend shall be immediately transferred to the Unclaimed Funds Trust Fund.

14 Earnings per share (EPS)  
Basic earnings per share  
Basic earnings per share of ₦49.66 (2020: ₦6.08) is based on profit attributable to ordinary shareholders of ₦16.86 billion (2020: ₦2.06 billion), and on the 339,521,837 ordinary shares of 50 kobo each, being the weighted average number of ordinary shares in issue during the year (2020: 339,521,837 ordinary shares).  
The Company has no dilutive potential ordinary shares and as such, diluted and basic earnings per share are the same.

	31 December 2021	31 December 2020
<b>Earnings</b>		
Profit for the year attributable to shareholders (expressed in Naira)	<u>16,862,129,647</u>	<u>2,063,385,294</u>
<b>Number of shares</b>		
Weighted average ordinary shares of 50 kobo each	<u>339,521,837</u>	<u>339,521,837</u>
Basic profit per 50 kobo share (expressed in Naira)	<u>49.66</u>	<u>6.08</u>

The denominators for the purposes of calculating basic earnings per share are based on issued and paid ordinary shares of 50 kobo each as at 31 December 2021.

15 Intangible assets	Computer software and software licensing
The movement on these accounts were as follows:	
<b>Cost</b>	<b>₦'000</b>
Balance as at 1 January 2020	430,836
Additions	<u>145,382</u>
Balance as at 31 December 2020	<u>576,218</u>
Balance as at 1 January 2021	576,218
Additions	<u>27,606</u>
Balance as at 31 December 2021	<u>603,824</u>
<b>Amortisation<sup>1</sup></b>	
Balance as at 1 January 2020	(419,106)
Charge for the year	<u>(14,692)</u>
Balance as at 31 December 2020	<u>(433,798)</u>
Balance as at 1 January 2021	(433,798)
Charge for the year	<u>(46,724)</u>
Balance as at 31 December 2021	<u>(480,522)</u>
<b>Carrying amount</b>	
At 1 January 2020	<u>11,730</u>
At 31 December 2020	<u>142,420</u>
At 31 December 2021	<u>123,302</u>

<sup>1</sup>Amortisation of intangible assets are included in administrative expenses in Profit or Loss. (See Note 10)  
There are no items of intangible assets restricted or pledged as security. There are also no contractual commitments to purchase any items of intangible assets as at year end.



NOTES TO THE FINANCIAL STATEMENTS

16 **Property, plant and equipment**  
The movement on these accounts were as follows:

	Land	Buildings	Plant, machinery and fittings	Office equipment and furniture	Computer equipment and other tangibles	Motor vehicles	Capital work in progress	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
<b>Cost</b>								
Balance as at 1 January 2020	4,699,482	17,122,839	20,753,505	467,639	13,166,556	3,147,289	6,811,306	66,168,615
Additions	-	5,852	53,181	-	48,103	249,028	5,486,686	5,842,850
Transfers (Note 16.1)	68,580	1,878,162	2,726,062	20,527	1,180,704	73,698	(6,261,685)	(313,952)
Disposals	-	(96)	(150,409)	(63)	(10,318)	(36,750)	-	(197,636)
Balance as at 31 December 2020	<u>4,768,062</u>	<u>19,006,757</u>	<u>23,382,339</u>	<u>488,103</u>	<u>14,385,045</u>	<u>3,433,265</u>	<u>6,036,307</u>	<u>71,499,877</u>
Balance as at 1 January 2021	4,768,062	19,006,757	23,382,339	488,103	14,385,045	3,433,265	6,036,307	71,499,877
Additions	-	1,183	-	25,811	-	1,225,226	7,203,022	8,455,242
Transfers (Note 16.1)	25,044	735,314	2,878,991	20,405	1,191,987	573,723	(6,103,212)	(677,748)
Disposals	(8,778)	(208,933)	(441,631)	(2,329)	(301,905)	(44,953)	-	(1,008,529)
Balance as at 31 December 2021	<u>4,784,328</u>	<u>19,534,321</u>	<u>25,819,699</u>	<u>531,990</u>	<u>15,275,127</u>	<u>5,187,261</u>	<u>7,136,117</u>	<u>78,268,842</u>
<b>Accumulated depreciation and impairment</b>								
Balance as at 1 January 2020	(686,406)	(5,662,153)	(10,136,809)	(458,521)	(11,877,834)	(1,870,030)	-	(30,691,753)
Charge for the year	-	(880,296)	(1,714,713)	(20,261)	(1,687,742)	(488,881)	-	(4,791,893)
Eliminated on disposals	-	96	147,967	63	6,547	36,750	-	191,423
Balance as at 31 December 2020	<u>(686,406)</u>	<u>(6,542,353)</u>	<u>(11,703,555)</u>	<u>(478,719)</u>	<u>(13,559,029)</u>	<u>(2,322,161)</u>	-	<u>(35,292,223)</u>
Balance as at 1 January 2021	(686,406)	(6,542,353)	(11,703,555)	(478,719)	(13,559,029)	(2,322,161)	-	(35,292,223)
Charge for the year	-	(920,598)	(1,867,402)	(24,566)	(1,706,741)	(532,141)	-	(5,051,448)
Eliminated on disposal	-	72,613	438,283	1,152	252,345	44,953	-	809,346
Balance as at 31 December 2021	<u>(686,406)</u>	<u>(7,390,338)</u>	<u>(13,132,674)</u>	<u>(502,133)</u>	<u>(15,013,425)</u>	<u>(2,809,349)</u>	-	<u>(39,534,325)</u>
<b>Carrying amount</b>								
<b>At 1 January 2020</b>	<u>4,013,076</u>	<u>11,460,686</u>	<u>10,616,696</u>	<u>9,118</u>	<u>1,288,722</u>	<u>1,277,259</u>	<u>6,811,306</u>	<u>35,476,862</u>
<b>At 31 December 2020</b>	<u>4,081,656</u>	<u>12,464,404</u>	<u>11,678,784</u>	<u>9,384</u>	<u>826,016</u>	<u>1,111,104</u>	<u>6,036,307</u>	<u>36,207,654</u>
<b>At 31 December 2021</b>	<u>4,097,922</u>	<u>12,143,983</u>	<u>12,687,025</u>	<u>29,857</u>	<u>261,702</u>	<u>2,377,912</u>	<u>7,136,117</u>	<u>38,734,517</u>

No item of property, plant and equipment has been restricted or pledged as security.

16.1 Transfers represent additions to other categories of PPE as well as from prior year's work-in-progress as they become completed. Capital work in progress (CWIP) items include construction and other tangible asset awaiting completion. Major additions relate to upgrade of depot, acquisition of computer hardware, generators, motor vehicles, upgrade of information technology infrastructure, structural and civil upgrade of stations as well as integrity test of multi-product pipeline. Included in transfers out of CWIP are intangible items and right-of-use assets for which lease arrangements were finalised. ₦677.75 million (2020: ₦313.95 million) was transferred into the asset classes during the year.

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 17 Leases as lessee (IFRS 16)

The Company leases service stations, storage facilities and staff buses. Service Station leases typically run for a period of 10 years, with an option to renew the lease after that date. Option to renew is not legally enforceable as it is not unilateral and requires the consent of both parties. See Note 17 (iv). Storage facilities leases runs for 5 years. Staff bus leases typically run for 5 years which is the useful life of the asset. Service station leases entered into are usually combined leases of land and buildings. The Company leases residential spaces with contract terms of one year. These leases are short term. The renewal option of these residential spaces are mostly at the sole instance of the Company. The renewal of these spaces is based on them fulfilling the business needs of the Company per time. The Company has elected not to recognise right-of-use assets and lease liabilities for these leases. Information about leases for which the Company is a lessee is presented below:

#### i. Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as a separate line item on the statement of financial position.

	Leasehold buildings	Motor vehicles	Storage facilities	Total
	₦'000	₦'000	₦'000	₦'000
<b>Cost</b>				
Balance as at 1 January 2020	8,159,129	1,029,895	-	9,189,024
Additions	1,671,300	-	756,609	2,427,909
Disposals	-	(35,924)	-	(35,924)
Balance as at 31 December 2020	9,830,429	993,971	756,609	11,581,009
At 1 January 2021	9,830,429	993,971	756,609	11,581,009
Additions	1,005,508	610,458	-	1,615,966
Disposals	(86,675)	-	-	(86,675)
Balance as at 31 Dec 2021	10,749,262	1,604,429	756,609	13,110,300
<b>Accumulated depreciation and impairment</b>				
Balance as at 1 January 2020	(1,353,746)	(310,233)	-	(1,663,979)
Charge for the year	(1,265,364)	(313,663)	(151,156)	(1,730,183)
Eliminated on disposals		2,992		2,992
Balance as at 31 December 2020	(2,619,110)	(620,904.00)	(151,156.00)	(3,391,170)
At 1 January 2021	(2,619,110)	(620,904)	(151,156)	(3,391,170)
Charge for the year	(1,517,438)	(261,186)	(150,932)	(1,929,556)
Eliminated on disposals	72,604	-	-	72,604
Balance as at 31 Dec 2021	(4,063,944)	(882,090.00)	(302,088.00)	(5,248,122)
<b>Carrying amount</b>				
At 1 January 2020	6,805,383	719,662	-	7,525,045
At 31 December 2020	7,211,319	373,067	605,453	8,189,839
At December 2021	6,685,318	722,339	454,521	7,862,178

#### ii. Amounts recognised in profit or loss

	2021	2020
	₦'000	₦'000
Interest on lease liabilities	(253,742)	(143,210)
Depreciation	(1,929,556)	(1,730,183)

#### iii. Amounts recognised in statement of cash flows

	2021	2020
	₦'000	₦'000
Additions to right-of-use assets	(1,615,966)	(2,427,909)
Interest on lease liabilities	(253,742)	(143,210)
Payments on lease liabilities	(78,090)	(430,252)
Changes in right of use asset	178,227	719,531
Derecognition of right of use asset	(14,071)	-
Total cash outflow for leases	(1,783,642)	(2,281,840)

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### iv. Extension options

The Company's service station lease agreements contain extension options exercisable by the Company. Where practicable, the Company seeks to include extension options in its leases to provide operational flexibility. The extension options held are exercisable only by the Company but require the consent of the lessors. The Company assesses at lease commencement date whether it is reasonably certain to exercise the extension options because the Company usually prepays its station leases for about 7 -10 years and due to the fact that the decision to renew is usually based on the results of an economic evaluation of each individual service station's performance to determine if it is financially viable to extend the lease. The directors have concluded that it is not reasonably certain at commencement of the leases to determine whether or not the leases will be renewed.

The Company has estimated that there are no potential future lease payments as its current assessment is that it is not probable that the lease extension option would be exercised.

The Company also estimates that obligations arising from termination of the lease are insignificant as moveable assets are reassigned to other locations at minimal transport costs while immovable assets are expected to be fully depreciated at the end of the lease term.

### 17.1 Leases as lessor

The Company has lease arrangements with its transporters consisting of leased trucks. These leases are classified as a finance lease.

#### i. Finance lease

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date.

	31 December 2021	31 December 2020
	₦'000	₦'000
Less than one year	139,223	268,266
One to two years	442,370	852,390
More than five years	160,025	308,347
<b>Total undiscounted lease receivable</b>	<b>741,618</b>	<b>1,429,003</b>
Unearned finance income	(65,955)	(127,086)
<b>Net investment in the lease</b>	<b>675,663</b>	<b>1,301,917</b>

## TOTALENERGIES MARKETING NIGERIA PLC

### NOTES TO THE FINANCIAL STATEMENTS

#### 18 Inventories

Inventories comprise:

	31 December 2021 ₦'000	31 December 2020 ₦'000
Raw materials	5,832,179	4,318,892
Goods in transit	8,339,963	4,779,056
Finished goods	14,620,711	11,576,152
Consumable equipment and spares	409,238	945,836
	<b>29,202,091</b>	<b>21,619,936</b>

In 2021, inventories amounting ₦277.40 billion (2020: ₦171.18 billion) were recognised as an expense during the year and included in 'cost of sales'.

No item of inventory was pledged as securities for liabilities during the year.

#### (a) Reconciliation of changes in inventory to statement of cashflows is as follows:

	31 December 2021 ₦'000	31 December 2020 ₦'000
Balance at 1 January	21,619,936	33,642,490
Balance at 31 December	(29,202,091)	(21,619,936)
Net write down/ (write back) of inventory (See Note 18.1)	101,993	(64,208)
<i>Amount recognised in statement of cashflows</i>	<b>(7,480,162)</b>	<b>11,958,346</b>

#### 18.1 Movement in write down of inventories

	31 December 2021 ₦'000	31 December 2020 ₦'000
Balance as at 1 January	569,767	505,559
Write down of inventory <sup>1</sup>	72,213	170,267
Reversal of write downs from previous periods <sup>2</sup>	(174,206)	(106,059)
Balance as at 31 December	<b>467,774</b>	<b>569,767</b>

<sup>1</sup>During the year, amounts of ₦72.2 million were written down and recognised in cost of sales. (2020: ₦170.3 million)

<sup>2</sup>Reversal of prior period write down arose because alternatives uses were found for the products.

#### 19 Trade and other receivables (Current)

	31 December 2021 ₦'000	31 December 2020 ₦'000
Customers account	26,736,035	17,412,759
Due from related parties (Note 31.2)	1,340,405	1,636,219
<b>Total trade receivables</b>	<b>28,076,440</b>	<b>19,048,978</b>
Net investment in finance lease (Note 19.1.1)	119,905	231,042
Advance on letters of credit	-	167,143
Bridging claims	12,931,278	8,285,047
Due from regulators (government entities)	-	297,252
Unclaimed dividends	1,632,946	2,373,676
Employee loans and receivables	1,246,204	1,089,442
Advance to supplier	17,399,246	9,057,700
Other receivables	2,560,428	785,483
<b>Total other receivables</b>	<b>35,890,007</b>	<b>22,286,785</b>
	<b>63,966,447</b>	<b>41,335,763</b>

Information about the Company's exposures to credit and market risks, and impairment losses for trade receivables is included in Note 27 (iv).

#### 19.1 Trade and other receivables (Non-current)

Non-current portion of trade and other receivables comprise:

	31 December 2021 ₦'000	31 December 2020 ₦'000
Employee receivables	2,074,729	714,546
Net investment in finance lease (Note 19.1.1) <sup>1</sup>	555,758	1,070,875
Advance for PPE	199,788	541,126
	<b>2,830,275</b>	<b>2,326,547</b>

<sup>1</sup> Amount represents the sum of net investment in finance lease between one and five years and more than five years. (See Note 19.1.1)

#### (a) Reconciliation of changes in trade and other receivables to statement of cashflows is as follows:

	31 December 2021 ₦'000	31 December 2020 ₦'000
Balance at 1 January (current)	41,335,763	45,434,587
Balance at 1 January (non-current)	2,326,547	3,085,587
Balance at 31 December (current)	(63,966,447)	(41,335,763)
Balance at 31 December (non-current)	(2,830,275)	(2,326,547)
Foreign exchange impact on trade and other receivables	103,452	240,849
<i>Amount recognised in statement of cashflows</i>	<b>(23,030,960)</b>	<b>5,098,713</b>

#### 19.1.1 Finance lease receivable

The Company leases transport equipment to some of its transporters under a finance lease arrangement. The lease term is between three to five years, with options to extend. The finance lease receivables at the end of the reporting year are neither past due nor impaired. At 31 December 2021, the carrying amount of leased equipment was ₦0.68 billion (2020: ₦1.30 billion). The carrying amount of the finance lease receivables approximates their fair value and may be analysed as follows:

	31 December 2021 ₦'000	31 December 2020 ₦'000
Gross investment in finance lease receivable	741,618	1,429,003
Unearned finance income	(65,955)	(127,086)
Net investment in finance lease	<b>675,663</b>	<b>1,301,917</b>

#### Net investment in finance lease

	31 December 2021 ₦'000	31 December 2020 ₦'000
Less than one year (Note 19)	119,905	231,042
Between one and five years (Note 19.1)	401,816	774,249
More than five years	153,942	296,626
	<b>675,663</b>	<b>1,301,917</b>

## TOTALENERGIES MARKETING NIGERIA PLC

### NOTES TO THE FINANCIAL STATEMENTS

**19.2** As at 31 December 2021, the ageing of trade receivables that were not impaired was as follows:

	31 December 2021	31 December 2020
	₦'000	₦'000
Neither past due nor impaired	24,154,016	16,706,086
0 - 90 days past due	2,311,454	1,391,313
91 - 180 days past due	121,949	126,775
Above 180 days past due	1,489,021	824,804
	<b>28,076,440</b>	<b>19,048,978</b>

Management believes that the unimpaired amounts that are past due by more than 90 days are still collectible in full based on the historical payment pattern and extensive analysis of customer credit risk. See credit risk assessment in Note 27 (iv).

**19.3 Ageing of impairments**

The Company considers its receivables to be impaired when normal collection methods, including the use of collection agents fail.

**20 Prepayments**

	31 December 2021	31 December 2020
	₦'000	₦'000
<b>Current</b>		
Prepaid rent*	46,308	119,744
Prepaid insurance	224,212	179,973
Employee advances	1,178,414	830,735
<b>Total prepayments</b>	<b>1,448,934</b>	<b>1,130,452</b>

\*Prepaid rent are short-term leases for which the company has elected not to recognise as ROU asset

**(a) Reconciliation of changes in prepayments to statement of cashflows is as follows:**

	31 December 2021	31 December 2020
	₦'000	₦'000
Balance at 1 January	1,130,452	378,696
Balance at 31 December	(1,448,934)	(1,130,452)
Transfers from capital work in progress	677,748	313,952
<i>Amount recognised in statement of cashflows</i>	<b>359,266</b>	<b>(437,804)</b>

**21 Loans and borrowings**

**(i) Current liabilities**

	31 December 2021	31 December 2020
	₦'000	₦'000
Bank overdrafts (Note 24)	-	5,741,297
Commercial paper instrument	-	14,768,717
Short term intercompany loan	7,687,924	9,543,197
Trade finance loan	7,428,878	2,561,112
<b>Total borrowings</b>	<b>15,116,802</b>	<b>32,614,323</b>

**(ii) Lease liabilities**

	31 December 2021	31 December 2020
	₦'000	₦'000
<b>Non-current portion of lease liabilities</b>	<b>548,114</b>	<b>498,810</b>
<b>Current portion of lease liabilities</b>	<b>565,109</b>	<b>514,276</b>
<b>Total lease liabilities</b>	<b>1,113,223</b>	<b>1,013,086</b>
<b>Total</b>	<b>16,230,025</b>	<b>33,627,409</b>

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 21.1 Loans and borrowings (cont'd)

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Liabilities			
	Bank overdrafts	Other loans and borrowings	Lease liabilities	Total
	₦'000	₦'000	₦'000	₦'000
<b>Balance at 1 January 2021</b>	<b>5,741,297</b>	<b>26,873,026</b>	<b>1,013,086</b>	<b>33,627,409</b>
<b>Changes from financing cash flows</b>				
Additional borrowings	-	4,867,766	-	<b>4,867,766</b>
Repayment of borrowings	-	(17,586,240)	-	<b>(17,586,240)</b>
Payment of lease liabilities	-	-	(78,090)	<b>(78,090)</b>
<b>Total changes from financing cash flows</b>	<b>-</b>	<b>(12,718,474)</b>	<b>(78,090)</b>	<b>(12,796,564)</b>
<b>The effect of changes in foreign exchange rates</b>	<b>-</b>	<b>962,250</b>	<b>-</b>	<b>962,250</b>
<b>Other changes</b>				
Change in bank overdraft	(5,741,297)	-	-	<b>(5,741,297)</b>
New leases	-	-	178,227	<b>178,227</b>
Interest paid	(133,296)	(1,382,619)	(253,742)	<b>(1,769,657)</b>
Interest expense	133,296	1,382,619	253,742	<b>1,769,657</b>
<b>Total liability-related other changes</b>	<b>(5,741,297)</b>	<b>-</b>	<b>178,227</b>	<b>(5,563,070)</b>
<b>Balance at 31 December 2021</b>	<b>-</b>	<b>15,116,802</b>	<b>1,113,223</b>	<b>16,230,025</b>
	Bank overdrafts	Other loans and borrowings	Lease liabilities	Total
	₦'000	₦'000	₦'000	₦'000
<b>Balance at 1 January 2020</b>	<b>26,242,869</b>	<b>13,634,437</b>	<b>756,739</b>	<b>40,634,045</b>
<b>Changes from financing cash flows</b>				
Additional borrowings	-	24,311,914	-	<b>24,311,914</b>
Repayment of borrowings	-	(10,226,575)	-	<b>(10,226,575)</b>
Payment of lease liabilities	-	-	(430,252)	<b>(430,252)</b>
<b>Total changes from financing cash flows</b>	<b>-</b>	<b>14,085,339</b>	<b>(430,252)</b>	<b>13,655,087</b>
<b>The effect of changes in foreign exchange rates</b>	<b>-</b>	<b>(846,750)</b>	<b>-</b>	<b>(846,750)</b>
<b>Other changes</b>				
Change in bank overdraft	(20,501,572)	-	-	<b>(20,501,572)</b>
New leases	-	-	686,599	<b>686,599</b>
Interest paid	(2,111,638)	(637,520)	(143,210)	<b>(2,892,368)</b>
Interest expense	2,111,638	637,520	143,210	<b>2,892,368</b>
<b>Total liability-related other changes</b>	<b>(20,501,572)</b>	<b>-</b>	<b>686,599</b>	<b>(19,814,973)</b>
<b>Balance at 31 December 2020</b>	<b>5,741,297</b>	<b>26,873,026</b>	<b>1,013,086</b>	<b>33,627,409</b>

The principal features of the Company's borrowings are as follows:

- Bank overdrafts are repayable on demand. The average interest rate on bank overdrafts for the year was approximatey 6.36% per annum (2020: 8.46% per annum). This was determined based on banks' cost of funding plus lenders' mark-up. These overdrafts are neither guaranteed nor is any collateral given on the balances.
- Trade finance loan represents short term borrowings obtained to fund letters of credits for product importation. The interest charged on these loans vary depending on the LIBOR. The interest rate on these loans are usually between 6% to 8.5%.
- The Commercial paper instrument is a ₦30 billion programme established by TotalEnergies Marketing Nigeria Plc under which the company may from time to time issue Commercial Paper Notes, as may be agreed between the Arranger and the Issuer, in separate series or tranches. There is currently no issuance.
- Short term intercompany Loan represents an unsecured revolving loan facility capped at \$75 million with maximum cumulative draw down capped at \$225 million from TotalEnergies Upstream Nigeria Limited with a tenor of 1 year at 1 month LiBOR + 6.4%.
- The carrying amount of current borrowings is a reasonable approximation of fair value as at 31 December, 2021.

#### a. Terms and repayment schedule

The terms and conditions of loans and borrowings are as follows;

	Currency	Nominal interest rate	Year of maturity	31 December 2021		31 December 2020	
				Face value	Carrying amount	Face value	Carrying amount
				₦'000	₦'000	₦'000	₦'000
Lease liabilities	NGN	11.35%	2020 - 2022	1,255,751	1,113,223	1,142,793	1,013,086
Commercial paper instrument	NGN	-	-	-	-	15,000,000	14,768,717
Short term intercompany loan	USD	Variable	2021	7,687,924	7,687,924	9,543,197	9,543,197
Bank overdraft	NGN	-	-	-	-	5,741,297	5,741,297
Trade finance loan	NGN	Variable	2021	7,428,878	7,428,878	2,561,112	2,561,112
				<u>16,372,553</u>	<u>16,230,025</u>	<u>33,988,399</u>	<u>33,627,409</u>

The Company has discounted lease liabilities using incremental borrowing rate of 11.35% (2020: 11.35%) which represents the rate of interest that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. There was no need to reassess the incremental borrowing rate in 2021.

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

22	Trade and other payables	31 December 2021 ₦'000	31 December 2020 ₦'000
	<b>Trade payables :</b>		
	Amount due to related companies (Note 31.2)	78,701,103	41,149,263
	Trade creditors	11,040,409	3,099,333
	Bridging contribution	11,966,778	7,487,961
	Payable to Petroleum Support Fund	629,274	472,912
		<b>102,337,564</b>	<b>52,209,469</b>
	<b>Other payables:</b>		
	Sundry creditors	14,715,133	8,276,564
	Security deposits	2,266,957	4,477,514
	Accrued liabilities	12,860,307	6,037,893
	Dividend payable (Note 13.1)	2,248,094	2,362,882
	Pay As You Earn (PAYE)	71,441	92,086
	Staff pension	45,797	28,992
		<b>32,207,729</b>	<b>21,275,931</b>
	<b>Total trade and other payables</b>	<b>134,545,293</b>	<b>73,485,400</b>

Trade and other payables principally comprise amounts outstanding for trade purchases and ongoing costs.

Accrued liabilities principally comprise accrual for product bills and other charges for which invoices were not yet received at the end of the year.

The Directors consider that the carrying amount of trade payables as at 31 December 2021 approximates their fair value.

Information about the Company's exposure to currency and liquidity risks is included in Note 27(iii).

**(a) Reconciliation of changes in trade and other payables to statement of cashflows is as follows:**

	31 December 2021 ₦'000	31 December 2020 ₦'000
Balance at 1 January	(73,485,400)	(57,178,455)
Balance at 31 December	134,545,293	73,485,400
Movement in dividend payable (See Note 13.1)	114,789	(250,791)
Foreign exchange impact on trade and other payables	(870,056)	913,629
<i>Amount recognised in statement of cashflows</i>	<b>60,304,626</b>	<b>16,969,783</b>

22.1	Deferred income	31 December 2021 ₦'000	31 December 2020 ₦'000
	Contract liabilities	3,056,943	2,686,715
	Rental services	506	1,030
	Advance received for solar distribution	11,542	10,552
		<b>3,068,991</b>	<b>2,698,297</b>

**(a) Reconciliation of changes in deferred income to statement of cashflows is as follows:**

	31 December 2021 ₦'000	31 December 2020 ₦'000
Balance at 1 January	(2,698,297)	(2,165,614)
Balance at 31 December	3,068,991	2,698,297
<i>Amount recognised in statement of cashflows</i>	<b>370,694</b>	<b>532,683</b>

The deferred income represents amounts billed and collected in accordance with contractual terms in advance of when the goods are delivered or services rendered. These advance payments primarily relate to the rental income and contract liabilities. Contract liabilities primarily relate to the advance consideration received from customers for the sale of goods, for which revenue is recognised once the goods are delivered and have been accepted in the customers premises or picked up by the customer. The Company estimates this will be earned as revenue during the subsequent financial years.

23	Share capital	31 December 2021 ₦'000	31 December 2020 ₦'000
	<b>Authorised, Issued and fully paid:</b>		
	339,521,837 ordinary shares of 50 kobo each	169,761	169,761

All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

24	Cash and cash equivalents	31 December 2021 ₦'000	31 December 2020 ₦'000
	Bank and cash balances	62,740,500	4,214,918
	Cash on hand	8,143	10,603
	Cash balances with Total Treasury (Note 31.2)	204,038	26,788,756
	Cash & cash equivalents in statement of financial position	62,952,681	31,014,277
	Bank overdrafts (Note 21)	-	(5,741,297)
	Cash & cash equivalents in statement of cash flows	<b>62,952,681</b>	<b>25,272,980</b>

The Company classifies amounts held with Total Treasury as cash and cash equivalents because they can be withdrawn at any time without penalties.

## TOTALENERGIES MARKETING NIGERIA PLC

### NOTES TO THE FINANCIAL STATEMENTS

#### 25 Commitments and contingent liabilities Financial commitments

The Company did not charge any of its assets to secure liabilities of third parties.

The Directors are of the opinion that all known liabilities and commitments have been taken into account in the preparation of these financial statements. These liabilities are relevant in assessing the Company's state of affairs.

	<b>31 December 2021 ₦'000</b>	<b>31 December 2020 ₦'000</b>
<b>Bonds</b>		
Total commitments given	3,000,000	3,000,350
Total commitments received	250,000	350,000

Commitments given primarily include guarantee to Pipelines and Products Marketing Company Limited (PPMC) for bulk purchase of petroleum products. No losses are anticipated in respect of these.

Commitments received include customers' guarantees.

Commitments received and given are held with local banks.

At 31 December 2021, the Company had contractual commitments for the acquisition of property, plant and equipment amounting to ₦1.00 billion (2020: ₦1.19 billion).

#### Contingent liabilities

There are contingent liabilities in respect of legal actions against the Company amounting to approximately ₦1.257 trillion (2020: ₦1.268 trillion). The Directors have not made provisions for these contingent liabilities as consultations have been made with the in-house legal team led by Olubunmi Popoola-Mordi - (FRC/2013/ICSAN/00000002042). The in-house legal team holds regular discussions and obtains expert opinion from the Company's external solicitors (on a need basis). Based on all information available as at date of issue of these financial statements (including historical reference of these cases), The directors, based on the advice of the in-house legal team have concluded that no material losses will crystallise against the Company.



# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 26 Capital management

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

The capital structure of the Company consists of debt, which includes the borrowings disclosed in Note 21, cash and cash equivalents and equity attributable to equity holders, comprising issued capital, reserves and retained earnings.

The Company is not subject to any externally imposed capital requirements.

#### Gearing ratio

Gearing ratio is net debt to equity ratio.

	<b>31 December 2021</b>	<b>31 December 2020</b>
	<b>₦'000</b>	<b>₦'000</b>
Borrowings (Note 21)	15,116,802	32,614,323
Cash and cash equivalents (Note 24)	(62,952,681)	(31,014,277)
Lease liabilities (Note 21)	1,113,223	1,013,086
Net debt (calculated)	<u>(46,722,656)</u>	<u>2,613,132</u>
Net debt (restricted to a minimum of zero)	<u>-</u>	<u>2,613,132</u>
Equity	<u>41,619,305</u>	<u>28,150,979</u>
Net debt to equity ratio	<u>0:1</u>	<u>0.09:1</u>

Net debt is expressed as an aggregate of lease liabilities, long and short-term borrowings less cash and cash equivalents. The net debt applied in determining the net debt to equity ratio has been restricted to a minimum of zero. The negative position of the calculated net debt is as a result of reduced borrowings during the year. Equity includes all capital and reserves of the Company that are managed as capital.

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 27 Financial risk management

#### (i) Financial risk management objectives

The Company's Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyses exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk), credit risk and liquidity risk.

The Company's Treasury function reports monthly to the Group's Treasury, a section of the Group that monitor's risk and policies implemented to mitigate risk exposures.

#### (ii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company manages market risks by keeping costs low through various cost optimisation programs. Moreover, market developments are monitored and discussed regularly, and mitigating actions are taken where necessary. As part of the company's strategy to manage interest rate risk, a ₦30 billion domestic Commercial Paper (CP) issuance programme for a three-year period was established in December 2020 under which commercial paper notes denominated in Naira, in separate series or tranche may be issued from time to time to meet the working capital needs of the Company. All debt instrument issued are unsecured and are for a period between 90 - 365 days.

#### Interest rate risk management

The Company is exposed to interest rate risk as it borrows funds at multiple interest rates. The risk is managed by the Company by constantly negotiating with the banks to ensure that interest rates are consistent with the monetary policy rates as defined by the Central Bank of Nigeria.

#### Interest rate risk

##### Sensitivity analysis

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

	31 December 2021 ₦'000	31 December 2020 ₦'000
<b>Variable rate instruments</b>		
Borrowings (Note 21)	15,116,802	17,845,606
	<u>15,116,802</u>	<u>17,845,606</u>

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 27 Financial Risk Management (cont'd)

#### Currency risk management

The Company is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables and borrowings are denominated and the respective currencies of the Company. The functional currency of the Company is the Nigerian Naira. The Company also transacts in United States Dollars (USD), Euros and Swiss Franc (CHF).

A movement in the exchange rate either positively or negatively by 30 percent is illustrated below. Such movements would have increased (decreased) the profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting year. The analysis assumes that all other variables, in particular interest rates, remain constant.

*As at 31 December 2021*

	Foreign currency	Naira balance	Exchange rate	Effect of increase/decrease in exchange rate	
	'000	'000			₦'000
<b>Trade receivables</b>					
USD	4,938	2,022,062	409.49	'30%	606,618
Euro	(8)	(3,705)	463.09	'30%	(1,111)
<b>Cash deposits</b>					
USD	3,971	1,626,085	409.49	'30%	487,825
EURO	86	39,826	463.09	'30%	11,948
<b>Trade payables</b>					
USD	(85,001)	(34,807,059)	409.49	'30%	(10,442,118)
EURO	(2,357)	(1,091,503)	463.09	'30%	(327,451)
CHF	(91)	(40,659)	446.80	'30%	(12,198)
<b>Net impact on profit or loss</b>					
USD	(76,092)	(31,158,913)	409.49	30%	(9,347,675)
EURO	(2,279)	(1,055,382)	463.09	30%	(316,616)
CHF	(91)	(40,659)	446.80	30%	(12,198)

*As at 31 December 2020*

	Foreign currency	Naira balance	Exchange rate	Effect of increase/decrease in exchange rate	
	'000	'000			₦'000
<b>Trade receivables</b>					
USD	4,087	1,556,411	380.82	'30%	466,923
Euro	(1)	(463)	462.72	'30%	(139)
<b>Cash deposits</b>					
USD	78,732	29,982,720	380.82	'30%	8,994,816
EURO	133	61,542	462.72	'30%	18,463
<b>Trade payables</b>					
USD	(47,954)	(18,261,842)	380.82	'30%	(5,478,553)
EURO	(4,526)	(2,094,271)	462.72	'30%	(628,281)
CHF	(192)	(81,618)	425.09	'30%	(24,485)
<b>Net impact on profit or loss</b>					
USD	34,865	13,277,289	380.82	30%	3,983,186
EURO	(4,394)	(2,033,192)	462.72	30%	(609,959)
CHF	(192)	(81,618)	425.09	30%	(24,485)

A decrease in exchange rate by 30 percent (2020: 30 percent) against the above currencies at the reporting year would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

\*These exchange rates have been derived by computing the weighted average of the CBN intervention rate, bank rate, and NAFEX which represents the Company's expected pattern of realisation and settlement.

The following exchange rates were applied during the year:

	Average rate		Reporting date spot rate	
	2021	2020	2021	2020
USD	402.34	373.58	409.49	380.82
EURO	472.27	416.96	463.09	462.72
CHF	446.80	400.28	446.80	425.09

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### Financial Risk Management (cont'd)

#### (iii) Liquidity risk management

##### Liquidity and interest risk tables

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The following tables detail the Company's remaining contractual maturity for its derivative and non-derivative financial liabilities with agreed repayment periods. The amounts are gross and undiscounted and include contractual interest payments.

		Contractual cashflows					
		Carrying amount	Total	Less than 1 month	1 to 3 months	3 months to 1 year	More than 1 year
As at 31 December 2021		₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Borrowings	(Note 21)	15,116,802	15,116,802	-	7,687,924	7,428,878	-
Trade payables	(Note 22)	102,337,564	102,337,564	11,040,409	79,330,377	11,966,778	-
Other payables <sup>1</sup>	(Note 22)	31,901,982	31,901,982	11,406,293	10,716,877	9,778,812	-
Lease liabilities	(Note 21)	1,113,223	1,255,751	-	-	637,461	618,290
		<b>150,469,571</b>	<b>150,612,098</b>	<b>22,446,702</b>	<b>97,735,178</b>	<b>29,811,929</b>	<b>618,290</b>
<b>31 December 2020</b>							
Borrowings	(Note 21)	32,614,323	32,845,606	15,284,494	2,561,112	15,000,000	-
Trade payables	(Note 22)	52,209,469	52,209,469	3,099,333	41,622,175	7,487,961	-
Other payables <sup>1</sup>	(Note 22)	21,091,042	21,091,042	7,540,930	7,085,143	6,464,969	-
Lease liabilities	(Note 21)	1,013,086	1,142,793	-	-	580,120	562,673
		<b>106,927,920</b>	<b>107,288,910</b>	<b>25,924,757</b>	<b>51,268,430</b>	<b>29,533,050</b>	<b>562,673</b>

<sup>1</sup>The amount of other payables does not include statute-based deductions (Pay As You Earn tax, Withholding tax and Value Added Tax payables).

The Company manages liquidity risk by maintaining reserves, monitoring forecasts of banking facilities and actual cash flows and matching the maturity profiles of financial assets and liabilities. Below is a listing of financing facilities that the Company has at its disposal to further reduce liquidity risk.

##### Financing facilities

Unsecured bank loans which are revolving trade loans with a tenure of one year and overdrafts payable at call are reviewed annually. Commercial papers are unsecured instruments which are payable at the expiration of their tenure.

	2021	2020
	₦'000	₦'000
Amount used	7,428,878	23,207,612
Amount unused	96,071,122	92,792,388
Total Facilities	<b>103,500,000</b>	<b>116,000,000</b>

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### Financial Risk Management (cont'd)

#### (iv) Credit risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers, employees and the government. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate e.g. security deposits, as a means of mitigating the risk of financial loss from defaults. The Company uses other publicly available financial information and its own trading records to rate its major customers. Credit exposure is controlled by setting credit limits that are routinely reviewed and approved by management.

The Company obtains bank guarantees in its favour for transactions with certain customers. These guarantees are held with Nigerian banks as a form of security in the event of a default.

The Company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Company defines counterparties as having similar characteristics if they are related entities.

The credit policy of TotalEnergies Marketing Nigeria Plc. is set in accordance with the sales channel that the Customer belongs to:

**Network Channel:** Credit is extended to dealers who operate the Company Owned, Dealer Operated Service Station (CODO) and some of the Dealer Owned, Dealer Operated service stations (DODO) who specifically apply to operate under the DODO credit scheme. Under both CODO and DODO credit schemes, credit is extended to each dealer to cover the working capital needs of the station. Each day's sales proceeds are lodged into the Company's bank accounts at least twice daily. The Company's financial risk exposure is covered by retentions from dealers income to increase the security deposit, as well as retention of title over physical stock in the station in the event of non-payment.

**General Trade (GT) Channel:** Credit for the GT customers is set at the monthly average sales to the customer for a year of one year or six months after proper financial and qualitative analysis. The approved credit limit is extended for 30 days or 45 days in rare occasions for blue chip companies.

**Aviation Channel:** Most of the customers are on a cash and carry basis with the exception of a few companies with 15 days credit limit. Credit is given only after a year of three months sales to the customer. Sales to international customers are based on a contract of one year and credit amount is based on expected turnover. Sales to international customers are guaranteed by Air Total International, a related party and the risk of loss in this circumstance is nil.

#### **Cash and cash equivalents**

The Company held cash and cash equivalents of ₦62.94 billion (net of cash on hand) at 31 December 2021 (2020: ₦25.26 billion) with banks and financial institutions with high credit ratings, rated B to AAA based on the Fitch rating agency and Total treasury.

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short-term maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The Company did not record any ECL impairment for the year. (2020: Nil).

#### **Trade and other receivables**

A summary of the Company's exposure to credit risk for trade receivables is as follows:

##### **As at 31 December 2021**

	<u>Not Credit Impaired</u>	<u>Credit Impaired</u>	<u>Total</u>
	₦'000	₦'000	₦'000
Trade receivables	<u>29,388,862</u>	<u>1,312,422</u>	<u>28,076,440</u>

##### **As at 31 December 2020**

	<u>Not Credit Impaired</u>	<u>Credit Impaired</u>	<u>Total</u>
	₦'000	₦'000	₦'000
Trade receivables	<u>20,256,053</u>	<u>1,207,076</u>	<u>19,048,978</u>

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### Financial Risk Management (cont'd)

The maximum exposure to financial assets at the reporting date by type of counterparty was:

	31 December 2021	31 December 2020
	₦'000	₦'000
Customers	26,736,035	17,412,759
Due from related parties	1,340,405	1,636,219
Due from regulators (Government entities)	12,931,278	8,582,299
Other receivables	5,390,703	3,112,030
Cash and cash equivalent	62,944,538	25,262,377
	<b>109,342,959</b>	<b>56,005,684</b>

#### ***Due from related parties***

The Company has transactions with its parent and other related parties who are related to the Company by virtue of being members of the Total Group. In the directors' view, all amounts are collectible. Related party receivable balances were assessed for ECL impairment, in accordance with IFRS 9. This assessment is performed together with the trade receivables balances from other customers as at year end.

#### ***Due from regulators***

This comprises amount due from PPPRA with respect to subsidies/PSF receivables on imported products as well as amounts receivable from PEF with respect to bridging claims. Bridging claims receivables are usually netted off against the payables following reconciliations with PEF. There is no loss experience with government receivables as the determination of amounts due are based on existing regulations/ guidelines and impairment is only recognised when changes occur in the regulations/ guidelines that prohibit or limit recovery of previously recognised amounts. Therefore, the Company has recorded no loss experience with government receivable as this is always deemed receivable and the settlement pattern of the government is not defined or definite.

#### ***Other receivables***

Other receivables include finance lease receivables, staff debtors and other sundry receivables. The Company reviews the balances due from this category on a yearly basis taking into consideration factors such as continued business/employment relationship and ability to offset amounts against transactions due to these parties. Where such does not exist, the amounts are impaired. Other receivables were assessed for impairment in accordance with IFRS 9.

The finance lease receivables represent amounts due from transporters and these receivables are offset against payments due to them for transport services provided. They are not considered to be impaired as they are receivable based on timelines stipulated in the contracts.

#### ***Expected credit loss assessment for customers***

The Company has adopted the use of the simplified approach in computing impairment of trade receivables using the allowance matrix to measure the Expected Credit Loss (ECL) of trade receivables from individual customers.

In arriving at the impairment amounts, the trade receivables are segmented based on the aging characteristics of the receivables and the applicable loss rates are applied to the respective trade receivables category.

After an assessment of the economic realities in Nigeria, loss rates for the year were based on actual credit loss experience on a customer by customer basis over the past three years using the lifetime expected credit loss approach.

Therefore, the historical loss rates have been applied to the trade-receivables balances in the calculation of the impairment loss. The Company also considered internal and external forward-looking information such as macro-economic indices as the Gross Domestic Product growth rate and specific customer repayment outlooks based on discussions with and commitments from its customers as well as knowledge of the industry.

Based on the above, loss rates on receivables that were calculated using a single default rate approach. The single default or loss rate approach is the amount that is expected to be written-off in each bucket (balances that are over 360 days past due in line with the Company's provisioning matrix) and divided by the relevant total unpaid balances included in each ageing bucket.

The following table provides information about the exposure to credit risk and ECLs for trade receivables, contract assets from customers and amounts due from related parties as at 31 December 2021.

31 December 2021	Weighted average loss ratio	Gross carrying amount	Loss allowance	Credit impaired
		₦'000	₦'000	
Current (not past due)	0.47%	25,473,996	120,695	No
1 - 30 days past due	45.20%	1,648,994	745,309	No
31 - 60 days past due	27.45%	516,852	141,898	No
61 - 180 days past due	11.11%	259,999	28,893	No
180 - 360 days past due	40.11%	255,774	102,593	No
More than 360 days past due	14.03%	1,233,247	173,034	Yes
		<b>29,388,862</b>	<b>1,312,422</b>	

## TOTALENERGIES MARKETING NIGERIA PLC

### NOTES TO THE FINANCIAL STATEMENTS

31 December 2020	Weighted average loss ratio	Gross carrying amount	Loss allowance	Credit impaired
		<b>₦'000</b>	<b>₦'000</b>	
Current (not past due)	0.31%	16,757,605	51,520	No
1 - 30 days past due	12.88%	721,300	92,918	No
31 - 60 days past due	17.84%	558,403	99,628	No
61 - 180 days past due	8.28%	469,832	38,903	No
180 - 360 days past due	29.95%	841,352	251,998	No
More than 360 days past due	74.06%	907,561	672,111	Yes
		<b>20,256,053</b>	<b>1,207,078</b>	

#### Expected credit loss assessment for employee receivables

31 December 2021	Weighted average loss ratio	Gross carrying amount	Loss allowance	Credit impaired
		<b>₦'000</b>	<b>₦'000</b>	
Current (not past due)	0.00%	3,320,933	-	No
		<b>3,320,933</b>	<b>-</b>	

31 December 2020	Weighted average loss ratio	Gross carrying amount	Loss allowance	Credit impaired
		<b>₦'000</b>	<b>₦'000</b>	
Current (not past due)	0.00%	1,803,988	-	No
		<b>1,803,988</b>	<b>-</b>	

Loss rates are based on actual credit loss experience over the past six years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the year over which the historical data has been collected, current conditions and the Company's view of economic conditions over the expected lives of the receivables.

In current year, no impairment has been recognised on employee loan receivables as amounts due are backed by collateral which include international shares, in-house pension schemes etc. that ensure the Company will be able to recover the debts from its employees.

Movements in the allowance for impairment in respect of trade receivables.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows;

	Individual impairments	
	31 December 2021	31 December 2020
	<b>₦'000</b>	<b>₦'000</b>
<b>Balance at 1 January</b>	<b>1,378,719</b>	<b>1,150,666</b>
Reversal of impairment	(237,270)	(270,329)
Net remeasurement of loss allowance	452,585	498,382
<b>Balance at 31 December</b>	<b>1,594,034</b>	<b>1,378,719</b>
Amount recognised in profit or loss:		
Reversal of impairment	(237,270)	(270,329)
Net remeasurement of loss allowance	452,585	498,382
Impairment loss on financial asset	<b>215,315</b>	<b>228,053</b>

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### Financial Risk Management (cont'd)

#### 28 Classification of financial instruments

##### (a) Accounting Classifications and fair values

The Directors consider that the fair value of financial assets and liabilities are not significantly different from their carrying values.

The classification of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are shown in the table below. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

##### As at 31 December 2021

	Carrying amount	
	Financial assets at amortized cost	Other financial liabilities
	₦'000	₦'000
		Total
		₦'000
<b>Financial assets not measured at fair value</b>		
Trade and other receivables (Note 19) <sup>1</sup>	49,197,688	49,197,688
Cash and cash equivalents (Note 24)	62,952,681	62,952,681
	<u>112,150,369</u>	<u>112,150,369</u>
<b>Financial liabilities not measured at fair value</b>		
Borrowings (Note 21)	-	15,116,802
Trade and other payables (Note 22) <sup>2</sup>	-	134,239,546
	<u>-</u>	<u>149,356,348</u>

##### As at 31 December 2020

	Carrying amount	
	Financial assets at amortized cost	Other financial liabilities
	₦'000	₦'000
		Total
		₦'000
<b>Financial assets not measured at fair value</b>		
Trade and other receivables (Note 19) <sup>1</sup>	34,063,484	34,063,484
Cash and cash equivalents (Note 24)	31,014,277	31,014,277
	<u>65,077,761</u>	<u>65,077,761</u>
<b>Financial liabilities not measured at fair value</b>		
Borrowings (Note 21)	-	32,614,323
Trade and other payables (Note 22) <sup>2</sup>	-	73,300,511
	<u>-</u>	<u>105,914,834</u>

<sup>1</sup> Trade and other receivables excludes advance to suppliers and PPE.

<sup>2</sup> Trade and other payables excludes statute based deductions.

#### 29 Assets pledged as security

As at the year ended 31 December 2021 there were no assets pledged as security (2020: Nil).



**TOTALENERGIES MARKETING NIGERIA PLC**

**NOTES TO THE FINANCIAL STATEMENTS**

**30 Events after the reporting date**

There were no events after the reporting date that could have a material effect on the financial position of the Company at 31 December 2021 and on the result for the year ended on that date that have not been taken into account in these financial statements.

**31 Related party transactions**

As at the period ended 31 December 2021, the Parent Company TotalEnergies Marketing Services(incorporated in France) owned 61.72% of the issued shares of TotalEnergies Marketing Nigeria Plc. The Parent and Ultimate controlling entity is TotalEnergies S.A (incorporated in France).

**31.1 Transactions with related parties**

During the year, the Company entered into the following transactions with related parties, who are members of the TotalEnergies Group, as shown below:

	Sale of goods		Purchase of goods		Others	
	31 December 2021 ₦'000	31 December 2020 ₦'000	31 December 2021 ₦'000	31 December 2020 ₦'000	31 December 2021 ₦'000	31 December 2020 ₦'000
Total Outre Mer	-	-	116,831,437	31,967,785	3,141,954	3,425,359
TotalEnergies E&P Nigeria	4,788,865	4,310,102	-	-	-	-
TotalEnergies Upstream Nigeria Limited	-	-	-	-	1,037,966	267,553
Total Lubricants	149,803	326,044	-	-	-	-
TotalEnergies Supply Marketing Services	-	-	45,449	149,389	-	-
Total Access to Solar	-	-	-	11,507	-	-
Total marketing middle east	-	-	205,598	503,904	-	-
TotalEnergies Learning Solutions	-	-	17,406	-	-	-
TotalEnergies Global Procurement	-	-	-	-	190,467	-
TotalEnergies Marketing Belgium	-	-	8,416	-	-	-
Total Fluides SAS	-	-	13,007	-	-	-
TotalEnergies Gestion International	-	-	-	-	349,475	610,424
TotalEnergies Global Services	-	-	-	-	99,217	-
TotalEnergies Marketing Services	-	-	-	-	1,208,069	901,793
	<u>4,938,668</u>	<u>4,636,146</u>	<u>117,121,313</u>	<u>32,632,585</u>	<u>6,027,148</u>	<u>5,205,129</u>

**31.2 Outstanding balance**

The following amounts were outstanding at the reporting date:

	Amounts owed by related parties		Amounts owed to related parties	
	31 December 2021 ₦'000	31 December 2020 ₦'000	31 December 2021 ₦'000	31 December 2020 ₦'000
Total Outre Mer	-	-	68,804,247	30,356,751
Total Supply	-	-	-	32,960
TotalEnergies E&P Nigeria	1,228,609	1,396,551	-	-
TotalEnergies Global Procurement	-	-	41,214	-
TotalEnergies Global Services	-	-	15,375	-
TotalEnergies Learning Solutions	-	-	19,149	-
TotalEnergies Upstream Nigeria Limited*	-	-	7,687,924	9,543,197
TotalEnergies Congo	44,714	44,714	-	-
TotalEnergies Cameroon	39,117	38,830	-	-
TotalEnergies Niger	2,256	2,256	-	-
TotalEnergies Gabon	2,526	2,526	-	-
TotalEnergies Gestion International	-	-	40,161	81,827
Total Access to Solar	-	11,955	-	-
Total Oil Trading	-	84,983	-	-
Total Marketing middle east	-	-	4,208	-
TotalEnergies Marketing Services	-	-	2,088,825	1,134,528
Total Lubrificants	<u>23,183</u>	<u>54,404</u>	<u>-</u>	<u>-</u>
	1,340,405	1,636,219	78,701,103	41,149,263
Total Treasury <sup>1</sup>	<u>204,038</u>	<u>26,788,756</u>	<u>-</u>	<u>-</u>
	<u>1,544,443</u>	<u>28,424,975</u>	<u>78,701,103</u>	<u>41,149,263</u>

<sup>1</sup> Included in the analysis above is the balance of funds held with Total Treasury as at the year ended 31 December 2021; amounting to ₦ 0.20 billion (2020: ₦26.79 billion). This has however been classified along with cash and cash equivalents in the statement of financial position. See Note 24.

**Technical assistance and management fees**

TotalEnergies Marketing Services charges TotalEnergies Marketing Nigeria Plc for General Assistance recorded and Total Outre Mer charges TotalEnergies Marketing Nigeria Plc for Technical Assistance. The expenses are generally charged to profit or loss. During the year, an accrual of ₦3.623 billion (2020: ₦3.331 billion) was charged to profit or loss in this regard.

**TOTAL NIGERIA PLC**

**NOTES TO THE FINANCIAL STATEMENTS**

**31.3 Related party transactions (continued)**

Emoluments of the Directors of the Company were:

	<u>2021</u> <u>₦'000</u>	<u>2020</u> <u>₦'000</u>
Transactions with key management	408,303	399,066
Directors remuneration (Note 10)	441,519	436,343
	<u>441,519</u>	<u>436,343</u>
Fees for service as directors	15,035	14,966
Other remunerations	426,484	421,377
Chairman's remuneration	-	-
	<u>441,519</u>	<u>436,343</u>

Emoluments of the highest paid director was ₦171.57 million (2020 ₦214.51 million). The chairman of the board did not earn any emoluments during the year (2020:Nil).

Dividends totalling ₦3.61 million were paid in the year in respect of ordinary shares held by the Company's directors. (2020: ₦6.35 million)

The table below shows the number of Directors whose emoluments during the year excluding pension contributions were within the ranges stated:

	<u>2021</u> <u>Number</u>	<u>2020</u> <u>Number</u>
₦6,000,001 and above	10	10
	<u>10</u>	<u>10</u>
Number of Directors who had no emoluments during the year	4	4

# TOTALENERGIES MARKETING NIGERIA PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 32 Information regarding employees

(i) The table below shows the number of staff of the Company whose emoluments during the year excluding pension contributions were within the ranges stated:

	31 December 2021	31 December 2020
	Number	Number
Below ₦1,500,000	3	2
₦1,500,001 - ₦2,500,000	1	-
₦2,500,001 - ₦3,500,000	-	1
₦4,500,001 - ₦5,500,000	1	-
₦5,500,001 - ₦6,500,000	4	9
₦6,500,001 - ₦7,500,000	8	4
₦7,500,001 - ₦8,500,000	5	13
₦8,500,001 - ₦9,500,000	26	19
₦9,500,001 - ₦10,500,000	13	67
₦10,500,001 - ₦11,500,000	39	49
₦11,500,001 - ₦12,500,000	55	44
₦12,500,001 - ₦13,500,000	37	59
₦13,500,001 - ₦14,500,000	48	36
₦14,500,001 - ₦15,500,000	32	28
₦15,500,001 and above	164	107
	<b>436</b>	<b>438</b>

(ii) The average number of persons employed in the financial year and the staff costs were as follows:

	31 December 2021	31 December 2020
	Number	Number
Managerial staff	149	132
Senior staff	272	291
Junior staff	15	15
	<b>436</b>	<b>438</b>

(iii) The related staff cost amounted to ₦11.06 billion (2020: ₦8.61 billion).

Staff costs relating to the above were:

	31 December 2021	31 December 2020
	₦'000	₦'000
Salaries and wages	7,549,416	5,812,597
Termination benefits	268,546	33,377
Pension and social benefit	668,885	603,137
Medical expenses	117,874	246,282
Training expenses	150,641	89,813
Provision for employee benefits	572,663	120,873
Other Staff Expenses	570,352	691,000
Temporary Staff	1,164,810	1,015,364
<b>Total staff cost</b>	<b>11,063,187</b>	<b>8,612,443</b>

## **Other national disclosures**

**OTHER NATIONAL DISCLOSURES**  
**STATEMENT OF VALUE ADDED**  
**FOR THE YEAR ENDED 31 DECEMBER**

	<u>2021</u>		<u>2020</u>	
	<u>N'000</u>	%	<u>N'000</u>	%
Revenue	341,316,345		204,721,463	
<b>Less:</b> Bought in materials and services :				
- Imported	(117,121,313)		(32,632,585)	
- Local	(183,315,042)		(152,378,125)	
	40,879,990		19,710,753	
Other Income	4,478,604		1,040,064	
Finance Income	831,039		2,263,185	
<b>Value added</b>	<b><u>46,189,633</u></b>	<b><u>100</u></b>	<b><u>23,014,003</u></b>	<b><u>100</u></b>
<b>Applied as follows:</b>				
<b>To pay government:</b>				
Income tax, minimum tax, education tax and capital gains tax, Nigeria Police Trust Fund levy and National Agency for Science and Engineering Infrastructure (NASENI)	7,973,425	17	845,653	4
<b>To pay employees:</b>				
Salaries, wages, pensions and social benefits	11,063,187	24	8,612,443	37
<b>To pay providers of finance:</b>				
Finance costs	1,769,657	4	2,892,368	13
Interim dividend	1,358,087	3	-	-
<b>Retained in the business</b>				
To maintain and replace:				
- Property, plant and equipment	5,051,448	11	6,522,076	28
- Intangible assets	46,724	-	14,692	-
Final dividend	2,063,385	4	2,063,385	9
To augment retained earnings	16,863,720	37	2,063,385	9
	<b><u>46,189,633</u></b>	<b><u>100</u></b>	<b><u>23,014,003</u></b>	<b><u>100</u></b>

**OTHER NATIONAL DISCLOSURES**  
**FINANCIAL SUMMARY**

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
	<b>₦'000</b>	<b>₦'000</b>	<b>₦'000</b>	<b>₦'000</b>	<b>₦'000</b>
<b>ASSETS</b>					
Property, plant and equipment	38,734,517	36,207,654	35,476,862	33,855,656	28,519,814
Intangible assets	123,302	142,420	11,730	25,943	50,572
Right-of-use assets	7,862,178	8,189,839	7,525,045	-	-
Deferred tax assets	-	433,774.00	923,193.00	-	-
Prepayments - Non- current portion	-	-	-	7,201,941	4,291,217
Trade and other receivables	2,830,275	2,326,547	3,085,587	1,524,840	2,875,395
Current assets	159,178,694	96,312,651	88,008,461	89,912,403	72,244,875
	<b>208,728,966</b>	<b>143,612,885</b>	<b>135,030,878</b>	<b>132,520,783</b>	<b>107,981,873</b>
<b>EQUITY AND LIABILITIES</b>					
Current liabilities	159,440,828	109,818,252	101,139,355	95,984,054	76,938,908
Non -current liabilities	7,668,833	5,643,654	5,571,739	5,805,841	2,817,414
Share capital	169,761	169,761	169,761	169,761	169,761
Retained earnings	41,449,544	27,981,218	28,150,023	30,561,127	28,055,790
	<b>208,728,966</b>	<b>143,612,885</b>	<b>135,030,878</b>	<b>132,520,783</b>	<b>107,981,873</b>
<b>REVENUE AND PROFITS</b>					
Revenue	341,316,345	204,721,463	292,177,202	307,987,896	288,062,650
Profit before taxation	24,835,555	2,909,038	3,070,510	12,098,463	11,795,283
Profit for the year	16,862,130	2,063,385	2,278,979	7,960,893	8,019,298
Total comprehensive income	16,863,720	2,063,385	2,278,979	7,960,893	8,019,298
Dividends	7,537,384	2,063,385	2,278,192	5,771,872	5,771,872
<b>Basic earnings per share:</b>					
Per 50 kobo share (basic) (Naira)	49.66	6.08	6.71	23.45	23.62
<b>Dividend per share:</b>					
Per 50 kobo share (actual) (Naira)	22.20	6.08	6.71	17	17
<b>Net assets:</b>					
Per 50 kobo share (actual) (Naira)	122.58	82.91	83.41	90.51	83.13

**NOTE:**

Earnings per share is based on profit after tax and the number of ordinary shares of 50k in issue at the end of each financial year.

Dividend per share is based on the interim dividend declared and paid within the year and the final dividend proposed for that year which is subject to approval at the Annual General Meeting divided by the number of ordinary shares in issue at the end of the year.

Net assets per share are based on the net assets of the Company and number of ordinary shares of 50k in issue at the end of each financial year.

Interim dividend of ₦4.00 per share was paid during the year (2020: ₦0.00 per share). At the board of directors meeting of 31 March 2022, a final dividend of ₦18.20 was proposed for the year ended 31 December 2021 (2020: ₦6.08)

The financial information presented above reflects historical summaries based on International Financial Reporting Standards.

## SHARE CAPITAL HISTORY

The authorized share capital has been increased as follows:

S/N	DATE	RESOLUTION
1.	10 <sup>th</sup> of April, 1958 18 <sup>th</sup> of August, 1959 25 <sup>th</sup> of May, 1960 30 <sup>th</sup> of November, 1976 21 <sup>st</sup> of June, 1978	₦1,500,000 ₦2,000,000 ₦3,000,000 ₦5,000,000 ₦10,000,000
2.	21 <sup>st</sup> June, 1978	Each share of ₦20 each was sub- divided into 40 shares of 50 kobo each.
3.	10 <sup>th</sup> October, 1978	Authorized capital of the company was ₦10,000,000 divided into 20,000,000 shares of 50 kobo each.
4.	8 <sup>th</sup> of August, 1980	By a special resolution of the Annual General Meeting the authorized Share capital of the company was increased to ₦ 15,000,000 divided into 30,000,000 ordinary Shares of 50 kobo each.
5.	18 <sup>th</sup> of October, 1982	By a special resolution of the Extra- ordinary General Meeting, the authorized share capital of the company was increased to ₦22,500,000 divided into 45,000,000 ordinary shares of 50 kobo each.
6.	27 <sup>th</sup> of June, 1984	By a special resolution of the Annual General Meeting the authorized Share capital of the company increased to ₦ 33,750,000 divided into 67,500,000 ordinary Shares of 50 kobo each.
7.	23 <sup>rd</sup> of June, 1988	By a special resolution of the Annual General Meeting the authorized Share capital of the company was increased to ₦ 40,500,000 divided into 81,000,000 Ordinary shares of 50 kobo each.
8.	11 <sup>th</sup> of July, 1991	By a special resolution of the Annual General Meeting the authorized Share capital of the company was increased to ₦ 54,000,000 divided into 108,000,000 Ordinary shares of 50 kobo each.
9.	8 <sup>th</sup> of June 1994	By a special resolution of the Annual General Meeting the authorized share capital of the company was increased to ₦72,000,000 divided into 144,000,000 Ordinary shares of 50 kobo each.
10.	7 <sup>th</sup> of June, 1995	By a special resolution of the Annual General Meeting the Authorized Share capital of the company was increased to ₦ 96,000,000 divided into 192,000,000 Ordinary shares of 50 kobo each.
11.	11 <sup>th</sup> of June, 1997	By a special resolution of the Annual General Meeting the Authorized Share capital of the company was increased to ₦ 112,000,000 divided into 224,000,000 Ordinary shares of 50 kobo each.
12.	28 <sup>th</sup> of August, 2001	By a special resolution of the Annual General Meeting the Authorized share capital of the company was increased to ₦148,540,804 divided into 297, 081,608 ordinary shares of 50 kobo each.
13.	17 <sup>th</sup> of June 2004	By a special resolution of the Annual General Meeting the Authorized and issued share capital of the company was increased to ₦169, 760, 918.00 divided into 339,521,836 ordinary shares of 50 kobo each.



LIST OF MAJOR DISTRIBUTORS

S/N	Station Name	Dealer Name	Territory	State	Station Adress
1	ASOKORO	ABUBAKAR SHAHADA	NORTH	ABUJA	SHEHU SHAGARI RD , AREA 11. ABUJA ALONG SHEHU SHAGARI WAY GARKI, AREA 11
2	JS TARKA	YAHAYA USMAN	NORTH	ABUJA	J.S TARKA STREET, GARKI ABUJA ALONG J.S TARKA STREET AREA 3, GARKI ABUJA
3	LUGBE	MARCUS HYUWA	NORTH	ABUJA	2ND AVENUE, H CLOSE, LUGBE ALONG FHA RD , LUGBE
4	MARARABA 1	FRANCIS INALEGWU	NORTH	ABUJA	MARARABA KEFFI RD , NASSARAWA ALONG MARABA/ KEFFI RD ,MARARABA
5	KURUDU SS	JOHN ADUGA	NORTH	ABUJA	PLOT 2, JUMMAI ESTATE LAYOUT, KURUDU FCT ALONG KURUDU RD , KURUDU
6	MARARABA 2	SHABA MOHAMMED	NORTH	ABUJA	ABUJA- KEFFI EXPRESS WAY, NASSARAWA ALONG MARABA/ KEFFI RD ,MARARABA
7	KEFFI	SHEHU IBRAHIM	NORTH	NASARAWA	AKWANGA RD , KEFFIBY KEFFI ROUNDABOUT
8	NEW KARU	PATRICK NWOSU	NORTH	NASARAWA	KEFFI ABUJA RD KEFFI/ ABUJA RD ,NEW NYAYAN
9	UKE	ISMAILA SANI	NORTH	NASARAWA	ABUJA- KEFFI EXPRESS WAY, NASSARAWA ALONG MARABA/ KEFFI RD ,MARARABA
10	HERBERT MACUALAY	ZAKARI YUSUF	NORTH	ABUJA	272 HERBERT MACAULAY WAY, YABA NEAR ALAGOMEJI B/STOP, ALONG HERBERT MACAULAY WAY, YABA
11	SULTAN ABUBAKAR	MURTALA SULEIMAN	NORTH	ABUJA	5 CONAKRY STREET, WUSE ZONE 3SULTAN ABUBAKAR WAY
12	UTAKO (EM WORLD)	ADAM SULEMAN	NORTH	ABUJA	OKONJO IWELA WAY, UTAKO ABUJA
13	WUSE 1	IBRAHIM USMAN	NORTH	ABUJA	HERBERT MACCAULAY WAY, WUSE ZONE5, ABUJA ALONG HERBERT MACCAULAY WAY WUSE,ZONE 5
14	TOTAL HOUSE	FRANCIS SULE	NORTH	ABUJA	HERBERT MACCAULAY WAY, CENTRAL BUSINESS DISTRICT, ABUJACENTRAL BUSINESS DISTRICT
15	WUSE 2	HENRY ASEMOTA	NORTH	ABUJA	BERGER JUNCTION, ZONE 6, ABUJABERGER ROUNDABOUT
16	HERBERT MACUALAY	ZAKARI YUSUF	NORTH	ABUJA	272 HERBERT MACAULAY WAY, YABA NEAR ALAGOMEJI B/STOP, ALONG HERBERT MACAULAY WAY, YABA
17	GWARINPA	TUNDE OYEDIRAN	NORTH	ABUJA	ALONG 1ST AVENUE ROAD
18	KUJE	ISAH MOHAMMED	NORTH	ABUJA	ALONG PRISON YARD RD , KUJE
19	KUBWA	LARRY DANIEL	NORTH	ABUJA	22 JUNCTION KUBWA ALONG GADO NASCO ROAD
20	TIPPER GARAGE S/S	AUGUSTINE OTETAH	NORTH	ABUJA	KATAMPE JUNCTION ALONG KUBWA EXPRESS
21	GWAGWALADA	MOHAMMED SARKI	NORTH	ABUJA	ALONG GWAGWALADA - ABAJI RD ALONG GWAGWALADA - ABAJI RD
22	ZUBA JUNCTION	AYOMANU OKOGU	NORTH	ABUJA	ZUBA JUNCTION ALONG SULEJA ROAD
23	ABUJA RD SS (OKENNE ROAD PSS )	AHMED IBRAHIM	NORTH	KOGI	FELELE, ALONG LOKOJA - ABUJA EXPRESSWAY
24	AJAKUTA RD S/S, LOKOJA	AUDU MOSES	NORTH	KOGI	ALONG AJAKUTA ROAD , BEFORE 500 HOUSING ESTATE, LOKOJA
25	GANAJA RD SS, LOKOJA	SUNNY ANEJO	NORTH	KOGI	ALONG GANNAJA ROAD
26	POST OFFICE ROAD LOKOJA	JOSHUA ALONYENU	NORTH	KOGI	MM WAY LOKOJA ALONG POST OFFICE RD
27	MADALLA 2	BLESSING LAWRENCE	NORTH	NIGER	ALONG ZUBA - KADUNA RD MADALLA - SULEJA ROAD
28	GBOKO F/S (MARKET ROAD)	ADAMA WILLIAMS	NORTH	BENUE	ALONG MARKET RD GBOKO GBOKO MARKET\
29	K/IBRAHIM F/S	BLESSED OJOCHENEMI	NORTH	BENUE	ALONG KASHIM IBRAHIM RD HIGH LEVEL MAKURD I
30	ANKPA F/S	EDWIN IKEBE	NORTH	KOGI	ANKPA ROUND ABOUT ANKPA ROUND ABOUT
31	AYANGBA F/S	ECHE SIMEON	NORTH	KOGI	ALONG DEKINA ROAD OPP AYANGBA POLICE STATION
32	AKWANGA F/S	EZEKIEL JOSHUA	NORTH	NASARAWA	ALONG AKWANGA LAFIA RD AKWANGA TOWN
33	LAFIA S/S	SHEHU MOHAMMED	NORTH	NASARAWA	ALONG AKWANGA-MAKURD I RD LAFIA TOWNSHIP
34	BOSSO ROAD SS MINNA	HARUNA BABA	NORTH	NIGER	26 BOSSO RD , MINNA ALONG BOSSO RD , NEAR MOBIL ROUND ABOUT
35	NEW BUSSA	EMIOLA SEUN	NORTH	NIGER	KAINJI ROUND ABOUT ALONG KAINJI DAM ROAD
36	BIDA TOWN	SOLOMON AJADI	NORTH	NIGER	ALONG ZUNGERU-BIDA ROAD ALONG MARKET RD , BIDA
37	CLUB ROAD	BASHIR MAGAJI	NORTH	KANO	181 AIRPORT RD KANO ALONG AIRPORT RD . KANO
38	CORONATION	RABILU BALA	NORTH	KANO	9B CIVIC CENTRE RD . KANOCLOSE TO MTN OFFICE
39	ZOO ROAD	SHEHU SANI	NORTH	KANO	ZOO RD . KANOANDUN ALBASA
40	YAKUBU GOWON WAY SS	JANET ERU	NORTH	PLATEAU	YAKUBU GOWON WAYDADIKOWA GATE
41	DOKA CRS SS	AYO ADISA	NORTH	KADUNA	NO 1 A DOKA CRESCENTTOWARD S LORD LUGARD R/ ABOUT
42	KADUNA ZARIA	ABUBAKAR HASSAN	NORTH	KADUNA	KADUNA ZARIA RD , UNGWAN GWARIKAWO BY THE GARRAGE
43	MALALI RD KADUNA S/S	SHEHU NUHU	NORTH	KADUNA	ALONG KAM SALEM RD , BY CONAKRY AVENUE, MALALI KADUNA
44	SOUTH BRIDGE	MUHAMMAD ABUBAKAR	NORTH	KADUNA	NO 1 JUNCTION RD TOWARD S KADUNA STADIUM
45	UNGWAN RIMI	GARBA MAMMAN	NORTH	KADUNA	NO 1 SHEHU LAMINU RD , UNGWAN RIMITOWARD S TAFAWA BALEWA SQUARE
46	WAFF RD	MOHAMMED KABIRU UMAR	NORTH	KADUNA	NO A 3 MUHAMMED BUHARI WAY KADUNATOWARD S KADUNA STATE GOVERNMENT HOUSE
47	AIRPORT ROAD KANO	AJIBOLA SAMSON	NORTH	KANO	181 AIRPORT RD KANO ALONG AIRPORT RD . KANO
48	KANO CO-OP	AUWAL GARBA KOKI	NORTH	KANO	1 ZARIA ROAD KANO BY SILVER JUBILEE R/ABOUT
49	TAXI PARK	HARUNA ADAMU	NORTH	KANO	MIDDLE RD SABON GARI, KANOMIDDLE RD BY COURT RD . S/GARI
50	ZARIA ROAD	SILAS GABRIEL YAHAYA	NORTH	KANO	ZARIA RD . DAWAKIN KUDUKANO ZARIA EXPRESS WAY
51	COURT HOUSE ROAD	TIJJANI BABA MUSA	NORTH	KADUNA	COURT HOUSE RD ALONG PZ ROAD
52	IJANIKIN	OLAIFA ROTIMI	WEST	LAGOS	KM28 BADAGRY EXPWAY IJANIKIN TOWARD S AGBARA IND ESTATE
53	OLD OJO ROAD	Aigbigie Benard	WEST	LAGOS	118 OLD OJO RD . AGBOJUMAZA MAZA ORIADE LCDA
54	ALAUZA	GLORIA IHHEME	WEST	LAGOS	MOBALAJI JOHNSON WAY, ALAUSAALAUZA ROAD
55	LASU-IDIMU	BAMIDELE BEJIDE	WEST	LAGOS	KM 4 LASU IDIMU ROAD LASU IDIMU
56	OLD TOLL GATE	SOLOMON AIDELODJIE	WEST	LAGOS	LAGOS IBADAN EXPRESS WAYAFTER MOWE
57	ONIGBAGBO	DELE RABIU	WEST	LAGOS	25 MOBOLAJI BANK ANTHONY WAY, IKEJAOFF MARYLAND
58	AKOKA	ALEEM MARUF AKANJI	WEST	LAGOS	52, ST FINBARRS ROAD , AKOKA, LAGOSBYE CHEMIST BUS STOP, AKOKA, LAGOS
59	ALAPERE 2	OYINLOLA O.	WEST	LAGOS	IBADAN-LAGOS EXPRESSWAY,ALAPERE BUS STOP, LAGOSBESIDE CHINA TOWN, ALAPERE, LAGOS
60	DIYA	OLAJUDE C.	WEST	LAGOS	49, DIYA STREET, IFAKO-GBAGADA, LAGOS NEAR NEW GARAGE BUS STOP, GBAGADA, LAGOS
61	IGBOBI	SEFIU ANIFOWOSE	WEST	LAGOS	136/138, IKORODU ROAD , ONIPANU, LAGOSONIPANU BUS STOP, LAGOS
62	IKORODU RD	MOHAMMED AROTAYO	WEST	LAGOS	193, IKORODU ROAD , PALGROOVE, LAGOSPALGROOVE BUS STOP, IKORODU ROAD , LAGOS
63	OJOTA 1	ONI BASHIRU	WEST	LAGOS	1, IKORODU ROAD , OJOTA, LAGOSCLOSE TO OJOTA BUS STOP, LAGOS
64	OJOTA 2	ENGR. LEKE AWOFESO	WEST	LAGOS	430, IKORODU ROAD , OJOTA, LAGOSCLOSE TO OJOTA BUS STOP, LAGOS
65	AWOLOWO RD	JIDE ALESE	WEST	LAGOS	33, AWOLOWO RD , IKOYI, LAGOS.AWOLOWO ROAD BY KEFFI STREET JUNCTION.
66	CAMPBELL	MRS. KEHINDA AMOO	WEST	LAGOS	CAMPBELL STREET, LAGOS ISLAND, LAGOS.OFF CMS/BOOKSHOP, CAMPBELL STREET, LAGOS.
67	LEKKI 1	AGBO CECILIA	WEST	LAGOS	LEKKI/ EPE EXPRESS WAY, LAGOS.OFF LEKKI /EPE BEFORE TOLL CONCESSION BY THE PALMS SHOPPING MALL (SHOP RITE)
68	LEWIS ST	STEPHEN HART	WEST	LAGOS	LEWIS STREET, LAGOS ISLAND, LAGOSLEWIS STREET,OFF SIMPSON STREET, LAGOS ISLAND, LAGOS
69	SURA	TINA OKORIE	WEST	LAGOS	SIMPSON STREET, LAGOS ISLAND, LAGOS.SIMPSON STREET , ADJACENT KINGS WAY ROAD , IKOYI, BY SURA MARKET , LAGOS ISLAND, LAGOS.
70	LEKKI 2	WANDE RASHEED	WEST	LAGOS	LEKKI/ EPE EXPRESS WAY, LAGOS.OFF LEKKI/EPE EXPRESS WAY BY JAKANDE ROUDABOUT
71	AJEGUNLE	KUNLE RASAQ	WEST	LAGOS	MOBIL ROAD , AJEGUNLEBOUNDARY-AJEGUNLE APAPA
72	BONNY ROAD	KAYODE OGUNTUYI	WEST	LAGOS	6, BONNY ROAD , APAPA LAGOSAPAPA
73	IJORA	FELIX ERAYANMEN	WEST	LAGOS	4 CAUSE WAY, IJORAIJORA, APAPA
74	WESTERN AVE	KEMI ONWIDOBIE	WEST	LAGOS	115,FUNSHO WILLIAMS ROAD , IPORI, LAGOSIPONRI BUSSTOP
75	WHARF ROAD	BABATUNDE ADEKOLA	WEST	LAGOS	294 WHARF ROAD , APAPAWHARF ROAD
76	MILE 2	OBINNA IBE	WEST	LAGOS	MILE2 BUS STOP AMUWO ODOFIN, BADADRY E/WAY ALONG BADAGRY EXPRESS
77	CHALLENGE	OLUWAMUYIWA EDUN	WEST	LAGOS	282 AGEGE MOTOR RD , MUSHINBY PALM AVENUE, OPP GTB
78	COATES	TUNDE OLANIPEKUN	WEST	LAGOS	COATES STREET, YABAOFF MM WAY, EBUTE METTA, YABA



LIST OF MAJOR DISTRIBUTORS

S/N	Station Name	Dealer Name	Territory	State	Station Adress
79	HERBERT MACUALAY	TIMEHEN NURUD	WEST	LAGOS	272 HERBERT MACAULAY WAY, YABA NEAR ALAGOMEJI B/STOP, ALONG HERBERT MACAULAY WAY, YABA
80	ITIRE	ADEDAYO ADEBAYO	WEST	LAGOS	23/25 ITIRE RD , LAWANSON ALONG ITIRE RD , BY LAWANSON B/STOP
81	MM WAY	TUNDE MAKUN	WEST	LAGOS	150/152 MM WAY, EBUTE METTA ALONG MURTALA MURHAMED WAY, EBUTE META, YABA
82	OJUELEGBA	AKHIGBE SUNDAY	WEST	LAGOS	39, OJUELEGBA RD , SURULEREOFF IKORODU RD , BY OJUELEGBA B/STOP
83	SURULERE	OLOFIN S. A.	WEST	LAGOS	LUTH ISHAGA RD , SURULEREOFF ITIRE RD , BY LUTH JUNCTION
84	OSHODI	ADEGOKE SULEIMAN	WEST	LAGOS	OSHODI APAPA EXPRESS WAYOFF ANTHONY VILLAGE B/STOP, BY LASTMA OFFICE, OSHODI-ISALE
85	OKE ODO S/S	AGBOOLA ROTIMI	WEST	LAGOS	LAGOS ABEOKUTA EXPRESS RD , AGEGE LGA, OKE-ODO-LAGOS STATELAGOS ABEOKUTA EXPRESS WAY, OPPOSITE IYANA IPAJA
86	IDIROKO S/S	AKANNI SALAUDEEN	WEST	OGUN	IGOLO ROAD , IDIROKO, OGUN STATE ALONG SEME BORD ER, IDIROKO
87	SANGO	AZEEZ LUKMAN	WEST	OYO	OLD OYO RD . SANGOPOLY JUNTION
88	TRAILER PARK S/S	ABIODUN AFOLABI	WEST	OYO	POLY RD , IUKODOPOLY RD , IUKODO
89	J,ALLEN (COCOA HOUSE)	KAYODE ADEYEYE	WEST	OYO	1, OBAFEMI AWOLOWO WAY, J-ALLEN,DUGBE, IBADAN.
90	ELEIYELE I S/S	FATIMO AKINDOYIN	WEST	OYO	JERICHO RD . IBADAN ALONG ONIREKE/JERICHO RD
91	NEW RESERVATION F/S	ADEWUMI EMMANUEL	WEST	OYO	IYAGANKU RD CLOSE TO ALESHINLOYE-IYAGANKU JUNCTION
92	EPE GARAGE	OGUNSAKIN MURITALA	WEST	OGUN	TOTAL SERVICE STATION, EPE GARAGE.BY EPE GARAGE ROUND ABOUT, WHICH LEADS TO IIEBU-MUSHIN
93	IBADAN RD	AREGBESOLA MOSES	WEST	OGUN	12 IBADAN ROAD , IIEBU-ODE. AFTER IBADAN GARAGE ROUND ABOUT
94	IIEBU IGBO	KEHINDE AHMED	WEST	OGUN	TOTAL FILLING STATION, IIEBU-IGBO.BY IIEBU-IGBO GARAGE
95	OFFA TOWN	FEMI AKINPELU	WEST	KWARA	OFFA TOWNOLOFA WAY.
96	OGBOMOSHO RD	OLUGBENGA IDOWU	WEST	KWARA	OGBOMOSHO RD . SURULERE, ILORINABDUL AZEEZ ROAD
97	OLOJE S/S	AJAYI OYEKUNLE	WEST	KWARA	ALONG KAIAMA ROAD , BESIDE MTN OLOJE OKE ILORIN CONNECT POINT
98	STATION RD	ADEMOLA AJALA	WEST	KWARA	EMIRS ROAD , ILORIN.STATION ROAD ILORIN
99	EYENKORIN	RASHEED MOGAJI	WEST	KWARA	OGBOMOSHO/ILORIN RD .EYENKORIN TOWN
100	JUBILEE ESTATE	BODE TEWOGBADE	WEST	OGUN	130,JUBILEE ESTATE, SAGAMU RD , IKORODU
101	ADEMULEGUN RD	FADEJI RUFUS	EAST	ONDO	NO 220, ADEMULEGUN ROAD , KOLA REWIRE, ONDO TOWNSHIPFROM AKURE , SECOND TOTAL STATION
102	ONDO MOTOR PARK	AJE MATHEW	EAST	ONDO	ODO JOMU, ONDO TOWNSHIP, ONDO STATEFROM ORE, FIRST TOTAL STATION IN ONDO TOWM
103	ONDO RD S/S	ADERIYE OLUWOLE	EAST	ONDO	Opposite CAC Grammar School, Ondo ROAD , Akure
104	ORE EXPRESS	OGUNDIPE FEMI	EAST	ONDO	IIEBU/SAGAMU EXPRESSWAY, ORE FIRST STATION IN ORE WHEN COMING FROM SAGAMU OR IIEBU ODE
105	ASABA FERRY S/S	SUSAN ASUQUO	EAST	DELTA	CABLE ROAD , BY MARINE POLICE STATION, ASABA FERRYROAD BY TRAFFIC LIGHT
106	ASABA UMUEZEI	MIKE ODANLUMEN	EAST	DELTA	OPPOSITE A-DIVISION POLICE STATION NNEBISI RD BY TRAFFIC LIGHT JUNCTIONTHE ONLY TOTAL STATION BEFORE TRAFFIC LIGHT
107	BENIN/ASABA EXP SS	FOLASHADE OKOSUN	EAST	DELTA	BENIN ASABA EXPRESSFROM ASABA AIRPORT, THE FIRST TOTAL STATION BY YOUR RIGHT
108	BRIDGE HEAD, ASABA	ADEYEMO JOHNSON	EAST	DELTA	KM1 ASABA BENIN EXPRESSFROM NIGER BRIDGE APPROACHING ASABA,THE FIRST TOTAL STATION BY THE RIGHT
109	AGBOR	SILAS SHABA	EAST	DELTA	AGBOR TOWNINSIDE AGBOR TOWN
110	AUCHI SS	ABDULFATAI SALAUDEEN	EAST	EDO	AUCHI POLY ROAD ON AUCHI MARKET RD .
111	138 AKPAKPAVA	FRIDAY EGHAGHE	EAST	EDO	138 AKPAKPAVA ROAD , BENIN CITY ALONG AKPAKPAVA STREET BY THE AND JUNCTION ON YOUR WAY TO IKPOBA HILL
112	1ST EAST CIRCULAR	ANDREW EKEAMANYE	EAST	EDO	34 1ST EAST CIRCULAR ROAD , BENIN CITY ALONG 1ST EAST CIRCULAR RD , TOTAL STATION AT AROUSA JUNCTION
113	EKPOMA	FESTUS OVIEONLONBA	EAST	EDO	ALONG BENIN/AUCHI ROAD , EKPOMA,
114	KM 8	PERPETUAL CHUKWU	EAST	EDO	KM 8 SAPELE ROAD , BENIN CITYLAST STATION ALONG KM8 BEFORE GETTING TO THE BYE-PASS
115	LAGOS ROAD	FELIX EGHE	EAST	EDO	14 URUBI STREET, BENIN CITYON IYARO ROAD , THE ONLY TOTAL STATION BEFORE 5-JUNCTION
116	UGBOWO	AMBROSE AYEMENRE	EAST	EDO	234 UGBOWO, BENIN CITYON YOUR WAY TO UNIBEN THE TOTAL STATION AT UWASOTA JUNCTION
117	BENIN CENTRE	JONATHAN ENABULU	EAST	EDO	8 / 10 AKPAKPAVA ROAD , BENIN CITY, EDO STATE.
118	OKENE	OBINYAN SUNNY OKOH	EAST	KOGI	OKENE, EKITI
119	AIRPORT ROAD WARRI	OBASI PAUL	EAST	DELTA	104 AIRPORT ROAD WARRIAIRPORT ROAD
120	EFFURUN S/S	NWOGO SUNNY	EAST	DELTA	298 EFFURUN SAPELE ROAD WARRIEFFURUN ROAD
121	OKUMAGBA AVENUE FS	NNODIM PATIENCE	EAST	DELTA	1 OKUMAGBA AVENUE WARRIAVENUE
122	OKUMAGBA ESTATE	UZOR UZOR JUNIOR	EAST	DELTA	265 OKUMAGBA ESTATE WARRIESTATE ROUND ABOUT
123	ABA OWR RD	MADUKWE ONYEABO	EAST	ABIA	ABA OWERRI RD ABAYIABAYI, ABA
124	MISSION HILL	ONWUBIKO ONYEKWERE	EAST	ABIA	MISSION HILL ROAD MISSION HILL ROAD
125	OGBOR HILL	AJAH EMEH	EAST	ABIA	UMUOBA JUNCTIONOGBOR HILL, 7 UP ROAD , ABA
126	ABA GRA	PAULINUC .C. OGBU	EAST	ABIA	BRASS JUNCTIONBRASS JUNCTION
127	UMUAHIA	KALU AMAECHI	EAST	ANAMBRA	6 ABA ROAD , UMUAHIA, ABIA STATE
128	ORON TOWN	AKAN OKON	EAST	AKWA IBOM	Uyo ROAD , Oron, Akwa Ibom State
129	UYO TOWN SS	UDUAK UMOH	EAST	AKWA IBOM	179 IKOT EKPENE ROAD , UYO AKWA IBOM STATE ALONG IKOT RD . UYO
130	CALABAR RD SS	COMFORT ETIM	EAST	CROSS RIVER	12 CALABAR ROAD , CALABAR ALONG CALABAR RD .CALABAR
131	IKOM-old dealer	FIDELIS AMAH KALU	EAST	CROSS RIVER	60 CALABAR ROAD , 4 CORNER SQUARE, IKOM, CROSS RIVER STATE ALONG CALABAR RD .IKOM
132	MARIAN RD SS	ADIKURU CHUKWUKA	EAST	CROSS RIVER	43 MARIAN ROAD , CALABAR ALONG MARIAN ROAD , CALABAR
133	MFAMOSING	UDUAK UMOH	EAST	CROSS RIVER	Lafarge YaRD , Mfamosing, Cross river state
134	KPIRI KPIRI	AUSTINE OHAGWA	EAST	EBONYI	KM 5 KPIRIKPIRI RD ,ABAKALIKI
135	NSUKKA F/S	UKACHUKWU IHEANACHO	EAST	ENUGU	NSUKKA ROUND-ABOUT,NSUKKANSUKKA ROUND-ABOUT,NSUKKA
136	OGUTA ROAD	IKE JOSEPH	EAST	ANAMBRA	34 OGUTA RD ,ONITSHA, ANAMBRA STATE ALONG OGUTA RD ,ONITSHA
137	NKPOR JUNCTION (NEW TARZAN)	OKEREKE BONIFACE	EAST	ANAMBRA	KM 9 ENUGU -ONITSHA EXPRESSWAY,OGIDI, ANAMBRA NEAR NEW TARZAN MOTOR , OGIDI
138	IHIALA	OTIEGBE AHAMEFUNA	EAST	ANAMBRA	OWERRI- ONITSHA EXPRESS ROAD , IHIALA TOWNOWERRI- ONITSHA EXPRESS ROAD , IHIALA TOWN
139	EGBU ROAD	ONONIWU OLUCHI	EAST	IMO	EGBU ROAD ALONG OWERRI UMUAHIA ROAD ALONG EGBU-UMUAHIA RD .
140	ORLU	UDEH HARRISON	EAST	IMO	ORLU
141	PALM EXPRESSWAY	AKUJOBI NWABUEZE	EAST	BAYELSA	ALONG PALM EXPRESS WAY BAYELSA STATE
142	GRA	EREKOSIMA JOHN	EAST	RIVERS	171 ABA/PHC EXPRESSWAY, GRA PHC, OBIOAKPOR RIVERS STATEDOUGLAS ROAD BY OWERRI CENTRAL MARKET
143	LIBERATION DRIVE	ONWUKWE EVELYN	EAST	RIVERS	ALONG STATION ROAD , PHC RIVERS STATE ALONG ABA/PH ROAD , AFTER SHELL RA
144	MILE 2	MAZI CHUKWUDI	EAST	RIVERS	PHC (DETAILS TO BE UPDATE)
145	MILE 5	OHODAH MARTINS	EAST	RIVERS	MILE 5 IKWERRE ROAD , PHC RIVERS STATE ALONG IKWERRE ROAD , MILE 2
146	OROGBUM	MBA FRANKLIN	EAST	RIVERS	ALONG PHC/ABA ROAD OROGBUM, PHC RIVERS ALONG OLD ABA ROAD BEFORE RUMUOMASI ROUNABOUT
147	PH 1	NWOKO MARTINS. C	EAST	RIVERS	ALONG ABA/PHC EXPRESSWAY PHC, OBIOAKPOR RIVERS STATE ALONG IKWERRE ROAD , MILE 5
148	PH 2	BIRAGBARA ANTHONY	EAST	RIVERS	PLOT 124, TRANSAMADI LAYOUT, PHC RIVERS STATE ALONG ABA/PHC ROAD BY GRA JUNCTION
149	RUMUADAOLU	AZUBUIKE JOSHUA	EAST	RIVERS	NO 8 RUMUADAOLU, RUMUOLA, PH
150	RUMUOBIAKANI	SUNDAY ANDREW. O	EAST	RIVERS	ALONG PH/ABA EXPRESSWAY, RUMUOBIAKANI, PHC RIVERS STATEAT SLAUGHTER ROUND ABOUT TRANSAMADI