2022 Annual Report & Accounts

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Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the forty fifth Annual General Meeting of the members of **11 Plc** will be held at Abuja Continental Hotels, 1, Ladi Kwali Way, Maitama, Abuja, on Wednesday**, May 24, 2023** at **11.00 a.m**. to transact the following business:

ORDINARY BUSINESS:

1. To lay before the members, the Audited Financial Statements for the year ended 31 December, 2022, the Reports of the Directors, the Auditors and Statutory Audit Committee.
2. To declare a dividend.
3. To authorize the Directors to fix the remuneration of the External Auditors for the 2023 financial year.
4. To disclose the remuneration of managers of the Company.
5. To elect/re-elect the members of the Statutory Audit Committee

SPECIAL BUSINESS:

6. To fix the remuneration of the Directors.

Notes:

a. PROXY:

A member of the Company entitled to attend and vote at the Meeting is eligible to appoint a Proxy to attend and vote in his/her place and such Proxy needs not be a member of the Company. A Proxy Form is enclosed. All instruments of proxy must be stamped and deposited at the registered office of the Registrars, Greenwich Registrars & Data Solutions Limited, No. 274, Murtala Muhammad Way, Alagomeji, Yaba, Lagos State or sent by e-mail to info@gtlregistrars.com not later than Friday, May 12, 2023.

b. DIVIDEND WARRANTS AND CLOSURE OF REGISTER

If the proposed dividend of 850 kobo for every share of 50 kobo recommended by the Directors is approved, those shareholders whose names are registered in the Register of Members at the close of business on Friday, April 21, 2023 shall have their designated bank accounts credited directly on or before May 25, 2023. Notice is hereby given that the Register of Members and Transfer Books will be closed from Tuesday, April 25, 2023, to Friday, April 28, 2023 [both days inclusive] to enable preparation and payment of dividend by the Registrars.

c. NOMINATION FOR THE AUDIT COMMITTEE

The Audit Committee consists of three shareholders and two Directors. In accordance with Section 404(6) of the Companies and Allied Matters Act 2020, any member may nominate a shareholder as a member of the Audit Committee by giving in writing, notice of such nomination at least 21 days before the date of the Annual General Meeting.

The National Code of Corporate Governance, 2018 (NCCG, 2018) stipulates that members of the Audit Committee should have basic financial literacy and should be able to read the Financial Statements. In line with the provision of S. 404 (5) at least one member should be a member of a professional Accounting body established by an act of the National Assembly.

d. E-DIVIDEND

Notice is hereby given to all shareholders to open bank accounts for the purpose of dividend payment. A detachable e-dividend payment mandate and change of address form is attached to the Annual Report to enable shareholders furnish particulars of their bank and CSCS Accounts numbers to the Registrar.

e. UNCLAIMED DIVIDEND

A number of dividends have remained unclaimed; the list of these unclaimed dividends can be accessed on the following link https://bit.ly/11plc-unclaimed. Shareholders who are yet to claim their outstanding dividends can also complete the e-dividend registration form by downloading the Registrar's E-Dividend Mandate Activation Form, which is available at https://sec.gov.ng/non-mandated/, and submit to the Registrars at Greenwich Registrars & Data Solutions, 274 Murtala Muhammed Way, Alagomeji-Yaba Lagos or their respective Banks for the purpose of claiming their outstanding dividends. The E-dividend mandate form is also attached to the annual report.

f. RIGHTS OF SECURITIES' HOLDERS TO ASK QUESTIONS

Securities' Holders 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 on or before May 10, 2023.

g. ELECTRONIC VERSION OF THE ANNUAL REPORT AND ACCOUNTS

Electronic version (e-copy) of the 2022 Annual Report and Accounts will be made available online for viewing and download via the Company's website,www.11plc.com. Shareholders who have updated their records with their email address will also receive the e-copy of the document.

Dated this 29th day of March, 2023
BY ORDER OF THE BOARD

Chris-Olumayowa Meseko, FCIS
Company Secretary
FRC/2018/NBA/00000019003

REGISTERED OFFICE:
11 Plc Apapa Complex,
1 Mobil Road,
Apapa, Lagos.
www.11plc.com

Board of Directors & Corporate Information

COMPANY REGISTRATION NO. RC 914

Country of incorporation and domicile: Nigeria

Nature of business and principal activities: Petroleum Products Marketing

DIRECTORS:

Mr. Ramesh Kansagra	Chairman	
Mr. Adetunji Oyebanji	Managing Director/CEO	
Mr. Ramesh Virwani	Chief Operating Officer / Executive Director	
Alh. Abdulkadir A. Mamman	Non-Executive Director	
Chief Paul Chukwuma Obi	Non-Executive Director	
Mr. Rishi Kansagra	Non-Executive Director	
Hon. Lawal M. Idirisu	Independent Non-Executive Director	(Appointed with effect from March 29,2022)

COMPANY SECRETARY:	Mr. Chris-Olumayowa Meseko
REGISTERED OFFICE:	1, Mobil Road, Apapa, Lagos.
BUSINESS ADDRESS:	1, Mobil Road, Apapa, Lagos.
TELEPHONE:	01-2801600, 2801100
FAX:	01-2801607
WEBSITE:	www.11plc.com
PRINCIPAL BANKER	Zenith Bank
AUDITORS:	Grant Thornton Nigeria No. 2A Ogalade Close, Off Ologun Agbaje Street, Off Adeola Odeku Street, Victoria Island Lagos.
REGISTRARS AND	Greenwich Registrars and Data Solutions ltd.
TRANSFER OFFICER:	274, Murtala Muhammad Way Alagomeji, Yaba Lagos State.

Statement on Investors' Relations

11 Plc has a dedicated investors' portal on its corporate website which can be accessed via this link: https://11plc.com/about-11plc-2/investor-relations/

The Company's Investors' Relations Officer can also be reached through electronic mail at: info@11plc.com; or telephone on: +234 1 280 1600 for any investment related enquiry.

Financial Highlights

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	Group			Company		
	2022	2021	Change %	2022	2021	Change %
Revenue	371,899,701	243,457,406	53	363,108,909	239,405,325	52
Profit before taxation	22,699,901	9,587,948	137	22,268,428	10,746,023	107
Taxation	(4,439,901)	(3,507,238)	27	(4,253,046)	(3,507,238)	21
Profit for the Year	18,260,000	6,080,710	200	18,015,382	7,238,785	149
Total Comprehensive Income	18,260,000	6,080,710	200	18,015,382	7,238,785	149
Earnings per 50k share (kobo)	5,064	1,686	200	4,996	2,007	149
Total assets	141,808,826	123,220,435	15	143,934,807	126,528,305	14
Capital expenditure	6,301,501	8,567,260	(26)	2,338,369	5,585,237	(58)
Authorised share capital	180,298	200,000	-	180,298	200,000	-
Number of 50k shares issued and fully paid up (absolute figures in unit	360,595,261	360,595,261	-	360,595,261	360,595,261	-

A final dividend of 850 kobo per share held has been proposed. This is subject to Shareholder's ratification.

DIRECTORS

MR. RAMESH KANSAGRA

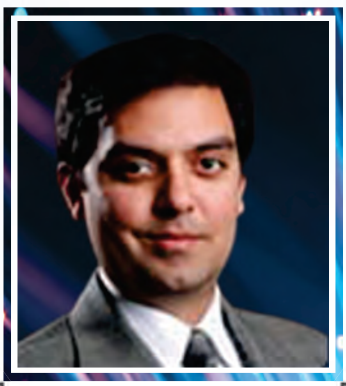
ALH. ABDULKADIR A. MAMMAN

MR. ADETUNJI OYEBANJI

ALH. LAWAL M. IDIRISU

CHIEF PAUL OBI

MR. RAMESH VIRWANI



MR. RISHI KANSAGRA

Chairman’s Statement

Distinguished shareholders, representatives of Regulatory Authorities, Ladies and Gentlemen. I am delighted to welcome you all on behalf of the Board of Directors to the 45th Annual General Meeting of our company, 11 Plc. It is my pleasure once again to present to you the financial statement and reports for the financial year ended December 31, 2022.

OPERATING ENVIRONMENT

The global forecast for the post-Corona Virus pandemic had predicted a gradual return to normalcy with no consideration for the unanticipated territorial conflict between Russia and Ukraine. The war caused disruption of key energy and grain exports from Russia and Ukraine, overstretched supply chains, heightened pricing pressures, and fostered protectionism across the globe leading to severe inflation. This amongst other issues heralded inflation in Nigeria which rose to 21.47 percent on a year-on-year basis as of November 2022 according to the Nigeria Bureau of Statistics (NBS), compared to 15.4 percent recorded a year earlier. The persistent currency depreciation and forex scarcity also impacted negatively on the petroleum downstream. The high cost of funds, multiple tax regimes, insecurity across the country, epileptic power supply, and higher energy costs significantly impacted our business. The implementation of the key parts of the Petroleum Industry Act (PIA) was deferred with specific reference to the deregulation of the Petroleum downstream.

OUR PERFORMANCE

Our Management and Board had to put on their thinking caps by coming up with ideas that were not limited by the challenges in the downstream Oil and Gas Business in the year under review. It was a year in which scarcity of petrol nationwide forced a lot of operators out of the market. A year in which the availability of aviation fuel became unpredictable with prices of diesel so high that it became unattractive to consumers. We all recall that in the first quarter of the year 2022, our country also witnessed the importation of adulterated petrol causing unprecedented disruption to product supply with a significant impact on our Company. However, despite the pitfalls highlighted, I am happy to inform you that your company sustained the trend of impressive performance.

DIVIDEND

The Board of Directors is recommending a dividend pay-out of N3,065,059,719 translating into N8.50K per ordinary share of 50 Kobo each, payable subject to shareholders’ approval and deduction of withholding tax at the prevailing rate. The dividend payout of 850k per share under the current difficult business circumstances shows the company’s commitment to positive return on investment to its shareholders. The Board is committed to continually deliver outstanding returns to our shareholders.

Board Changes

Distinguished shareholders, you will also recall that we announced the sad demise of Sen. Daniel Aluko our erstwhile independent non-executive Director at the 2022 Annual General Meeting. He was a hardworking Board member who was committed to the growth & development of our business. As a worthy replacement, Alh. Lawal M. Idirisu was ratified at the last Annual General Meeting as a Director. He replaces Sen. Daniel Aluko as Independent Non-Executive Director. Once again, join me in welcoming Alh. Idirisu to our Board and in wishing him a successful tenure on the Board.

OUTLOOK FOR THE YEAR 2023

While it may be difficult to predict what the future holds for the country and the downstream sector, we operate within a global world that is inundated with series of challenges. The International Monetary Fund (IMF) projected that one-third of the global economy will be in recession this year. Overall, global growth is forecast to decline from 3.2 percent in 2022 to 2.7 percent in 2023 while inflation will trend upwards. Nevertheless, we shall strive to weather the storm as the year progresses.

The activities in Nigeria’s downstream sector in 2023 are expected to come from the full implementation of the Petroleum Industry Act as deregulation is scheduled to take off by June 2023. The success of the implementation process will depend on proper planning and implementation. Indeed, Nigeria has been predicted to be a market to watch this year because of the proposed opening of a major refinery, the change in government, and the strategic decision that must be made on ending fuel subsidies. In order to keep the company on the path of sustainability, we are committed to the continued upgrade of our facilities. Our investment in Compressed Natural Gas and Liquefied Petroleum Gas will be sustained and is expected to impact positively on our bottom line at the end of the year.

I wish to bring to your notice that ExxonMobil (Our tenants in Mobil House) has formerly informed our company of its decision not to renew its lease of Mobil House as its plans to divest from some of its Nigeria Assets. The non-renewal of the lease, no doubt will have a significant impact on our revenue. We will continue to explore the best alternatives with regard to the use of the property.

PEOPLE

Our employees are the company’s greatest asset. We are committed to ensuring the right level of employee engagement and motivation abound within our company. The well-being and safety of our employees remain a key focus for us. I commend their commitment and hard work which impacted positively on the Company’s performance. The prevailing labour migration across the globe with attendant employee turnover will continue to pose a human capital challenge. We believe that the incoming government’s policies will create opportunities for local talents that will help stem the brain drain. In spite of the dire economic outlook, the future holds great promises for our dear company, as we consolidate our achievements.

CONCLUSION

I would like to express the Board’s appreciation to the Management and Staff of our company for their steadfastness and commitment to the implementation of our vision and mission. Our employees demonstrated capacity and dedication to achieving the company’s corporate goals. I also wish to thank all our stakeholders and shareholders for their trust and unalloyed support through the years.

Thank you all for your attention.

Ramesh Kansagra
Chairman, Board of Directors

Chief Executive Officer's Statement

DISTINGUISHED SHAREHOLDERS, LADIES AND GENTLEMEN, It is with great pleasure that I welcome you to the 45th Annual General Meeting of our great company, 11Plc, which has been growing in leaps and bounds over the years. The event offers a veritable avenue to appreciate the unalloyed support and cooperation of our esteemed shareholders and other stakeholders in the 2022 financial year as well as posit an insight into the future of the company.

I cannot but agree with our Chairman, Mr. Ramesh Kansagra that the unflinching support of our ever-reliable shareholders has been the powerhouse of our success.

Over the past years, I have had the privilege of leading the management team in translating the Board's vision into deliverables that have added to shareholder value. I wish to thank the Board for their exemplary leadership that has helped us move the company to its present exalted position on the corporate ladder.

BUSINESS ENVIRONMENT

The Russia- Ukraine war, which is now more than a year old, has taken a toll on the Nigerian economy in many ways. The conflict caused disruptions to the global supply chains as prices of commodities such as crude oil, natural gas, aluminum, nickel, wheat, and other commodities soared to record levels, leaving markets in disarray. The price of a litre of diesel skyrocketed to a record high of N600, two weeks into the war, from around N420-N450, as oil prices climbed above $120 a barrel, worsening the inflation outlook in Africa's biggest economy. Diesel prices have since risen to above N800 per litre and Nigeria has had to take a wrecking ball to its finances to keep up subsidies on petrol.

Manufacturers, retail outlets, and small businesses that rely on diesel to power their machines have had to raise the prices of manufactured goods and services, even as consumers grapple with lower purchasing power.

The Petroleum Industry Act (PIA) also entered its second year of effectiveness and continued its long journey towards implementation. The most notable step was the creation of regulatory bodies for the petroleum upstream, midstream and downstream sectors and the official "relaunch" of The Nigerian National Petroleum Corporation as NNPC Limited in July in a high-profile ceremony led by President Muhammadu Buhari.

The year also had the regrettable incident of the importation of adulterated petrol which took a toll on cars and the distribution of products across the country, especially in Lagos and Abuja. In 2022, Nigeria's oil sector saw significant revenue leakages due to rising activities of crude oil theft as conservative estimates put the total leakages from oil theft and petrol subsidy to over N3.5 billion by the end of 2022.

Despite the daunting challenging environment which our company operated in the 2022 financial year, our company has continued to enjoy a cordial and seamless relationship with ExxonMobil and continues trade under the name Mobil trademark based on the agreement before its exit after the acquisition of the majority stake by NIPCO Investment.

The new core investor is very bullish about Nigeria and has since stepped up its investment, subsequently raising the profile of our company as the gold standard in the hydrocarbon industry. We have made lots of investments in packaging to eliminate counterfeiting, especially our lubricants. The company is also working closely with the Standard Organisation of Nigeria (SON) on the issue of counterfeiting while law enforcement is assiduously working to checkmate perpetrators of this ignoble act.

Chief Executive Officer's Statement

Our hospitality firm, Lagos Continental Hotel, is also making giant strides by offering excellent services to its growing customers and competing favorably with its peers in the industry. We have remained a socially responsible organization in all ramifications either in our host communities or with relevant government agencies.

RESULT

Despite the harsh operating environment in 2022. Our Profit after tax also grew by 200 per cent to N18.3 billion in 2022 as against N6.08 billion in 2021. We are exhilarated with our performance in the year under review even though there is still room for improvement given our growing investment in human and capital resources. With the growing pedigree in all our business lines, we are upbeat about improved performance in subsequent years.

PEOPLE

Our greatest asset in meeting the vision of the company remains the workforce. We shall continue to place a premium on our human capital and ensure that they key into our growth trajectory. As part of efforts to improve deliverables by the workforce, we have continually trained them at various levels taking advantage of whatever human capacity development facilities are available in Nigeria. I thank my management team and the entire staff without whom; we would not have delivered this exemplary performance.

THE FUTURE

As we approach 2023, being an election year, we would not be averse to a change in policy direction. However, we are advocating for a position that gives room for a level playing ground for all operators. What we always clamor for is to have a free market. People talk about deregulation from different perspectives but there will always be regulation at least in the areas of health, safety and product quality. However, regulation should not apply to the pricing and sourcing of products.

We believe that a policy change might be imminent and we are very optimistic that with the investment already made by the company,11Plc is well poised to take advantage of whatever policy directives of the incoming administration, especially at the federal level.

Looking forward, we see an inspiring bright and fulfilling future for our company and the country in general.

APPRECIATION

I thank you all, our dear shareholders and other esteemed stakeholders for attending this physical AGM after a long while, no thanks to the COVID-19 pandemic.

Our deep appreciation also goes to our customers who have stood with our brands over the years with an assurance that the confidence reposed in us shall not be taken for granted. Also worthy of thanks are my management team and the entire staff who have continued to deliver industry leading performance.

With regards

ADETUNJI OYEBANJI
Managing Director/Chief Executive Officer

Report of the Directors

For The Year Ended December 31, 2022

The Directors are pleased to present to the members of the Group, their report and the Audited Financial Statements for the year ended December 31, 2022.

STATE OF AFFAIRS

In the opinion of the Directors, the state of the Groups' affairs was satisfactory and no event have occurred since the balance sheet date that would affect the financial statements as presented.

ACTIVITIES

The Company is primarily engaged in the marketing of petroleum products and property business. The Petroleum Products Marketing segment generates income from the sale of white products and lubricants. The Property Business segment generates income from the rent paid on its investment properties and service stations; and income from 11 Hospitality.

Results for the year

Company:

	N'000
Revenue	363,108,909
Profit before taxation	22,268,428
Profit after taxation	18,015,382

The Board recommends for your approval a dividend of ₦3,065,059,719 that is 850 kobo per share, subject to the deduction of withholding tax at the appropriate rate. The dividend represents 17% of the Company's after tax profit for the year.

If the recommended dividend is approved at the Annual General Meeting, all shareholders whose names were in the Register of members at the close of the business on Friday, April 21, 2023, shall have their designated bank accounts credited directly, on or before May 25, 2023. The Register of members will be closed from Tuesday, April 25, 2023 to Friday, April 28, 2023 (both dates inclusive) for the purpose of updating the Register.

If the recommended dividend is approved, the profit retained in the Company as at December 31, 2022 will amount to ₦58,802,050,000 made up as follows:

	N'000
Retained earnings as at December 31, 2022	61,867,109
Proposed Dividends	3,065,059
Retained earnings after payment of Dividends	58,802,050

PROPERTY, PLANT AND EQUIPMENT

Information relating to changes in the fixed assets is given in Note 2 & 3 of the financial statements.

DIRECTORS

The following Directors were in office during the year ended December 31, 2022:

Mr. Ramesh Kansagra	Chairman (British)
Mr. Adetunji A. Oyebanji	Managing Director (Nigerian)
Mr. Ramesh Virwani	Executive Director(Indian)
Alh. Abdulkadir A. Mamman	Non-Executive Director (Nigerian)
Chief. Paul C. Obi	Non-Executive Director (Nigerian
Mr. Rishi Kansagra	Non-Executive Director (British)
Hon. Lawal M. Idirisu	Independent Non-Executive Director (Nigerian)

BRIEF RESUME OF DIRECTORS

MR. RAMESH KANSAGRA

Mr. Ramesh Kansagra is a first class degree holder (BSc. Hons.) in Microbiology, University of London.

He is the Managing Director, Solai Holdings Limited (SHL) with over 30 years managing the Group. SHL has a Net Asset Value in excess of £240 million and are involved in oil trading, raw materials for the ceramics industry, agriculture and food industries processing with various investments in Africa and the United Kingdom.

Mr. Ramesh Kansagra is a recipient of the honorary award of the Member of the Federal Republic of Nigeria (MFR).

He was appointed to the Board on April 1, 2017.

MR. ADETUNJI A. OYEBANJI

Mr. Adetunji A. Oyebanji obtained a Bachelor of Science Degree in Economics from the University of Lagos in June 1979. He also holds an MBA in Marketing from City, The University of London, United Kingdom and a Diploma in Marketing from the Chartered Institute of Marketing, United Kingdom.

He joined the then Mobil Oil Nigeria in December 1980 and has held several positions in the Company including Branch Manager North, Branch Manager West, Manager Fuels Services and Marketing Director. In addition, he has held several offshore appointments including Executive Director, Mobil Oil Ethiopia, Executive Director, Mobil Oil Cameroon and Manager Industrial and Wholesale Fuels (Africa/ Middle East), Exxon Mobil Petroleum & Chemicals Co. He was first appointed to the Board in December 2002 and after several foreign assignments was re-appointed in August 2007. In October 2008, he was appointed Chairman and Managing Director.

Mr. Oyebanji has attended numerous training programs at home and abroad including a two-year developmental assignment in 1993 at Mobil Corporation's corporate headquarters in Virginia, USA.

He is a member of several professional bodies including Associate Membership of the Chartered Institute of Arbitrators, UK and is a Fellow of the National Institute of Marketing of Nigeria, the Institute of Credit Administration, Nigeria and the Institute of Directors Nigeria. He also attended Advanced Leadership Courses at the Thunderbird School of Global Management, Arizona, USA and the Lagos Business School of the Pan Atlantic University, Lagos.

Mr. Oyebanji remained in his role as the Managing Director after the acquisition of 60% ExxonMobil controlling shares in October 2016 by Nipco Investments Limited and the Change in Control in April 2017 and oversees the entire operations of the Company. He was appointed to the Board on April 1, 2017.

ALH. ABDULKADIR A. MAMMAN

A civil engineer by profession, Alh. Abdulkadir A. Mamman has decades of experience in oil and gas sector.

He has successfully established and piloted numerous private Companies in oil and gas which includes Azkard International Limited and A.A. Mbamba Petroleum Group, since early 90s to date. He is one of the founding fathers of Nipco Plc, as well as its Group Executive Director.

He has served on the Boards of several regulatory agencies in the petroleum sector, including Petroleum Products Pricing & Regulatory Agency (PPPRA) and the Petroleum Equalization Fund (PEF). He is the immediate past IPMAN National President and is currently the Chairman Board of Trustees of IPMAN. Alhaji Abdulkadir has also served the country under the Palliative Committee set up by then President, Chief Olusegun Obasanjo to cushion the effects of increase in price of petroleum products. A prestigious title holder of the Adamawa Emirate.

He was appointed to the Board on April 1, 2017.

MR. RAMESH VIRWANI

Mr. Ramesh Virwani is a chartered Accountant, with over 25 years' experience in the field of Finance and Accounts. He worked for Purebond Limited, United Kingdom in various capacities in different parts of Nigeria. He joined Nipco Plc as a General Manager, Finance and Accounts in 2008 and he became the Executive Director, Finance in January, 2011 in Nipco Plc before he left. He assumed the role of Executive Director and Chief Operating officer in 11Plc in April, 2017 and was appointed to the Board on the same date.

CHIEF PAUL CHUKWUMA OBI (KSC)

Chief Paul Obi, a Lawyer, has been in active legal practice for thirty years. A graduate of the University of Lagos, he is a Notary Public. He is also an Associate member, Chartered Institute of Arbitrators, London as well as a member of International Bar Association. He has a master's degree in Law with specialization in Oil and gas law and Practice. He has a strong flair for Commercial practice and Civil litigation.

He is the Managing Partner of P. C. OBI & Co, a firm of Legal Practitioners which he established in 1993. The firm P.C. Obi & Co is the external Legal Adviser to 11Plc. The firm also serves as Company Secretaries and Legal Advisers to many other corporate institutions across many sectors. Chief Paul Obi sits on several boards and is the chairman of Sir Paul Obi foundation.

He was appointed to the Board on April 1, 2017.

MR. RISHI KANSAGRA

Mr. Rishi Kansagra is a graduate of Harvard Business School and Somerville College, University of Oxford, having studied Philosophy, Politics and Economics.

He currently sits on various advisory Boards such as Vivo Energy, Iodine Global Network, Nipco plc, Bridge International Academies in Nigeria, as well as being an Executive Director of Solai Holdings- a group operating in oil and gas, manufacturing and logistics assets throughout East and West Africa since 2006. He previously worked with Bank of England (2002 – 2004) and Chevron Corporation (2004-2006).

He was appointed to the Board on April 1, 2017.

HON. LAWAL M. IDIRISU

Hon. Lawal Muhammadu Idirisu is a Nigerian entrepreneur and a member of the House of Representatives at the National Assembly Abuja. His legislative interest border on steel, development, education, power, Oil & Gas, health, aviation, transportation, human right.

Hon Lawal sits on the Board of a number of Corporate organizations. He is an advocate for good governance in both private and public sectors.

He joined the Board of 11Plc as Independent Non-Executive Director on March 29, 2022.

DIRECTORS' INTEREST

The Directors' interest in the Issued Share Capital of the Company as recorded in the Register of Members and in the Register of Directors' holdings and contracts as notified by them for the purposes of section 275 of the Companies and Allied Maters Act are as follows:

	Number of Shares As at Dec 31, 2022	Number of Shares As at Dec 31, 2021
Mr. Adetunji Oyebanji	21,757	21,757

DIRECTORS INTEREST IN CONTRACTS

None of the Directors have notified the company for the purpose of section 303(1) of the Companies and Allied Matters Act 2020 of any declarable interest in contracts with which the company is involved up to February 28, 2023.

Changes on the Board

Hon. Lawal M. Idirisu joined the Board of 11Plc as Independent Non-Executive Directors on March 29, 2022. His appointment was ratified at the Annual General Meeting held on May 24, 2022.

Directors' Remuneration

The Company ensures that remuneration paid to its Directors complies with the provisions of the National Code of Corporate Governance issued by its regulators.

In compliance with Section 257 of the Companies and Allied Matters Act, 2020 and Section 16(8) of the National Code of Corporate Governance for Public Companies as issued by the Financial Reporting Council of Nigeria, the company makes disclosure of its remuneration to its managers as follows:

Type of package Fixed	Description	Timing
Basic Salary	Part of gross salary package for Executive Directors and Managers only. Reflects the company competitive salary package and the extent to which the company's Objectives have been met for the financial year.	Paid monthly during the financial year.
Other allowances	Part of gross salary package for Executive Directors and Managers only. Reflects the company industry competitive salary package and the extent to which the company's objectives have been met for the financial year.	Paid at periodic intervals during the financial year.
Director fees	Paid annually on the day of the Annual General Meeting ('AGM') to Non-Executive Directors only.	Paid annually
Sitting allowances	Allowances paid to Non-Executive Directors only, for attending Board and Board Committee Meetings.	Paid after each Meeting.

INDEPENDENT AUDITORS

The Auditors, Messrs. Grant Thornton Nigeria (FRC/COY/531254) have indicated their willingness to continue in office in accordance with Section 401(2) of the Companies and Allied Matters Act, 2020, A resolution will be proposed at the Annual General Meeting to authorize the Board of Directors to fix their remuneration.

AUDIT COMMITTEE

The members of the Audit Committee appointed at the last Annual General Meeting have met and will at this meeting, in accordance with the provisions of the Companies and Allied Matters Act, present their report to you.

MAJOR SHAREHOLDING

According to the Register of members, the shareholder below held more than 5% of the issued share capital of the Company as at December 31, 2022:

Nipco Investments Limited, which had 303,368,655 ordinary shares of 50kobo each, representing 84.13%.

ANALYSIS OF SHAREHOLDING

The Company's share capital as at December 31, 2022 was ₦180,297,630.50 divided into 360,595,261 ordinary shares of 50 kobo each. The following is the analysis of shareholdings in the Register of members as at that date:

SHARE RANGE	NO. OF S'HOLDERS	%OF S'HOLDERS	NO. OF HOLDINGS	%OF S'HOLDING
1 - 1,000	21,126	69.88	6,985,745	1.94
1,001 - 10,000	8,348	27.61	22,263,852	6.17
10,001 - 50,000	659	2.18	12,199,081	3.38
50,001 - 100,000	56	0.19	3,905,504	1.08
100,001 - 500,000	39	0.13	7,896,041	2.19
500,001 - 1,000,000	2	0.01	1,348,276	0.37
1,000,001 - 10,000,000	1	0.00	2,629,107	0.73
10,000,001 & Above	1	0.00	303,368,655	84.13
TOTAL	**30,232**	**100**	**360,595,261**	**100**

FULLY PAID SHARE CAPITAL HISTORY

Bonus Year	Ratio	Units	52,450,220units (Initial Share Capital)
1981	1:2	26,225,110	78,675,330 (cumulative)
1984	1:4	19,668,832	98,344,162 (cumulative)
1987	1:3	32,781,388	131,125,550 (cumulative)
1994	1:10	13,112,550	144,238,105 (cumulative)
1999	1:3	48,079,368	192,317,473 (cumulative)
2002	1:4	48,079,368	240,396,841 (cumulative)
2007	1:4	60,099,210	300,496,051 (cumulative)
2011	1:5	60,099,210	360,595,261 (cumulative)

DISTRIBUTION OF PRODUCTS

The Company distributes its products through a network of outlets and distributors as well as some direct sales to end-users. Fuel products are supplied from the company's terminal at Apapa Lagos, PPMC depots and third-party terminals. Our route to the lubricants market is through accredited distributors across the country.

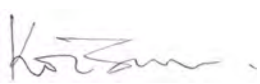
CORPORATE SOCIAL RESPONSIBILITY

The Company continued its commitment to uplifting the well-being of its immediate community and beyond. The company's CSR efforts were primarily targeted at Health, Education and Security. The company made contributions, sponsorships and charitable gifts amounting to ₦25M in the year 2022 (2021: ₦ 1,650,000).

S/N	Beneficiaries	Project Description	Amount (N)
1	Apapa Senior High School, Apapa	Furnished the school laboratory with science equipment	14,542,752
2	Down Syndrome Foundation of Nigeria, Iju, Agege, Lagos	Procured electronics and foodstuff	1,541,307
3	Modupe Cole Memorial Care Home, Yaba, Lagos	Procured electronics and foodstuff	1,302,732
4	Marin-Beach Community Development Association, Apapa, Ajegunle	Procured tables, chairs and electronics	755,960
5	MOMAN Assistance to Flood Disaster Victims	Assistance to flood disasters victims	7,142,857
	TOTAL		**25,285,608**

The company is also proud of its well developed and impressive programme for students of tertiary institutions on industrial attachment. Students on attachment are offered opportunities to undergo well supervised training that promote acquisition of various management/technical skills on our operational sites all through the year.

BY ORDER OF THE BOARD



Chris-Olumayowa Meseko, FCIS
FRC/2018/NBA/00000019003
Company Secretary
Dated this 29th day of March, 2023

Corporate Governance and Sustainability Report

For The Year Ended December 31, 2022

The Company is committed to the highest standard of corporate governance in all its activities and conducts its business with utmost integrity, taking into account the legitimate interest of all its stakeholders.

This statement describes the Company's corporate governance practices that were in place throughout the financial year ended December 31, 2022.The Company ensures compliance with both the National Code of Corporate Governance, 2018 and Securities and Exchange Commission's guidelines. The Company's Code of Corporate Governance is continuously reviewed to align with additional legal and regulatory requirements.

The Company recorded 100% compliance with required statutory returns to Corporate Affairs Commission, Securities and Exchange Commission, The Financial Reporting Council of Nigeria, NASD OTC Market and other regulatory bodies while appropriate disclosures concerning the business were made available periodically as required by relevant laws and regulations.

The Board of Directors

The primary function of the Board of Directors (the Board) is to provide effective leadership and direction to enhance the long-term value of the Company to its shareholders and other stakeholders. The Board oversees the business affairs of the Company. The Board has the overall responsibility for reviewing the strategic plans and performance objectives, financial plans and annual budget, key operational initiatives, major funding and investment proposals, financial performance reviews, and corporate governance practices.

In addition, the principal duties of the Board include:

- Setting the Company's strategic objective and ensuring that the necessary financial and human resources are in place for the Company to meet its objectives.
- Overseeing the process for evaluating the adequacy of internal control, risk management, financial reporting and compliance.
- Appointing the Company's Chief Executive Officer and approving the remuneration policies and guidelines for the Board and senior management.
- Reviewing the performance of senior management and overseeing succession planning for senior management.
- Setting the Company's values and standards (including ethical standards) and ensuring those obligations to shareholders and other stakeholders are understood and met.

Board Size and Board Composition

As at December 31, 2022, the Board comprised seven directors; 2 of which are Executive Directors whilst 4 are Non-Executive Directors and 1 Independent Non-Executive Director. In taking into account the nature and scope of the Company's businesses, the Board believes that the current composition and size provides sufficient diversity without interfering with efficient decision-making.

Roles of the Chairman and the Chief Executive Officer

The Chairman and the CEO functions in the Company are assumed by different individuals. The Chairman, Mr. Ramesh Kansagra, is a Non-Executive Director, while the Chief Executive Officer (CEO), Mr. Adetunji Oyebanji, is an Executive Director.

There is a clear division of responsibility between the Chairman and CEO, which strikes a balance in power and authority at the top of the Company.

The Chairman:

- Is responsible for leadership of the Board and is pivotal in creating the conditions for overall effectiveness of the Board, board committees and individual directors.
- Takes a leading role in the Company's drive to achieve and maintain a high standard of corporate governance with the full support of the Directors, Company Secretary and Management.
- Approves the agendas for the Board meeting and ensures sufficient allocation of time for thorough discussion of agenda items.
- Promotes an open environment for debates and ensures Non-Executive Directors are able to speak freely and contribute effectively.
- Exercises control over quality, quantity and timelines of information flow between the Board and management.
- Provides close oversight, guidance, advice and leadership to the CEO and management.
- Plays a pivotal role in fostering constructive dialogue between shareholders, the Board and management at AGMs and other shareholders' meetings.

The CEO is the highest ranking executive officer of the Company. The CEO is responsible for:

- Running the day-to-day business of the Company, within the authorities delegated to him by the Board.
- Ensuring implementation policies and strategy across the Company as set by the Board.
- Day-to-day management of the executive and senior management team.
- Leading the development of senior management within the Company with the aim of assisting in the training and development of suitable individuals for future director roles.
- Ensuring that the Chairman is kept appraised, in a timely manner, of issues faced by the Company and of any important events and developments.
- Leading the development of the Company's future strategy including identifying and assessing risks and opportunities for the growth of its business and reviewing the performance of its existing businesses.

Role of Non-Executive Directors

The Board and management fully appreciate that an effective and robust Board whose members engage in open and constructive debate, and challenge management on its assumptions and proposals, is fundamental to good corporate governance.

The Company has adopted initiatives to put in place processes to ensure that Non-Executive Directors have sufficient time and resources to discharge their oversight function effectively. These initiatives include that:

Regular informal meetings are held by management to brief the Non-Executive Directors on prospective deals and potential developments at an early stage, before formal Board's approval is sought.

Periodic information papers and board papers on the latest market developments and trends, and key business initiatives are circulated to Non-Executive Directors on a timely basis to afford the directors time to review them.

The Company has also made available on the Company's premises an office for use by the Non-Executive Directors at any time for the Non-Executive Directors to meet regularly without the presence of management.

Directors' Attendance at Board Meetings:

DIRECTORS	January 27, 2022	March 29, 2022	April 28, 2022	May 23, 2022	July 28, 2022	October 27, 2022
Mr. Ramesh Kansagra	✓	✓	✓	✓	✓	✓
Mr.Adetunji Oyebanji	✓	✓	✓	✓	✓	✓
Alh. Abdulkadir A. Mamman	✓	✓	X	✓	✓	✓
Chief Paul C. Obi	✓	✓	✓	✓	✓	✓
Mr. Ramesh Virwani	✓	✓	✓	✓	✓	✓
Mr. Rishi Kansagra	✓	✓	✓	✓	✓	✓
Hon. Lawal M. Idirisu	NYA	✓	X	✓	✓	✓

Keys
✓ = **Present**
X = Absent with apology
NYA = Not yet Appointed

Board Committee

Finance, Risk, Governance and General Purpose Committee

The Board has delegated certain functions to its committee on Finance, Risk, Governance and General Purposes; the Committee has its own written terms of reference whose actions are reported to and monitored by the Board. The Board accepts that while this board committee has the authority to examine particular issues and will report to the Board with its decisions and/or recommendations, the ultimate responsibility on all matters lies with the Board. The Committee makes recommendation to the Board after its meetings. The setting up of the Committee is in compliance with the recommendation of the Ad-hoc committee that was set up by the Board to review and advise it on the general provisions in the National Code of Corporate Governance, 2018 issued by the Financial Reporting Council. The Committee has three members and was chaired by Alh. Aminu Abdulkadir Mamman. The Company Secretary serves as Secretary to the Committee.

The terms of reference of the committee include but not limited to the following:

- Regular review and assess the size and composition of the Board and Board Committees, and recommend the appropriate Board structure, size, age, skills, competencies, composition, knowledge, experience and background in line with needs of the business and the diversity required to fully discharge the Board's duties.
- Recommendation of membership criteria for the Board, Board Committee and subsidiary company Board.
- Identification at the request of the Board of specific individuals for nomination at Executive level of Management and to make recommendations on the appointment and election of New Directors to the Board.
- Review of the effectiveness of the process for the selection and removal of Directors and to make recommendations where appropriate.
- Ensure that there are approved policies for best corporate governance practice.
- Regular monitoring of compliance with Company's policies, code of ethics and business conduct.
- The review of the effectiveness of Company's overall risk management strategy.

- The identification and evaluation of new strategic risks including corporate matters involving regulatory, business development issues, etc.
- Review of the risk scorecard and determination of the risks to be escalated to the Board.
- Review the activities, findings, conclusions and recommendations of the auditors in relation to the company's financials.
- Review the Management Letter of the External Auditor and Management's response thereto.
- Review and recommend to the Board for approval, the contingency plan for specific risks.
- Conduct periodic review of changes in the economic and business environment, including emerging trends and other factors relevant to the company's risk profile.
- Handle any other issue referred to the Committee from time to time by the Board.

Attendance at Finance, Governance and General Purpose Committee

MEMBERS	March 28, 2022	October 26, 2022
Alh. Abdulkadir A. Mamman	✓	✓
Chief Paul C. Obi	✓	✓
Mr. Ramesh Virwani	✓	✓

Keys

✓ **= Present**

Statutory Audit Committee

The Statutory Audit Committee was established in line with Section 404 (2) (CAMA, 2020). In compliance with the provision of the CAMA, 2020 membership of the Committee is Five (Three shareholders' representatives and two directors' representatives). The Committee is chaired by Oloye Esan Ogunleye, a shareholder's representative while the Company Secretary serves as the Secretary to the Committee. The Committee meets every quarter, but could also meet at any other time, should the need arise. The Chief Financial Officer, Audit and Control Manager as well as the External Auditors are invited from time to time to make presentation to the Committee. All members of the Committee are financially literate.

The functions of the Statutory Audit Committee as listed in the terms of reference are:

- Ascertain whether the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices.
- Review the scope and planning of audit requirements.
- Review the findings on management matters in conjunction with external auditors and departmental responses thereon.
- Keep under review the effectiveness of the Company's system of accounting and internal control.
- Make recommendations to the Board in regard to the appointment, removal and remuneration of external auditors of the Company to ensure the independence and objectivity of the external auditors and that there is no conflict of interest which could impair the independent judgment of the external auditors.
- Authorize the internal auditors to carry out investigations into any activities of the Company which may be of interest or concern to the Committee.
- Assist in the oversight of the integrity of the Company's financial statements and establish and develop the internal audit function.
- Make a recommendation to the Board on the Dividend payout.

Attendance at Audit Committee Meetings

MEMBERS	March 27, 2022	April 27, 2022	July 27, 2022	October 26, 2022
Oloye Esan Ogunleye	✓	✓	✓	✓
Mr. Raphael Oluwole Osayameh	✓	✓	✓	✓
Barrister G. Adetutu Siyonbola	✓	✓	NMA	NMA
Alh. Abdulkadir A. Mamman	✓	×	✓	✓
Chief Paul C. Obi	✓	✓	✓	✓
Alh. Aminu Adamu	NYA	NYA	✓	✓

Keys

✓ **= Present**

X = Absent with apology

NMA = No More a Member

NYA = Not Yet a Member

Management

The daily running of the business is vested in the management leadership. This is led by the Managing Director/CEO, supported by the Executive Directors and Heads of Departments. The Business Units hold a weekly meeting to evaluate performance of the various aspects of the Company's operations and makes policy decisions in line with Board directives. The management leadership sets target for execution of tasks and reviews minutes at subsequent meeting to monitor compliance with such targets.

Induction and Training of Directors

The Company conducts orientation programs for new directors to familiarize newly appointed directors with business and governance policies. The orientation programs give directors an understanding of the Company's business to enable them to assimilate into their new roles. The program also allows the new directors to get acquainted with senior management, thereby facilitating board interaction and independent access to senior management. The Company attaches great importance to training its Directors and for this purpose, continuously offers training and education from reputable governance institution to its Directors, in order to enhance their performance on the Board and the various committees to which they belong.

Board Evaluation

In line with the recommendation of Financial Reporting Council's NCCG, 2018 and Securities and Exchange Commission Guideline No. 9 on NCCG, 2018, the Board carried out a self-evaluation which was conducted internally. The questionnaires were completed by members and the summary of the results was compiled by the Company Secretary and submitted to the Board. The Company's level of compliance with the code of corporate governance in the 2022 financial year was adequate and satisfactory.

Access to Information

Management recognizes the importance of ensuring the flow of complete, adequate and timely information to the directors on an ongoing basis to enable them make informed decisions to discharge their duties and responsibilities.

In order to allow directors sufficient time to prepare for the meetings, all Board and Board committee papers are distributed to the directors at least a week in advance of the meeting. Any additional material or information requested by the directors is promptly furnished. Employees who are able to provide additional insight into matters to be discussed are invited during Board and committee meetings.

The Board on its part recognizes the need to communicate and disseminate information regarding the operations and management of the company to all relevant stakeholders (including shareholders, regulatory authorities, media, analysts and the general public).

Independent Professional Advice

The Board has a process for directors, either individually or as a group, in the furtherance of their duties, to take independent professional advice, if necessary, at the company's expense.

Accountability and Audit

The Company recognizes the importance of providing the Board with accurate and relevant information on a timely basis. The reports keep the Board members informed of the Company's performance and position.

The directors are responsible for preparing the financial statement of the Company and ensuring that the financial statements are prepared in accordance with statutory requirements and applicable accounting standards. The Board also ensures timely publication of the financial statements of the Company.

Internal Control and Risk Management

The Company has established an in-house internal audit function. The internal audit is an independent function within the Company. The Head of Internal Audit reports directly to the Audit Committee functionally and to the CEO administratively.

The primary role of internal audit function is to assist the Board and senior management to meet the strategic and operational objectives of the Company, by providing an independent and objective evaluation of the adequacy and effectiveness of risk management, controls and governance processes. The Company's internal audit approach is aligned with the Company's risk management framework by focusing on key financial, operational, compliance and information technology risks. The annual internal audit plan is reviewed and approved by the Audit Committee. All internal audit findings, recommendations and status of remediation, are circulated to the Audit Committee, the CEO, the external auditors and relevant senior management.

The Head of Internal Audit presents the internal audit findings to the Board. The internal auditors have unfettered access to all the Company's documents, records, properties and personnel, including the audit Committee.

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 promotes an ethical corporate culture. Every Director and employee subscribes to comply with the Company's Standards of Business Conduct which covers our business principles and ethics.

Compliance Statement

The Company has complied with the requirements of the Securities and Exchange Commission's Guidelines on Corporate Governance for Public Companies in Nigeria and the NCCG, 2018.

The Company complied with the requirements guiding its operations and activities throughout the year and ensures that its existence and operations remain within the law.

Whistle-Blowing Policy

The Company is committed to a high standard of ethical conduct and adopts a zero tolerance approach to fraud. The Company will treat all information received confidentially and protect the identity and the interest of all whistleblowers.

All cases reported are objectively investigated and appropriate remedial measures are taken where warranted. Matters requiring immediate or urgent attention are reported immediately to the Audit Committee Chairman.

On an ongoing basis, the whistle-blower policy is covered during staff training and periodic communication to all staff as part of the Company's efforts to promote awareness of fraud control.

Securities Trading Policy

The Company has put in place a securities trading policy which has been circulated to all directors, employees and counterparts who may at any time possess inside or material information about the Company. This is to guard against situations where such personnel in possession of confidential and price sensitive information deal with Company's securities in a manner that amounts to insider trading.

In addition to the above, the company makes necessary disclosure as required under Rule 111 of the Securities and Exchange Commission which stipulates that Directors and top Management employees and other insiders of public companies shall notify the SEC of any sale or purchase of shares in the company, not later than forty-eight (48) hours after such activity.

Communication Policy

The Board and Management of the Company ensure that communication and dissemination of information regarding the operations and management of the company to shareholders, stakeholders and the public is timely, accurate and continuous, to give a balanced and fair view of the company's financial and non-financial matters. The company's website http://www.11 Plc.com is constantly updated with information as events occur.

External Auditors' Report

The Company conducts a review of the management letters provided by the External Auditors Annual Audit. The objective is to ensure that all identified deficiencies are promptly corrected and recommendations implemented in line with approved best practices and local regulatory guidelines.

Complaints Management Policy

The Company has put in place a complaints management policy framework to resolve complaints arising from issues covered under the Investments and Securities Act, 2007 (ISA). This can be found on the Company's website.

Company Secretary

Directors have separate and independent access to the Company Secretary. The Company Secretary is responsible for, among other things, ensuring that Board procedures are observed and that Company's Memorandum and Articles of Association, relevant rules and regulations, as well as laws are complied with. He also assists the Chairman and the Board in implementing and strengthening corporate governance practices and processes, with a view to enhancing long-term shareholder value.

The appointment and the removal of the Company Secretary is subject to the Board's approval.

Shareholders Participation and Protection of Shareholders' Rights

The Company recognizes the importance of maintaining transparency and accountability to its shareholders. The Board ensures that all the Company's shareholders are treated equitably and the rights of all investors, including minority shareholders are protected.

The Company is committed to providing shareholders with adequate, timely and sufficient information pertaining to changes in the Company's business activities, financial performance and other business related matters. This is done in line with the Code of Conduct for shareholders issued by the Securities and Exchange Commission.

All general meetings of shareholders are convened by the Board in accordance with the provisions of the Companies and Allied Matters Act and notices of meetings, agenda and all other statutory notices are communicated to the shareholders within the time specified by the laws.

The Company encourages shareholders' participation during the Annual General Meeting which is held in an accessible location. Shareholders are able to proactively engage the Board and management on the Company's business activities, financial performance and other business related matters.

Sustainability Report

Sustainability has long been a key consideration for our company. Adherence to health, safety and environmental regulations and increasing contributions to the societies in which we operate, form the core of existing sustainability strategies.

The Company's sustainability policy aligns with its sustainability strategy in achieving the following goals:

- Shared Prosperity in the area of enhancing local content & capacity, developing local skills and social investment.
- Responsible operations with focus on safety and wellness, responsible oil and gas marketing organization.
- Environmental stewardship.
- Equality & transparency through good corporate governance practice and promoting equality.

The summary of activities carried out are as follows:

Safety, Security, Health & Environment (SSHE)

The Company takes pride in its Safety, Security, Health & Environment programs (SSHE). The Company takes the health of its employees seriously; consequently, it has always maintained an on-site well-equipped Clinic manned by qualified and competent medical personnel. In addition, the Company also engages top health care providers to look after the health care needs of employees and their dependents. We comply with relevant statutory provisions and regulations on SSHE. In addition to the foregoing, the company annually organizes awareness programs such as the 2022 SSHE Week with a theme "The Monster Called Shortcut", the provision of a well manned Firefighting Truck/Tender for any emergencies and many other related activities, to mention a few.

Our occupational health and safety management system and environmental procedures and performances are subject to both internal and external audits and validations. The Company has a dedicated Health, Safety and Environment Manager saddled with the responsibilities of ensuring that all HSE matters are coordinated and attended to promptly. He also ensures that the company is in compliance with relevant laws and standards across various states and locations where the company operates.

Employment and Employees

The Company is an equal opportunity employer and does not discriminate on any grounds. Employment opportunities are open to all suitable qualified Nigerians irrespective of their place of origin, gender, age, sexual orientation, disability, political opinion or faith. The Company continues to pursue its policy of non-discrimination in recruitment and continued employment, offering physically challenged persons' career opportunities.

Business Diversification:

The company has made huge investment in keeping up the momentum for transitioning to low carbon in the gas market, with improved technologies and economics. Our investment in Liquefied Petroleum Gas (LPG) and Compressed Natural Gas (CNG) is providing a market for a stable supply of energy, innovation, resilience, and friendly environment. It's lower CO^{2} emission is eco-friendly which is suitable for both consumer and industrial use.

BY ORDER OF THE BOARD

Chris-Olumayowa Meseko, FCIS
FRC/2018/NBA/000000/19003
Company Secretary
Dated this 29^{th} day of March, 2023.

Report on the Board Performance Evaluation

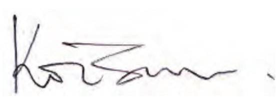
In compliance with Financial Reporting Council (FRC) NCCG, 2018 (Section 14.1) and Securities and Exchange Commission (SEC) Corporate Governance Guideline No. 9 on Board Evaluation, the Board carried out a self-evaluation for the year ended December 31, 2022 which was coordinated by the Company Secretary.

The Board's approach was to review the company's corporate governance activities, and all relevant policies and procedures. Questionnaires were administered to the Board Members and virtual interviews were conducted with the Directors.

The Board confirmed that the evaluation was carried out in accordance to the extant principles and guidelines and a follow up to the comprehensive Corporate and Board evaluation that was conducted by the External Governance Evaluator for the year end 2021.

We confirm that the significant areas as envisaged by Section 14.1 of NCCG, 2018 and SEC Guideline No. 9 have been complied with for the year under review.

This report forms part of the Corporate Governance Report of 11Plc for the year ended December 31, 2022.



Chris-Olumayowa Meseko, FCIS
Company Secretary
FRC/2018/NBA/00000019003
Dated this 29th day of March, 2023.

Statement of Directors' Responsibilities

The Companies and Allied Matters Act requires the directors to prepare the financial statements for each financial year that give a true and fair view of the state of financial affairs of the Group at the end of the year and of its profit or loss. This responsibility includes:

a) ensuring that the Group keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Group and comply with the requirements of the Companies and Allied Matters Act.

b) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; and

c) preparing the Group's financial statements using the suitable accounting policies supported by reasonable and prudent judgments and estimates that are consistently applied.

The directors accept responsibility for the annual financial statements, which have been prepared using the appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards (IFRS) and with the requirements of the Companies and Allied Matters Act 2020 and in compliance with the Financial Reporting Council (FRC) Act.

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company and of its profit or loss. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements as well as adequate systems of internal financial control.

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

Adetunji Oyebanji
Managing Director
Dated this 29th day of March, 2023.
FRC/2014/IODN/00000007151

Virwani Ramesh
Executive Director
Dated this 29th day of March, 2023.
FRC/2014/ANAN/00000009240

Statement of Corporate Responsibility on Preparation of Financial Statements

Further to the provision of section 405 of the Companies and Allied Matters Act, 2020, we certify:

a) that we have reviewed the Audited Financial Statements (AFS) of the Company for the year ended December 31, 2022.

b) that the AFS represents the true and correct financial position of our Company as at the said date of December 31, 2022.

c) that the AFS does not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading.

d) that the AFS fairly presents, in all material respects, the financial condition and results of operation of the company as of and for the year ended December 31, 2022.

e) that we are responsible for establishing and maintaining internal controls and affirm that the company's internal controls were effective as of December 31, 2022.

f) that all significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarise and report financial data have been disclosed to the Independent Auditor and the Audit Committee.

Adetunji Oyebanji
Managing Director
Dated this 29th day of March, 2023
FRC/2014/IODN/00000007151

Oluwabusayo Opara
Accounting Manager
Dated this 29th day of March, 2023
FRC/2023/PRO/ICAN/001/248288

Chartered Accountants

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REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF 11 PLC

Opinion

We have audited the consolidated financial statements of **11 Plc (the "Company"), and its subsidiary (the "Group")**, which comprise of the consolidated statement of financial position as at **31 December 2022**, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), 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 consolidated financial statements of the current year. The key audit matters are not a comprehensive reflection of all matters discussed. These matters were addressed in the context of our audit of the consolidated 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 that there are no other key audit matters to be communicated in our report.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Other Information

The directors are responsible for the other information. The other information comprises of the Managing Director's Foreword, Chairman's Statement, Report of the Directors, Corporate Governance Report, Statement of Directors' Responsibilities, Report of the Statutory Audit Committee and Other National Disclosures, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date.

Other information does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or 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 on the other information obtained prior to the date of this auditor's report, 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. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Grant Thornton

Responsibilities of Management and those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as going concern and using the intends to indicate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

i) Identify and assess the risks of material misstatement of the consolidated 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.

ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv) Conclude on the appropriateness of management's use of the going concern 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 consolidated 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.

v) Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transaction and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

Report on Other Legal and Regulatory Requirements

The Companies and Allied Matters Act, 2020 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

ii) In our opinion, proper books of account have been kept by the company; and

iii) The Group's Consolidated Statement of Financial Position and Consolidated Statement of Profit or Loss and Other Comprehensive Income are in agreement with the books of account.

Uchenna Okigbo, FCA
FRC/2016/ICAN/00000015653

For: GRANT THORNTON
(Chartered Accountants)
LAGOS, NIGERIA.

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
ICAN
0558738

Report of the Audit Committee

To the Members of 11 Plc

In compliance with Section 404 sub-section 7 of the Companies and Allied Matters Act, 2020, the committee reviewed the audited financial statements of the Group for the year ended December 31, 2022 and report as follows:

1. The accounting and reporting policies of the Group are consistent with legal requirements and agreed ethical practices.
2. The scope and planning of the external audit was adequate.
3. The Group maintained effective systems of accounting and internal control during the year.
4. Having reviewed the External Auditors' findings and recommendations, we are satisfied with management responses thereon.

Mr. Esan Ogunleye
FRC/2013/CIBN/00000003821
Chairman,
Audit Committee.

Dated this 28th day of March, 2023

Members of Audit Committee:

Aminu Adamu	FRC/2023/PRO/NIM/002/906793
Mr. Raphael Osayameh	FRC/2013/CIBN/00000003190
Alhaji Abdulkadir A. Mamman	FRC/2021/008/00000022657
Mr. Paul C. Obi	FRC/2014/NBA/00000009236

The Company Secretary, Mr. Olumayowa Meseko, served as Secretary to the Audit Committee.

11Plc

(Registration number RC 914)

Consolidated and Separate Financial Statements for the year ended December 31, 2022

Consolidated and Separate Statement of Financial Position as at December 31, 2022

	Note(s)	Group 2022 N. '000	Group 2021 N. '000	Company 2022 N. '000	Company 2021 N. '000
Assets					
Non-current assets					
Property plant and equipment	2	47,499,143	44,071,307	23,733,701	22,447,962
Investment property	3	12,913,008	15,485,562	12,913,008	15,485,562
Right-of-use-assets	6	1,457,369	1,810,224	1,457,369	1,810,224
Intangible assets	5	8,464	9,216	8,464	9,216
Investments in Subsidiary	7	-	-	22,100,000	22,100,000
Prepayments	9	14,086	23,673	14,086	23,673
		61,892,070	61,399,982	60,226,628	61,876,637
Current assets					
Inventories	10	23,208,226	18,080,574	22,946,892	17,870,814
Trade and other receivables	11	24,040,048	14,610,841	28,599,809	18,006,106
Prepayments	9	7,618,233	11,116,964	7,613,776	11,081,479
Cash and cash equivalents	14	25,050,249	18,012,074	24,547,702	17,693,269
		79,916,756	61,820,453	83,708,179	64,651,668
Total assets		141,808,826	123,220,435	143,934,807	126,528,305
Equity and Liabilities					
Equity					
Share capital	15	180,298	180,298	180,298	180,298
Share premium	15	14,380	14,380	14,380	14,380
Retained earnings	16	57,666,970	42,472,030	61,867,109	46,916,787
Total equity		57,861,648	42,666,708	62,061,787	47,111,465
Non current liabilities					
Deferred income	19	5,969,681	8,208,587	5,969,681	8,208,587
Deferred tax liability	8	7,066,444	5,622,110	7,183,919	5,622,110
Borrowings	17	10,000,000	10,000,000	10,000,000	10,000,000
Total non-current liabilities		23,036,125	23,830,697	23,153,600	23,830,697
Current liabilities					
Trade and other payables	22	46,805,684	43,961,720	45,009,857	42,824,833
Borrowings	17	-	4,000,000	-	4,000,000
Deferred income	19	11,904,429	6,796,501	11,812,953	6,796,501
Current tax payable	21	2,200,940	1,964,809	1,896,610	1,964,809
Total current liabilities		60,911,053	56,723,030	58,719,420	55,586,143
Total liabilities		83,947,178	80,553,727	81,873,020	79,416,840
Total Equity and Liabilities		141,808,826	123,220,435	143,934,807	126,528,305

The accounting policies and notes on pages 36 to 82 form an integral part of these financial statements.

The financial statements, accounting policies and the notes were signed on behalf of the Board of Directors on March 29, 2023 by:

ADETUNJI OYEBANJI
(FRC/2014/IODN/00000007151)
MANAGING DIRECTOR

RAMESH VIRWANI
FRC/2014/ANAN/00000009240
EXECUTIVE DIRECTOR

OLUWABUSAYO OPARA
FRC/2023/PRO/ICAN/001/248288
ACCOUNTING MANAGER

Consolidated and Separate Statement of Profit or Loss for the year ended December 31, 2022

		Group		Company	
	Note(s)	2022 N.'000	2021 N.'000	2022 N.'000	2021 N.'000
Revenue	24	371,899,701	243,457,406	363,108,909	239,405,325
Cost of sales	26	(331,176,957)	(223,503,391)	(330,224,974)	(223,025,193)
Gross profit		**40,722,744**	**19,954,015**	**32,883,935**	**16,380,132**
Other income	25	9,344,565	8,306,158	9,344,565	8,306,158
Selling and distribution expenses	27	(12,619,851)	(8,198,898)	(12,619,851)	(8,198,898)
Administrative expenses	27	(13,448,774)	(10,131,884)	(6,041,438)	(5,399,926)
Other operating expense	27	(11,355)	(31,775)	(11,355)	(31,775)
Operating profit		**23,987,329**	**9,897,616**	**23,555,856**	**11,055,691**
Finance income	29	334,282	302,058	334,282	302,058
Finance costs	28	(1,621,710)	(611,726)	(1,621,710)	(611,726)
Profit before taxation		**22,699,901**	**9,587,948**	**22,268,428**	**10,746,023**
Income tax expense	30	(4,439,901)	(3,507,238)	(4,253,046)	(3,507,238)
Profit for the year		**18,260,000**	**6,080,710**	**18,015,382**	**7,238,785**
Per share information					
Basic earnings per share (kobo)		**5,064**	**1,686**	**4,996**	**2,007**

The accounting policies and notes on pages 36 to 82 form an integral part of these financial statements.

11Plc

(Registration number RC 914)

Consolidated and Separate Financial statements for the year ended December 31, 2022

Consolidated and Separate Statement of Changes in Equity for the year ended December 31, 2022

	Share capital N '000	Share premium N '000	Other reserves N '000	Retained earnings N '000	Total equity N '000
Group					
For the year ended December 31, 2021					
Balance as at January 1, 2021	180,298	14,380	-	39,456,210	39,650,887
Asset write off				170	170
Profit for the year	-	-	-	6,080,710	6,080,710
Total	180,298	14,380	-	45,537,090	45,731,768
Dividends	-	-	-	(3,065,060)	(3,065,060)
Balance as at December 31, 2021	**180,298**	**14,380**	**-**	**42,472,030**	**42,666,708**
For the year ended December 31, 2022					
Balance as at January 1, 2022	180,298	14,380	-	42,472,030	42,666,708
Profit for the year	-	-	-	18,260,000	18,260,000
Total	180,298	14,380	-	60,732,030	60,926,708
Dividends	-	-	-	(3,065,060)	(3,065,060)
Balance as at December 31, 2022	**180,298**	**14,380**	**-**	**57,666,970**	**57,861,649**
Company					
For the year ended December 31, 2021					
Balance as at January 1, 2021	180,298	14,380	-	42,742,892	42,937,570
Asset write off				170	170
Profit for the year	-	-	-	7,238,785	7,238,785
Total	180,298	14,380	-	49,981,847	50,176,525
Dividends	-	-	-	(3,065,060)	(3,065,060)
Balance as at December 31, 2021	180,298	14,380	-	46,916,787	47,111,465
For the year ended December 31, 2022					
Balance as at January 1, 2022	180,298	14,380	-	46,916,787	47,111,465
Profit for the year	-	-	-	18,015,382	18,015,382
Total	180,298	14,380	-	64,932,169	65,126,847
Dividends	-	-	-	(3,065,060)	(3,065,060)
Balance as at December 31, 2022	**180,298**	**14,380**	**-**	**61,867,109**	**62,061,787**
Note(s)	15	15		16	

Asset write off relates to the realignment of asset class done in 2021.

The accounting policies and notes on pages 36 to 82 form an integral part of these financial statements.

Consolidated and Separate Statement of Cash Flows for the year ended December 31, 2022

	Note(s)	Group 2022 N. '000	Group 2021 N. '000	Company 2022 N. '000	Company 2021 N. '000
Cash flows from operating activities					
Profit before taxaton		22,699,901	9,587,948	22,268,428	10,746,023
Adjustment for non cash items					
Net finance cost/(income)	28&29	1,287,428	309,668	1,287,428	309,668
Depreciation of PPE and investment property	2&3	5,563,505	5,100,343	3,742,470	3,584,463
Depreciation of right-of-use asset	6	259,213	262,471	259,213	262,471
Amortization of intangible assets	5	752	11,948	752	11,948
Expected credit loss	12	96,560	38,421	91,921	33,564
(Gain)/ Loss on Sale of Property, Plant and Eqiupment	2	11,355	-	11,355	-
Amortisation of deferred rental income	19	(8,224,994)	(7,866,401)	(8,224,994)	(7,866,401)
Exchange (gain)/loss		(1,339,387)	(1,252,894)	(1,339,387)	(1,252,894)
Operating profit before working capital changes		**(2,345,568)**	**(3,396,444)**	**(4,171,242)**	**(4,917,181)**
Working capital adjustments/changes					
(Increase)/Decrease in inventories	10	(5,127,652)	(9,023,824)	(5,076,078)	(8,896,049)
(Increase)/Decrease in due from related companies	11	(10,524,122)	-	(11,765,155)	(3,730,685)
(Increase)/Decrease in foreign currency deposit for imports	12			-	
(Increase)/Decrease in trade receivables and bridging claims	11	1,080,028	(2,789,911)	1,119,718	(2,405,081)
(Increase)/Decrease in other debtors and prepayments	11	3,426,645	(7,573,873)	3,437,104	(6,802,298)
(Increase)/Decrease in due to related companies	22	3,328,424	8,028,932	3,005,743	8,085,970
Increase/(Decrease) in trade creditors & bridging allowance	22	1,810,152	6,978,526	1,617,909	6,637,574
Increase/(Decrease) in other creditors and accruals	22	(2,294,612)	4,035,032	(2,438,629)	4,075,938
Net changes in current assets and liabilities		**(8,301,137)**	**(345,118)**	**(10,099,388)**	**(3,034,631)**
Income taxes paid	21	(2,759,435)	(1,332,553)	(2,759,435)	(1,332,553)
Witholding tax	19				
Income received	19	11,094,016	5,094,471	11,002,540	5,094,471
Retirement benefits paid				-	-
Pension asset funding	15			-	
Value Added tax paid				-	-
Net cash generated from operating activities		**20,387,777**	**9,608,304**	**16,240,903**	**6,556,129**
Cash flows from investing activities					
Purchase of property, plant and equipment	2	(6,301,501)	(8,567,260)	(2,338,369)	(5,585,237)
Reclass to Property, plant, Equipment	6	-	-	-	-
Net acquisition cost	3			-	
Purchase of investment property assets	4			-	-
Proceeds from sale of property, plant and equipment	2	-	33,281	-	33,281
Interest received	29	334,282	302,058	334,282	302,058
Proceeds from disposal of leasehold land					
Net cash used in investing activities		**(5,967,219)**	**(8,231,921)**	**(2,004,087)**	**(5,249,898)**
Cash flows from financing activities					
Borrowing	11	(4,000,000)	9,000,000	(4,000,000)	9,000,000
Dividend paid	16	(3,065,060)	(3,065,060)	(3,065,060)	(3,065,060)
Finance to purchase right-of-use-assets	6	(35,000)	(226,440)	(35,000)	(226,440)
Long-term borrowings					
Interest Paid	28	(1,621,710)	(611,726)	(1,621,710)	(611,726)
Net cash used in financing activities		**(8,721,770)**	**5,096,774**	**(8,721,770)**	**5,096,774**
Net (Decrease)/Increase in cash and cash equivalents		**5,698,789**	**6,473,157**	**5,515,046**	**6,403,005**
Cash and cash equivalents at January 1		18,012,074	10,286,023	17,693,269	10,037,370
Effect of exchange (gain)/loss movement on cash balances		1,339,387	1,252,894	1,339,387	1,252,894
Cash and cash equivalents at December 31	14	**25,050,249**	**18,012,074**	**24,547,702**	**17,693,269**

The accounting policies and notes on pages 36 to 82 form an integral part of these financial statements.

Reporting Entity

11Plc (**formerly Mobil Oil Nigeria plc**) was incorporated as a Private Limited Liability Company in 1951. It became a public limited liability company in 1978 and its share capital was listed on the Nigerian Stock Exchange (the Exchange) until Friday, May 7, 2021.

Further to its voluntary delisting from the Exchange, 11Plc shares are now listed on the platform of NASD OTC Securities Exchange with effect from June 18, 2021.

ExxonMobil plc conducted the transfer/sale of her 60% holding in Mobil Oil Nigeria plc. (MON) to NIPCO Investment Limited, a wholly-owned subsidiary of Nipco Plc in 2017. As at December 31, 2022, Nipco Group shareholding in 11Plc is 84.13% while other investors hold 15.87%.

The Change in Control (CIC) resulted in the change of the Company name to 11Plc (Double One plc).

The Company was formed principally for the marketing of petroleum products. The Petroleum products the Company sells include; Petrol, Diesel, Aviation fuel, Liquefied petroleum gas, Kerosene and Lubricants. Petrol, Diesel, Liquefied petroleum gas and Kerosene are mainly sold through the Company's service stations while Lubricants are sold through distributors. Aviation fuel is sold at Murtala Muhammed Airport.

All the fuels which the Company sells are purchased either from the Nigerian National Petroleum Corporation or from other third party suppliers. Lubricants are blended locally or purchased from ExxonMobil Corporation through a related party.

In 2020, 11Plc acquired the full and complete ownership of Lagos Continental Hotel as her wholly owned subsidiary. The Company also has some investment properties which are leased for office and residential purposes at market rate.

Significant accounting policies

1. Statement of compliance

The consolidated financial statement of the Company has been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and in conformity with the Financial Reporting Council (FRC) of Nigeria Act 2011 and the Companies and Allied Matters Act 2020. The financial statements were authorized for issue by the board of directors on March 29, 2023.

2. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary as at December 31, 2022. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with investee and has the ability to affect those returns through its power over the investee. 11Plc has 100% control of her wholly owned subsidiary 11 Hospitality formerly called Lagos Continental hotel.

3. Business Combination

Business combination are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interest in the acquiree. When the Company acquired 11 Hospitality it acquired all the assets "without recourse" to any outstanding liability. The value of the asset was assessed as appropriate and of same value with the purchase consideration.

For business combination acquisition-related cost are expensed as incurred and included in administrative expenses. No contingent liability/asset was transferred at acquisition.

4. Investment in Subsidiary

11Plc adopts a policy of accounting for its investments in subsidiary at cost less impairment. The reference to 'cost' includes an amount which applies to shares issued as consideration for the acquisition of a subsidiary. The cost is stated based on the nominal value of the shares issued rather than at fair value.

5. Functional and presentation currency

These financial statements are presented in Nigerian Naira which is the Groups' functional currency. The financial statements have been rounded to the nearest thousands, except where stated otherwise.

6. Basis of measurement

The financial statements have been prepared under the historical cost convention except for the following items in the statement of financial position:

- employee loans measured at amortised cost
- inventory measured at lower of cost and net realisable value
- trade receivables measured at amortised cost.

7. Going concern

The financial statements have been prepared on a going concern basis and there are no uncertainties that may cast doubt on the Company's ability to continue as such.

8. Use of estimates and judgment

In preparing the financial statements, management is required to make use of estimates and assumptions that affects the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgment are inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements. The statement of accounting policies forms an integral part of these financial statements.

9. Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current and/or non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Is due to be realized within 12 months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Non-current assets are due to be settled more than 12 months after the reporting period.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

10. Interest in Joint Operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

A joint arrangement is an arrangement of which two or more parties have joint control. A joint arrangement has the following characteristics:

- the parties are bound by a contractual arrangement, and
- the contractual arrangement gives two or more of those parties joint control of the arrangement.

A joint arrangement is either a joint operation or a joint venture.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Group accounts for the assets, liabilities and expenses relating to its interest in its joint operations in accordance with applicable IFRSs.

11. Investment property

Investment property is recognised as an asset when it is probable that the future economic benefits associated with the investment property will flow to the Group and the cost of the investment property can be measured reliably. The details of the properties are disclosed on page 61.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property.

Subsequent costs are included in the carrying amount of the investment property or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Cost model

Investment property is carried at cost, less depreciation and any impairment losses.

Assets under Construction is not subject to depreciation until they are completed.

Depreciation is calculated on the assets (excluding land) on a straight line basis to write down the cost to their residual values over their estimated useful lives as follows:

Item	**Average useful life (years)**
Land	Infinite
Buildings	20 - 50
Plant and equipment	10 - 30
Fixtures and fittings	5 – 15
Motor vehicles	4 – 5

Land is not depreciated.

Residual values, method of depreciation and useful lives of the assets are reviewed annually and adjusted when appropriate.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

12. Property, plant and equipment

All categories of property, plant and equipment are initially recorded at cost. Cost includes expenditures that are directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Interest is capitalised as an increase in property, plant and equipment on major capital projects during construction. All property, plant and equipment are stated at historical cost less depreciation.

Assets under Construction are included in property, plant and equipment but are not subject to depreciation until they are available for use and transferred to the appropriate asset class.

Property and equipment are derecognised on disposal, or when no future economic benefits are expected from their use or disposal and gains and losses on disposal are determined by comparing proceeds with carrying amount.

Depreciation is calculated on a straight line basis over the useful lives (excluding land) and impairment losses and gains and losses on disposals of property, plant and equipment are included in profit or loss.

Repairs and maintenance costs are charged to profit or loss during the period in which they are incurred.

Residual values, method of depreciation and useful lives of the assets are reviewed annually and adjusted when appropriate.

The Group depreciates significant parts of plant and equipment which are replaced at intervals separately based on their specific useful lives.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Average useful life (years)
Land	Infinite
Buildings	20 - 50
Plant and equipment	10 - 30
Fixtures and fittings	5 – 15
Motor vehicles	4 – 5

13. Intangible assets

The Group's intangible assets are classified into two groups:

a) Software License:

These are acquired computer software licenses and are capitalised on the basis of costs incurred to acquire and bring to use the specific software. The costs are amortised on a straight line basis over 15 years which is the estimated useful life of the software. Upgrades are amortised over the remaining useful life of the asset and costs associated with maintaining computer software programs are recognised in expense as incurred. This was fully amortised in 2021.

b) Permits

These are capitalised amounts paid to a third-party for a right of way permit. The permit is for 20 years and it is amortised using the straight line method.

Intangible assets amortisation is recognised in profit or loss. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. These are reviewed annually and adjusted when appropriate.

Intangible assets are derecognised on disposal or when no future economic benefits are expected from their use or disposal.

14. Financial instruments

a) Initial recognition and measurement

Financial instruments are recognised initially when the Group becomes a party to the contractual provisions of the instruments. The Group initially measures its financial instruments at fair value. See accounting policy 29 on fair value measurement.

b) Subsequent measurement

Subsequent to initial measurement, financial instruments are measured at amortised cost. The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest rate method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

c) Derecognition

In determining whether the financial asset is due for derecognition, the Group considers the following factors:

- an asset in its entirety or
- specifically identified cash flows from an asset (or a group of similar financial assets) or
- a fully proportionate (pro rata) share of the cash flows from an asset (or a group of similar financial assets). or
- a fully proportionate (pro rata) share of specifically identified cash flows from a financial asset (or a group of similar financial assets)

Derecognition is appropriate after the group assess that all control has been relinquished and it has neither retained nor transferred substantially all of the risks and rewards of the asset.

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

d) Classification

Financial assets

Subsequent to initial recognition, all financial assets of the Group are measured at amortised costs. The Group's financial assets include:

I. Trade receivables: fair value approximates the amortised cost as the difference is deemed immaterial

II. Employee loans: amortised cost using the effective interest rate.

III. Cash equivalents; fair value approximates the amortised cost as the difference is deemed immaterial

The Group's financial assets are subsequently measured at amortised cost if they meet both of the following criteria:

- 'Hold to collect' business model test - The asset is held within a business model whose objective is to hold the financial asset in other to collect contractual cash flows; and
- 'SPPI' contractual cash flow characteristics test - The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding on a specified date. Interest in this context is the consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time.

Financial liabilities

Subsequent to initial recognition, all financial liabilities of the Group are measured at amortised costs. The Group's financial liabilities include:

I. Trade & other payables: fair value approximates the amortised cost as the difference is deemed immaterial

II. Borrowings: measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Company's accounting policy for borrowing costs.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs, to the extent there is no evidence that it is probable that some or all of the facility will be drawn down; the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Financial liabilities are measured at amortised cost by the Group unless either:

- The financial liability is held for trading and is therefore required to be measured at FVTPL, or
- The Company elects to measure the financial liability at FVTPL (using the fair value option).

e) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle it on a net basis, to realise the assets and settle the liabilities simultaneously.

f) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, deposit received from customers and other short-term highly liquid investments. Bank overdrafts that form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of statement of cash flows. Bank overdrafts are shown in current liabilities on the statement of financial position.

g) Impairment

The Group recognises loss allowances for expected credit losses (ECL) on trade receivables. The Group applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Measurement of ECL

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The historical loss rates are adjusted to reflect current and forward-looking information on economic factors that may affect the ability of the customers to settle the receivables. The amount of expected credit loss is recognised in the profit or loss account and deducted from the carrying amount in the statement of financial position.

At each reporting date, the Group assesses whether one or more events that have a detrimental impact on the estimated future cash flows of the receivables has occurred.

Evidence that the future cash flow may be impaired includes the following observable data:

- Significant financial difficulty of the customer
- A breach of contract
- It is becoming probable that the customer will enter bankruptcy or other financial reorganization; or

In making an assessment of whether a customer is credit worthy and in determining the loss rate, the Group considers the following factors.

- The credit ratings, and payment terms of trade customers.
- Financial risk assessments, TAR trend analysis,
- Legal framework, management quality, Business ethics and integrity,
- Risk behavior and vulnerability,
- Competitive position and payment performance of the customers.

Employee loans

Employee loans are limited to 25% of employee's emoluments in line with human resource policy. There has been no history of default as repayment are deducted from the employee's monthly salary. If the employee retires or is separated, the outstanding loan balance is deducted from the final entitlement. Expected credit loss is nil.

15. Current and deferred income tax

Income tax expense is the aggregate of the charge to the profit or loss account in respect of current income tax, education tax and deferred tax.

Current income tax liabilities are recognised in line with the provisions of the Companies Income Tax Act and Tertiary Education Trust Fund Act. Income tax is determined at 30% of taxable profit and education tax is determined at 2.5% of assessable profits. Capital gains tax liability is charged on applicable capital asset disposals where the proceeds are not to be reinvested in a similar asset.

Deferred tax is provided using the liability method on all temporary differences arising between the tax basis of assets and liabilities and their carrying values for financial reporting purposes in accordance with the provisions of IAS 12. Current tax rates are used to determine deferred taxes.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income, in which case the tax is also recognised in other comprehensive income.

Deferred tax liabilities are recognised for all taxable temporary differences, except: When the deferred tax liability arises from the Initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets arise from deductible temporary difference, unused tax losses and unutilised tax credit. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except: When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current assets against current liabilities. Deferred income taxes assets and liabilities relate to income levied by the same taxation autho rity

on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

16. Leases: Right-of-use

An arrangement is recorded (or contains) as a lease based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. The lease contract is for the service station land and building.

IFRS 16 replaces existing leasing guidance, including IAS 17 'Leases' and IFRIC 4 'Determining whether an arrangement contains a lease'.

Lessees are to be to accounted for most contracts under an on-balance sheet model, with the distinction between operating and finance leases being removed.

As a lessee

Recognise right-of-use lease assets and lease liabilities on the balance sheet:

The right-of-use asset is measured at cost less accumulated depreciation and impairment losses. The lease term over which the asset will be depreciated is based on the contract terms. This can range from 5 - 99 years.

The Company also has certain leases with lease terms of 12 months or less and low value leases. The Company has elected to apply the 'short-term lease' and 'lease of low-value assets' recognition exemptions for those leases.

Liabilities are measured based on the present value of future lease payments over the lease term. The Company pays the total lease amount on inception of the lease, as such, recognition of liability is not applicable.

As a lessor

The policy remains the same.

Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

The Company owns investment properties which are leased out under operating lease agreements to a third party.

The lease income from the operating leases is recognised in income on a straight-line basis over the lease term. Costs, including depreciation, incurred in earning the lease income are recognised as an expense.

17. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost includes expenditure incurred in acquiring and transporting the stock to its present location. Cost is determined using the first-in, first-out (FIFO) method for lubricant products and weighted average method for fuels products. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. If the carrying value exceeds the net realisable value, an inventory writes down is recognised.

Spare parts which are expected to be fully utilised in production and other consumables are valued at historical cost.

18. Employee benefits

The Group operates a defined contribution plan for all its active employees and defined benefit plan for its Annuitants.

a) Short term benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation and sick leave, and non-monetary benefits such as medical care), are recognised in the profit or loss in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

b) Post-employment benefits

Defined Benefit - Pension

This plan defines the amount of pension benefit to be provided and it is generally funded by payments to independent pension fund administrators.

The Company still adopts the defined benefit scheme for its Annuitants.

The defined benefit plan defines the amount of pension benefit that an employee will receive on retirement which is dependent on one or more factors as determined by the actuary. The defined benefit obligation is calculated by the actuary using the projected unit credit method.

Defined Contribution

In compliance with the PENCOM Act of 2014, the Company adopted a defined contribution scheme in 2014 for new employees. This is a pension scheme under which 11Plc pays fixed contributions into a Pension Fund as an amount or as a percentage of the pay of participants under the scheme as disclosed in retirement benefits Notes18. Employer's contribution is 10% and Employee's contribution is 8%.

Defined contribution payments are funded from the operating expense on a monthly basis and there is no outstanding obligation after the funding.

When the employee renders services, pension costs are recognised as expenses in the Statement of profit or loss.

All active employees were migrated fully to the defined contribution scheme on February 1st, 2017.

c) Termination benefits

Termination benefits are recognised an expense when the Group is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. The Group settles termination benefits within twelve months and are accounted for as short-term benefits.

19. Provisions and contingencies

Provisions are recognised as best estimates on statement of financial position date. They are recognised when the Group has a legal or constructive obligation as a result of past events and where it is more likely than not that an outflow of resources will be required to settle the obligation. A reliable estimate of the amount to settle the obligation must also be possible before a provision is made. The measurement of provisions takes into consideration the time value of money and risk specific to the obligation. The increase in provision due to the passage of time is recognised as an interest expense. The carrying amount of provisions are regularly reviewed and adjusted for new facts, changes in law or regulation. Where the above conditions are not met, a contingent asset/liability is disclosed in the notes to the financial statements.

20. Revenue recognition

The Group recognises revenue in accordance with the core principles below:

a) Identify the contract(s) with a customer

A customer is a party that has contracted with the Company to buy petroleum products (Petrol, Aviation fuel, Diesel, Liquefied petroleum gas, Kerosene and Lubricants) or rendering of service (by providing a room, sales of food and beverages to hotel guest) in exchange for a consideration. The subsidiary is a hospitality company which largely offers lodging, meals and guest services to clients. Revenue from contracts with customers is recognised when it is established that a transfer of goods and service has taken place at a consideration that the subsidiary expects to be entitled in exchange for such manner of goods and services.

b) Identify the performance obligations in the contract

Sales are recognised when control is transferred to the customer. This could be at the point of delivery/service confirmation, or at the point of load confirmation for pick-ups. Rooms/accommodation service is deemed performed at the time of checking in by the customer. Revenue is recognised over the time period of stay as the customer utilises the provision of the benefit from the accommodation. The performance obligation lapses after ownership has been transferred.

c) Determine the transaction price

Transaction price is the agreed amount identified in the contract. It represents that amount of revenue to be recognised as the performance obligation is satisfied.

Revenue from these sales is recognised based on the price specified in the contract, net of the applicable volume discounts. No element of financing is deemed present. Revenue from hospitality business is recognised based on the contract price net of any agreed discount and commissions.

d) Allocate the transaction price to the performance obligations in the contract

The price is recognised in the statement of profit or loss.

e) Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is recognised at the point in time.

Disaggregation of revenue from contracts with customers

The Group derives revenue from four major categories namely: fuels, liquefied petroleum gas, lubricants and hospitality service. The Group has determined that the disaggregation of revenue based on the criteria of types of products meet the disclosure requirements of IFRS 15 as it depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. See further details on page 73.

21. Interest Income

Interest income related to employee benefits are recognised in the Group's financial statements using the effective interest rate method and interest rate on short-term deposits are recognised in the Group's financial statements at fair value.

22. Other Income

Other income refers to all other sources of income apart from the sale of petroleum products and hospitality service which the Group receives. The Group generate revenue from other stream which includes amongst others, rental income, backcourt income, laundry service, business center, gym, space rental and secretarial service.

Rental income refers to rent the Company gets from its investment property and service stations. This income is recognised on a straight line basis over the lease term.

Backcourt income refers to income recognised from the use of the backcourt on some of the Company's service stations by UAC, Devyani, Finger licking, Eat n go, Food concept, Sommes, Royalty bakery, Abraham seed, Mandillas and UPS.

23. Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.

Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred. The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred, and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted and ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. All other borrowing costs are recognised as expense in the period they are incurred.

24. Translation of foreign currencies

Transactions in foreign currencies are recorded at the official rates of exchange on the transaction date. At the end of each reporting period, monetary items denominated in foreign currency are translated at the official rates prevailing at that day while non-monetary items that are measured in terms of historical cost in foreign currency are not translated.

Assets and liabilities denominated in foreign currency are translated at the applicable official rates of exchange on the reporting date. Exchange gains and losses are included in the profit or loss of the period in which they arise.

Exchange differences on monetary items are recognised in profit or loss in the period in which they occur.

25. Segment reporting

The Company has two business segments - Petroleum Products Marketing & Property Business. The Directors have determined operating segments based on the nature of the Company's business and performance reports reported to the Chief Operating Decision Maker (CODM). See further details in note 37.

These business segments have been grouped in a manner consistent with internal reporting and as provided to the chief operating decision maker (Executive Directors). The Company's activities that are significantly integrated or interdependent are not considered as separate business segments and no operating segments have been aggregated.

The Petroleum Products Marketing segment generates revenue from the sale of white products and company lubricants while the Property business generates income from the rent paid on its investment properties and service stations; and income from 11 hospitality.

26. Share capital and reserves

a) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of shares are recognised as a deduction from equity

b) Dividend payable

Proposed dividends for the year are recognised as a liability after the statement of financial position date, when declared and approved by shareholders at the Annual General Meeting.

c) Share premium

Premiums from the issue of shares are reported in share premium.

d) Retained earnings

Retained earnings comprise the undistributed profits from previous periods which have not been reclassified to any specified reserves.

e) Earnings per share

Basic earnings per share are calculated by dividing the profit attributable to ordinary shareholders of the Company by the number of shares outstanding during the year.

27. Deferred income

This relates to advance rent received from investment property. The current portion is amortised to income within one year on a straight line basis while the non-current portion is initially carried at initial cost and subsequently at face value.

28. Impairment of non-financial assets

The Group assesses at the end of each reporting period whether there is any indication that an asset other than deferred tax assets may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.
The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less cost to sell and its value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is recognised as an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

29. Fair value measurement

The fair value of the employee loans and its investment properties are reported for disclosure in the financial statements. The Directors oversee all policies, procedures, significant valuation techniques and inputs for 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.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

External valuers are involved for valuation of significant assets, such as investment properties and significant liabilities, such as contingent consideration.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

• Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

• Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

The fair value of investment properties and employee loans are categorised as Level 3.

In determining the fair value of the investment properties, the market approach valuation technique was used. There was no change in valuation technique during the year. In estimating the fair value of the investment properties the highest and best use of the properties is their current use.

Amortised cost using the effective interest rate is used in valuing employee loans.

30. Key accounting assumptions

The key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date which may have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below.11Plc based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Valuation of Investment properties

11Plc carries its investment properties at cost. The Company engaged an independent valuation specialist to assess the fair value as at December 2022.

The investment property assets were valued by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property.

There is no significant risk or uncertainty as at December 31, 2022 that will lead to material adjustment of the carrying amounts of assets and liabilities within the next financial year.

31. Key accounting Judgments

In the process of applying the Group’s accounting policies, the Directors have made the following judgments, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Lease commitments – 11Plc as lessor

The Company has entered into commercial property leases on its investment property portfolio. The Directors have determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains all the significant risks and rewards of ownership of these properties.

Financial risk management

Financial instruments in the consolidated statement of financial position comprise of cash and cash equivalents (Note 14), trade and other receivables (Note 11), trade and other payables (Note 22).

The Directors are responsible for reviewing and agreeing policies to manage the risk the Group's operations are exposed to. The Group's operations are exposed to the following risks:

Capital risk

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, provide returns to shareholders, benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group consists of debt, which includes borrowings, overdraft and cash and cash equivalents disclosed in Note 14 and 17 and equity as disclosed in the consolidated statement of financial position Notes 15 and 16

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or utilise assets to reduce debt.

The Group monitors capital on the basis of its gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position.

The Group is not exposed to any external imposed capital requirement.

The gearing ratio at the end of the reporting period was as follows:

	Group		Company	
Debt to Equity Ratio	**2022**	**2021**	**2022**	**2021**
	(N'000)	**(N'000)**	**(N'000)**	**(N'000)**
Total debt (i)	(10,000,000)	(14,000,000)	(10,000,000)	(14,000,000)
Cash and bank balances	25,050,249	18,012,074	24,547,702	17,693,269
Net Assets	15,050,249	4,012,074	14,547,702	3,693,269
Total equity (ii)	57,699,708	42,666,708	61,867,109	47,111,465
Net debt /equity	-	-	-	-

(i) Total debt is the borrowings as disclosed in note 17
(ii) Total equity includes all capital and reserves of the Group as described in note 15 and 16

Liquidity risk

The Group manages liquidity risks by maintaining adequate reserves and prudent working capital management. In addition, the Group has access to sufficient debt funding sources and to committed borrowing facilities to meet current business requirements.

The Group does not have any risk concentrations as the Group can get extended facility from suitable sources.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Group

2022	Less than 3 months (N'000)	Between 3 months and 1 year (N'000)	Greater than 1 year (N'000)
Trade and other payables	44,834,545	-	-
Borrowings	10,000,000	-	-

2021	Less than 3 months (N'000)	Between 3 months and 1 year (N'000)	Greater than 1 year (N'000)
Trade and other payables	42,135,053	-	-
Borrowings	14,000,000	-	-

Company

2022	Less than 3 months (N'000)	Between 3 months and 1 year (N'000)	Greater than 1 year (N'000)
Trade and other payables	43,038,718	-	-
Borrowings	10,000,000	-	-

2021	Less than 3 months (N'000)	Between 3 months and 1 year (N'000)	Greater than 1 year (N'000)
Trade and other payables	40,998,166	-	-
Borrowings	14,000,000	-	-

Trade and other payables excludes VAT payables, WHT, consumption tax and unclaimed dividends.

At the end of the year, the Company had the following overdraft facilities:

Bank Name	Facility Type	Facility Amount (N'000)	Used Lines (N'000)	Unused Lines (N'000)	Interest rates (%)
Zenith Bank	Uncommitted	7,000,000	-	7,000,000	18

The Carrying amount of the used lines of overdraft equals its fair value.

Liquidity risk on cash is limited because the counterparties are banks with good credit-ratings. At the end of the financial year, the Group had the following cash balances:

				N'000
	Group		Company	
Rating	**2022**	**2021**	**2022**	**2021**
A+	542,912	110,048	542,912	110,048
B	3,225,455	-	3,182,814	-
B-	21,280,581	17,907,705	20,821,976	17,582,900
N/A	1,301	321	-	321
	25,050,249	**18,012,074**	**24,547,702**	**17,693,269**

The bank ratings were obtained from Standard & Poor's and Fitch rating agencies.

Interest risk

The Group is exposed to interest rate risk because it borrows funds at rates subject to movements in the money market. The Group's interest risk arises from overdraft and borrowings from banks.

The Group does not manage its exposure to interest rate risk and does not apply ECL on it because the maximum exposure envisaged is deemed negligible as illustrated by the interest rate sensitivity below.

Interest expense relates to expense on overdraft and interest payable to dealers for deposits with the Company.

The analysis below shows the impact of a ±1% change in the interest rates on the Statement of Profit or Loss as at end of December 2022.

Group

2022	**Interest Expense**	**Annualized int. As at Dec 2022.**	**Naira (Sensitivity + 1%)**	**Naira (Sensitivity - 1%)**
	(N'000)	**%**		
Net financing	1,621,710	9	9	(9)

2021	**Interest Expense**	**Annualized int. As at Dec 2021.**	**Naira (Sensitivity + 1%)**	**Naira (Sensitivity - 1%)**
	(N'000)	**%**		
Net financing	611,726	11	11	(11)

Company

2022	**Interest Expense**	**Annualized int. As at Dec 2022.**	**Naira (Sensitivity + 1%)**	**Naira (Sensitivity - 1%)**
	(N'000)	**%**		
Net financing	1,621,710	9	9	(9)

2021	**Interest Expense**	**Annualized int. As at Dec 2021.**	**Naira (Sensitivity + 1%)**	**Naira (Sensitivity - 1%)**
	(N'000)	**%**		
Net financing	611,726	11	11	(11)

Credit Risk

The Group's credit policy ensures that credit sales are only made to credit worthy customers. These policies include detailed credit assessment of individual customers and regular monitoring of credit balances. Other policies include securing the credits with bank guarantees from Group selected 'A' rated banks and introducing deposit schemes for the customers.

Mitigating measures are defined and implemented for high-risk customers. These include shortened payment terms, vigorous collection efforts and limiting the amount of credit exposure to any individual customer.

There is no material concentration of credit risk geographically or with individual customers and there has been no significant level of counterparty default in recent years.

Trade and other receivables excludes WHT.

	Group		Company	
Age analysis of receivables(Net amount)	**2022 (N'000)**	**2021 (N'000)**	**2022 (N'000)**	**2021 (₦'000)**
Current	19,295,159	8,776,248	25,244,761	11,94,004
Overdue 1 - 30 days	275,147	267,228	79,426	267,228
Overdue 31 - 60 days	-	2,052,745	-	2,052,745
Overdue 61 - 90 days	2,666,998	908,226	1,755,090	908,226
Overdue 91 - 180 days	-	1,203,090	-	1,203,090
Overdue 181 days	538,954	535,741	317,520	1,210,250
Total	**22,776,258**	**13,743,278**	**27,396,797**	**17,138,543**

	December 31, 2022 (N'000)	December 31, 2021 (N'000)	December 31, 2022 (N'000)	December 31, 2021 (N'000)
Trade receivables	10,895,571	12,014,420	10,475,910	11,629,191
Allowance for expected credit losses	(99,560)	(38,421)	(91,921)	(33,564)
	10,799,011	11,975,599	10,383,989	11,595,627

Information about the Group's impairment policies and the calculation of the loss allowance are provided on page 42.

Bank Balance

Counterparties are banks with good credit-ratings. The maximum exposure to credit risks in the Group bank balance as at the end of 2022 financial year is limited to ₦25B.

Foreign Exchange Risk

The Group transacts a significant portion of its purchases and some of its sales in foreign currency, and is exposed to foreign exchange risk on these transactions. The Group has no long term assets or liabilities denominated in foreign currency. It offsets its foreign currency assets and liabilities and settles the net exposure at prevailing exchange rates. The liabilities are payments due to foreign suppliers and assets are foreign currency prepayments and deposits to products. The Group does not hedge its foreign exchange exposure and instead seeks to recover currency effects through product pricing where appropriate.

The table below shows the before tax impact to Statement of Profit or Loss of a ± 10% movement in the exchange rate

Bank and Open Items

Group

2022	Foreign Currency	Exchange Rate	Naira at Dec, 2022	Naira* (Sensitivity -10%)	Naira** (Sensitivity +10%)
	('000)		('000)	('000)	('000)
USD	8,600	461.100	3,965,434	396,543	(396,543)
GBP	14	555.487	8,036	804	(804)
EURO	1	492.685	426	43	(43)

Company

2022	Foreign Currency	Exchange Rate	Naira at Dec. 2022	Naira* (Sensitivity -10%)	Naira** (Sensitivity +10%)
	('000)		('000)	('000)	('000)
USD	8,536	461.10	3,935,990	393,599	(393,599)

2021	Foreign Currency	Exchange Rate	Naira at Dec. 2021	Naira* (Sensitivity -10%)	Naira** (Sensitivity +10%)
	('000)		('000)	('000)	('000)
USD	22,664	424.11	9,612,211	961,221	(961,221)

Trade receivables / (payables)

2022	Foreign Currency	Exchange Rate	Naira at Dec 2022.	Naira* (Sensitivity -10%)	Naira** (Sensitivity +10%)
	('000)		('000)	('000)	('000)
USD	(16,720)	461.100	(7,709,388)	(770,939)	770,939

2021	Foreign Currency	Exchange Rate	Naira at Dec 2021	Naira* (Sensitivity -10%)	Naira** (Sensitivity +10%)
	('000)		('000)	('000)	('000)
GBP	(1,466)	571.61	(837,717)	(83,771)	83,771
EURO	(232)	480.68	(111,518)	(11,151)	11,151
USD	(2,819)	424.11	(1,195,366)	(119,536)	119,536

*Naira weakens by 10%
**Naira strengthens by 10%

Market Risk

The Company is primarily exposed to market price risk on its sales of non-regulated fuel products and lubricants. The Group manages this exposure by forecasting demands and monitoring events in the global market.

For regulated fuel products and Petrol the Company's exposure is limited to changes in government policy relating to regulated price.

The Group does not use commodity price swaps, options or futures to hedge against price risk. Changes in market price for non-regulated products are reflected in the Group's product pricing.

Notes to the Consolidated Financial Statements

	Group		Company	
Figures in N'000	2022	2021	2022	2021

1. New Standards and Interpretations

1.1 Standards and interpretations effective and adopted in the current year

In the current year, the group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 1

A subsidiary that uses the cumulative translation differences exemption, may elect in its financial statements, to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary.

The effective date of the group is for years beginning on or after January 1, 2022.

The impact of this amendment is not applicable in the current year.

Reference to the Conceptual Framework: Amendments to IFRS 3

The amendment makes reference to the Conceptual Framework for Financial Reporting issued in 2018 rather than to the IASC's Framework for the Preparation and Presentation of Financial Statements. The amendment specifically points to the treatment of liabilities and contingent liabilities acquired as part of a business combination, and which are in the scope of IAS 37 Provisions, Continent Liabilities and Contingent Assets or IFRIC 21 Levies. It clarifies that the requirements of IAS 37 or IFRIC 21 should be applied to provisions, contingent liabilities or levies to determine if a present obligation exists at the Acquisition date. The amendment further clarifies that contingent assets of acquirees share not be recognised as part of the business combination.

The effective date of the group is for years beginning on or after January 1, 2022.

The impact of this amendment is not applicable in the current year.

Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 9

The amendment concerns fees in the '10 per cent' test for derecognition of financial liabilities. Accordingly, in determining the relevant fees, only fees paid or received between the borrower and the lender are to be included.

The effective date of the group is for years beginning on or after January 1, 2022.

The impact of this amendment is not applicable in the current year.

Property, Plant and Equipment: Proceeds before Intended Use: Amendments to IAS 16

The amendment relates to examples of items which are included in the cost of an item of property, plant and equipment. Prior to the amendment, the costs of testing whether the asset is functioning properly were included in the cost of the asset after deducting the net proceeds of selling any items which were produced during the test phase. The amendment now requires that any such proceeds and the cost of those items must be included in profit or loss in accordance with the related standards. Disclosure of such amounts in now specifically required.

The effective date of the group is for years beginning on or after January 1, 2022.

The group has adopted the amendment for the first time in the 2022 consolidated financial statements.

The impact of the amendment is not applicable in the current year.

Onerous Contracts - Cost of Fulfilling a Contract: Amendments to IAS 37

Notes to the Consolidated Financial Statements

1. New Standards and Interpretations (continued)

The amendment defined the costs that are included in the cost of fulfilling a contract when determining the amount recognised as an onerous contract. It specifies that the cost of fulfilling a contract comprises the costs that relate directly to the contract. These are both the incremental costs of fulfilling the contract as well as an allocation of other costs that relate directly to fulfilling contracts (for example depreciation allocation).

The effective date of the group is for years beginning on or after January 1, 2022.

The impact of this amendment is not applicable in the current year.

Annual Improvement to IFRS Standards 2018-2020: Amendments to IAS 41

"Taxation" has been removed from the list of cash flows excluded from the fair value determination of biological assets.

The effective date of the group is for years beginning on or after January 1, 2022.

The impact of this amendment is not applicable in the current year.

1.2 Standards and interpretations not yet effective

The group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the group’s accounting periods beginning on or after January 1, 2023 or later periods:

Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

If a parent loses control of a subsidiary which does not contain a business, as a result of a transaction with an associate or joint venture, then the gain or loss on the loss of control is recognised in the parents' profit or loss only to the extent of the unrelated investors' interest in the associate or joint venture. The remaining gain or loss is eliminated against the carrying amount of the investment in the associate or joint venture. The same treatment is followed for the measurement to fair value of any remaining investment which is itself an associate or joint venture. If the remaining investment is accounted for in terms of IFRS 9, then the measurement to fair value of that interest is recognised in full in the parents' profit or loss.

The effective date of the amendment is to be determined by the IASB.

It is unlikely that the amendment will have a material impact on the group's consolidated financial statements.

Lease liability in a sale and leaseback

The amendment requires that a seller-lessee in a sale and leaseback transaction, shall determine ‘lease payments’ or ‘revised lease payments’ in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

The effective date of the amendment is for years beginning on or after January 1, 2024.

It is unlikely that the amendment will have a material impact on the group's consolidated financial statements.

Initial application of IFRS 17 and IFRS 9 - Comparative information

A narrow-scope amendment to the transition requirements of IFRS 17 for entities that first apply IFRS 17 and IFRS 9 at the same time. The amendment regards financial assets for which comparative information is presented on initial application of IFRS 17 and IFRS 9, but where this information has not been restated for IFRS 9. Under the amendment, an entity is permitted to present comparative information about a financial asset as if the classification and measurement requirements of IFRS 9 had been applied to that financial asset before. The option is available on an instrument-by-instrument basis. In applying the classification overlay to a financial asset, an entity is not required to apply the impairment requirements of IFRS 9.

The effective date of the amendment is for years beginning on or after January 1, 2023.

It is unlikely that the amendment will have a material impact on the group's consolidated financial statements.

Notes to the Consolidated Financial Statements

1. New Standards and Interpretations (continued)

Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12

The amendment adds an additional requirement for transactions which will not give rise to the recognition of a deferred tax asset or liability on initial recognition. Previously, deferred tax would not be recognised on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting profit or loss. The additional requirement provides that the transaction, at the time of the transaction must not give rise to equal taxable and deductible temporary differences.

The effective date of the amendment is for years beginning on or after January 1, 2023.

The impact of this amendment is currently being assessed.

Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2.

IAS 1 was amended to require that only material accounting policy information shall be disclosed in the consolidated financial statements. The amendment will not result in changes to measurement or recognition of financial statement items, but management will undergo a review of accounting policies to ensure that only material accounting policy information is disclosed.

The effective date of the amendment is for years beginning on or after January 1, 2023.

The adoption of this amendment is not expected to impact on the results of the group, but may result in more disclosure than is currently provided in the consolidated financial statements.

Definition of accounting estimates: Amendments to IAS 8

The definition of accounting estimates was amended so that accounting estimates are now defined as "monetary amounts in consolidated financial statements that are subject to measurement uncertainty."

The effective date of the amendment is for years beginning on or after January 1, 2023.

The adoption of this amendment is not expected to impact on the results of the group, but may result in more disclosure than is currently provided in the consolidated financial statements.

Classification of Liabilities as Current or Non-Current - Amendment to IAS 1

The amendment changes the requirements to classify a liability as current or non-current. If an entity has the right at the end of the reporting period, to defer settlement of a liability for at least twelve months after the reporting period, then the liability is classified as non-current.

If this right is subject to conditions imposed on the entity, then the right only exists, if, at the end of the reporting period, the entity has complied with those conditions.

In addition, the classification is not affected by the likelihood that the entity will exercise its right to defer settlement. Therefore, if the right exists, the liability is classified as non-current even if management intends or expects to settle the liability within twelve months of the reporting period. Additional disclosures would be required in such circumstances.

The effective date of the amendment is for years beginning on or after January 1, 2023.

It is unlikely that the amendment will have a material impact on the group's consolidated financial statements.

IFRS 17 Insurance Contracts

The IFRS establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts issued.

The effective date of the standard is for years beginning on or after January 1, 2023.

It is unlikely that the standard will have a material impact on the group's consolidated financial statements.

Notes to the Consolidated Financial Statements

2. Property, plant and equipment

Group	2022			2021		
	Cost (N'000)	Accumulated depreciation (N'000)	Carrying value (N'000)	Cost (N'000)	Accumulated depreciation (N'000)	Carrying value (N'000)
Land	2,171,295	-	2,171,295	1,895,153	-	1,895,153
Buildings	23,346,582	(4,164,255)	19,182,327	21,082,138	(3,636,919)	17,445,219
Plant and machinery	31,389,512	(8,220,822)	23,168,690	22,353,186	(6,487,662)	15,865,524
Furniture and fixtures	3,360,434	(1,941,667)	1,418,767	3,087,208	(1,332,469)	1,754,739
Motor vehicles	628,954	(469,286)	159,668	597,008	(430,139)	166,869
Asset under construction	1,398,396	-	1,398,396	6,943,803	-	6,943,803
Total	**62,295,173**	**(14,796,030)**	**47,499,143**	**55,958,496**	**(11,887,189)**	**44,071,307**

Company	2022			2021		
	Cost (N'000)	Accumulated depreciation (N'000)	Carrying value (N'000)	Cost (N'000)	Accumulated depreciation (N'000)	Carrying value (N'000)
Land	2,171,295	-	2,171,295	1,895,153	-	1,895,153
Buildings	7,568,751	(3,360,907)	4,207,844	7,470,699	(3,128,847)	4,341,852
Plant and machinery	21,723,825	(5,944,948)	15,778,877	15,537,207	(5,129,672)	10,407,535
Furniture and fixtures	243,833	(218,461)	25,372	242,226	(209,387)	32,839
Motor vehicles	597,947	(446,030)	151,917	566,001	(414,635)	151,366
Asset under construction	1,398,396	-	1,398,396	5,619,217	-	5,619,217
Total	**33,704,047**	**(9,970,346)**	**23,733,701**	**31,330,503**	**(8,882,541)**	**22,447,962**

Reconciliation of property, plant and equipment - Group 2022

	Opening balance (N'000)	Additions (N'000)	Disposals (N'000)	Transfers (N'000)	Asset reclassification (N'000)	Depreciation (N'000)	Carrying value (N'000)
Land	1,895,153	-	-	147,500	128,642	-	2,171,295
Buildings	17,445,219	2,315,456	(6,786)	5,276	-	(576,838)	19,182,327
Plant and machinery	15,865,524	4,018,155	(4,570)	54,087	5,000,000	(1,764,506)	23,168,690
Furniture and fixtures	1,754,739	274,488	-	-	-	(610,460)	1,418,767
Motor vehicles	166,869	31,946	-	-	-	(39,147)	159,668
Asset under construction	6,943,803	(338,544)	-	(206,863)	(5,000,000)	-	1,398,396
	44,071,307	**6,301,501**	**(11,356)**	**-**	**128,642**	**(2,990,951)**	**47,499,143**

Reconciliation of property, plant and equipment - Group 2021

	Opening balance (N'000)	Additions (N'000)	Disposals (N'000)	Transfers (N'000)	Asset reclassification(N'000)	Depreciation (N'000)	Carrying value (N'000)
Land	1,895,153	-	-	-	-	-	1,895,153
Buildings	16,659,242	1,474,792	(3,427)	36,218	(171,045)	(550,561)	17,445,219
Plant and machinery	16,670,414	364,881	(3,535)	86,535	96,670	(1,349,441)	15,865,524
Furniture and fixtures	2,268,620	46,106	-	-	13,742	(573,729)	1,754,739
Motor vehicles	216,522	-	(2,935)	-	7,066	(53,784)	166,869
Asset under construction	190,221	6,681,481	-	(122,753)	194,854	-	6,943,803
	37,900,172	**8,567,260**	**(9,897)**	**-**	**141,287**	**(2,527,515)**	**44,071,307**

Notes to the Consolidated Financial Statements

2. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Company 2022

	Opening balance (N'000)	Additions (N'000)	Disposals (N'000)	Transfers (N'000)	Asset reclassification (N'000)	Depreciation (N'000)	Carrying value (N'000)
Land	1,895,153	-	-	147,500	128,642	-	2,171,295
Buildings	4,341,852	149,064	(6,786)	5,276	-	(281,562)	4,207,844
Plant and machinery	10,407,535	1,168,448	(4,570)	54,087	5,000,000	(846,623)	15,778,877
Furniture and fixtures	32,839	2,869	-	-	-	(10,336)	25,372
Motor vehicles	151,366	31,946	-	-	-	(31,395)	151,917
Asset under construction	5,619,217	986,042	-	(206,863)	(5,000,000)	-	1,398,396
	22,447,962	**2,338,369**	**(11,356)**	**-**	**128,642**	**(1,169,916)**	**23,733,701**

Assets with a net book value of N11million were scrapped and disposed, which resulted in loss on disposal recognised in other expense.

The asset reclassification of N5billion relates to LPG construction in prior year that was capitalized in 2022 and N128million relates to outright purchase of service station which was reclassified from right of use asset.

There are no contractual committments for the acquisition of Property, Plant & Equipment and no borrowing costs have been capitalised.

An alternate analysis of Property, Plant & Equipment is presented on page 80 & 81.

Reconciliation of property, plant and equipment - 2021

	Opening balance (N'000)	Additions (N'000)	Disposals (N'000)	Transfers (N'000)	Asset reclassification (N'000)	Depreciation (N'000)	Carrying value (N'000)
Land	1,895,153	-	-	-	-	-	1,895,153
Buildings	4,581,338	187,745	(3,427)	36,218	(171,045)	(288,977)	4,341,852
Plant and machinery	10,853,472	40,597	(3,535)	86,535	96,670	(666,204)	10,407,535
Furniture and fixtures	29,519	-	-	-	13,742	(10,422)	32,839
Motor vehicles	193,267	-	(2,935)	-	7,066	(46,032)	151,366
Asset under construction	190,221	5,356,895	-	(122,753)	194,854	-	5,619,217
	17,742,970	**5,585,237**	**(9,897)**	**-**	**141,287**	**(1,011,635)**	**22,447,962**

Notes to the Consolidated Financial Statements

3. Investment property

Group	2022			2021		
	Cost (N'000)	Accumulated depreciation (N'000)	Carrying value (N'000)	Cost (N'000)	Accumulated depreciation (N'000)	Carrying value (N'000)
Investment property	33,357,968	(20,444,960)	12,913,008	33,357,967	(17,872,405)	15,485,562

Company	2022			2021		
	Cost (N'000)	Accumulated depreciation (N'000)	Carrying value (N'000)	Cost (N'000)	Accumulated depreciation (N'000)	Carrying value (N'000)
Investment property	33,357,968	(20,444,960)	12,913,008	33,357,967	(17,872,405)	15,485,562

Reconciliation of investment property - Group 2022

	Opening balance (N'000)	Depreciation (N'000)	Total (N'000)
Investment property	15,485,562	(2,572,554)	12,913,008

Reconciliation of investment property - Group 2021

	Opening balance (N'000)	Disposals (N'000)	Transfers (N'000)	Depreciation (N'000)	Total (N'000)
Investment property	18,222,889	(23,385)	(141,114)	(2,572,828)	15,485,562

Reconciliation of investment property - Company 2022

	Opening balance (N'000)	Depreciation (N'000)	Total (N'000)
Investment property	15,485,562	(2,572,554)	12,913,008

Reconciliation of investment property - Company 2021

	Opening balance (N'000)	Disposals (N'000)	Transfers (N'000)	Depreciation (N'000)	Total (N'000)
Investment property	18,222,889	(23,385)	(141,114)	(2,572,828)	15,485,562

A detailed presentation of investment property is presented on page 83.

Details of valuation

The company has five investment properties comprising of one office complex, and four residential properties.

The extensive refurbishment of Mobil house was completed in 2017. The costs involved in the refurbishment have been capitalised and depreciation has started running on the assets created.

The valuations of the investment properties were performed by an independent valuer, Ismail and Partners Chartered Surveyors & Real Estate Consultants FRC/2019/00000013091 (Gbenga Ismail: FRC/2012/NIESV/00000000245). The fair value of the investment properties as at December 2022 was 204billion.

Fair value information is disclosed on note 35.

There are no restrictions on the remittance of income and proceeds of disposal.

Notes to the Consolidated Financial Statements

3. New Standards and Interpretations (continued)

Amounts recognised in profit and loss for the year before tax

Rental income from investment property	8,224,994	7,866,401	8,224,994	7,866,401
Direct operating expenses from rental generating property	(2,580,938)	(2,581,207)	(2,580,938)	(2,581,207)
	5,644,056	**5,285,194**	**5,644,056**	**5,285,194**

4. Interest in Joint Operations

Included in property plant & equipment is N223million (2021: N216million) (Land & Building: N25million (2021: N22million), Furniture & fixtures:N7million (2021: N0.2million), Plant and machinery: N185million (2021: N187million), Vehicles: N5million (2021: N7million) which relates to the company's interest in joint operations.

The company recognised total costs of N133million (2021: N112million) in expenses that relate to costs incurred in its joint operations.

The Company has a fifty percent (50%) interest in a joint arrangement with Total Nigeria plc. for storage and handling of jet fuel to aircraft at the Murtala Muhammed Airport Domestic Terminal.

In addition, the Company has a twenty percent (20%) interest in the Joint Users Hydrant Installation used to refuel aircraft at Murtala Muhammed Airport international terminal. The Company combines its share of the joint assets, income and expenditure, assets and liabilities and cash flow on a line-by-line basis with similar items in the Company’s financial statements. The Company classifies its share of the joint operation’s assets, according to the nature of the assets; while operating costs of the joint facility are shared based on throughput.

11Plc has no obligation to decommission these assets and has not recognized any decommissioning costs.

5. Intangible assets

Group	2022			2021		
	Cost (N'000)	Accumulated amortisation (N'000)	Carrying value (N'000)	Cost (N'000)	Accumulated amortisation (N'000)	Carrying value (N'000)
Software cost	-	-	-	229,582	(229,582)	-
Permit	15,045	(6,581)	8,464	15,045	(5,829)	9,216
Total	**15,045**	**(6,581)**	**8,464**	**244,627**	**(235,411)**	**9,216**

Company	2022			2021		
	Cost (N'000)	Accumulated amortisation (N'000)	Carrying value (N'000)	Cost (N'000)	Accumulated amortisation (N'000)	Carrying value (N'000)
Software cost	-	-	-	229,582	(229,582)	-
Permits	15,045	(6,581)	8,464	15,045	(5,829)	9,216
Total	**15,045**	**(6,581)**	**8,464**	**244,627**	**(235,411)**	**9,216**

Reconciliation of intangible assets - Group 2022

	Opening balance (N'000)	Amortisation (N'000)	Total (N'000)
Permit	9,216	(752)	8,464

Reconciliation of intangible assets - Group 2021

	Opening balance (N'000)	Amortisation (N'000)	Total (N'000)
Software cost	11,196	(11,196)	-
Permit	9,968	(752)	9,216
	21,164	**(11,948)**	**9,216**

Notes to the Consolidated Financial Statements

5. Intangible assets (continued)

Reconciliation of intangible assets - Company 2022

	Opening balance (N'000)	Amortisation (N'000)	Total (N'000)
Permits	9,216	(752)	8,464

Reconciliation of intangible assets - Company 2021

	Opening balance (N'000)	Amortisation (N'000)	Total (N'000)
Software cost	11,196	(11,196)	-
Permits	9,968	(752)	9,216
	21,164	**(11,948)**	**9,216**

An alternate analysis of Intangible Assets is presented on page 88.

6. Right-of-use Asset

Cost				
Opening balance	2,483,629	2,257,190	2,483,629	2,257,190
Additions	35,000	226,439	35,000	226,439
Reclass to Land	(128,642)	-	(128,642)	-
	2,389,987	**2,483,629**	**2,389,987**	**2,483,629**
Accumulated amortisation				
Opening balance	(673,405)	(410,934)	(673,405)	(410,934)
Depreciation	(259,213)	(262,471)	(259,213)	(262,471)
	(932,618)	**(673,405)**	**(932,618)**	**(673,405)**
Carrying value				
Opening balance	1,810,224	1,846,256	1,810,224	1,846,256
Additions	35,000	226,439	35,000	226,439
Reclass to Land	(128,642)	-	(128,642)	-
Depreciation	(259,213)	(262,471)	(259,213)	(262,471)
	1,457,369	**1,810,224**	**1,457,369**	**1,810,224**

The reclass to land relates to the outright purchase of five service station's land.

7. Interests in subsidiaries including consolidated structured entities

The following table lists the entities which are controlled by the group, either directly or indirectly through subsidiaries.

Company

Name of company	Held by	% voting power 2022	% voting power 2021	% holding 2022	% holding 2021	Carrying amount 2022	Carrying amount 2021
11 Hospitality Limited	11Plc	100.00 %	100.00 %	100.00 %	100.00 %	22,100,000	22,100,000

Notes to the Consolidated Financial Statements

	Group		Company	
	2022 N.'000	2021 N.'000	2022 N.'000	2021 N.'000

8. Deferred tax

Deferred tax asset / (liability)

Net deferred tax	(7,066,444)	(5,622,110)	(7,183,919)	(5,622,110)

Deferred tax				
Advance rent	1,577,931	2,291,270	1,577,931	2,291,270
Accelerated depreciation	(7,641,545)	(7,072,194)	(7,710,641)	(7,072,194)
Capital gains tax rollover	(345,726)	(345,726)	(345,726)	(345,726)
Bad debt, forex and notional interest on employee loans	(657,104)	(495,460)	(705,483)	(495,460)
	(7,066,444)	**(5,622,110)**	**(7,183,919)**	**(5,622,110)**

Deferred tax movement 2022 - Group	**Opening balance**	**Charged to profit or loss**	**Total**
Deferred tax asset			
Advance rent	2,291,270	(713,339)	1,577,931
Bad debt	(11,628)	(8,534)	(20,162)
Impairment on trade receivables	(10,742)	(17,417)	(28,159)
Deferred tax liability			
Accelerated capital allowance	(7,072,194)	(569,351)	(7,641,545)
Capital gains tax rollover	(345,726)	-	(345,726)
Unrealised forex	(471,273)	(138,071)	(609,344)
Notional interest on employee loans	(1,817)	2,378	561
	(5,622,110)	**(1,444,334)**	**(7,066,444)**

Deferred tax movement 2021 - Group	**Opening balance**	**Charged to profit or loss**	**Total**
Deferred tax asset			
Advance rent	3,004,374	(713,104)	2,291,270
Bad debt	(11,628)	-	(11,628)
Impairment on trade receivables	(11,782)	1,040	(10,742)
Deferred tax liability			
Accelerated capital allowance	(7,287,922)	215,728	(7,072,194)
Capital gains tax rollover	(345,726)	-	(345,726)
Unrealised forex	(174,687)	(296,586)	(471,273)
Notional interest on employee loans	(2,029)	212	(1,817)
	(4,829,400)	**(792,710)**	**(5,622,110)**

Deferred tax movement 2022 - Company	**Opening balance**	**Charged to profit or loss**	**Total**
Advance rent	2,291,270	(713,339)	1,577,931
Bad debt	(11,628)	(8,534)	(20,162)
Impairment on trade receivables	(10,742)	(18,924)	(29,666)
Accelerated capital allowance	(7,072,194)	(638,447)	(7,710,641)
Capital gains tax rollover	(345,726)	-	(345,726)
Unrealised forex	(471,273)	(184,943)	(656,216)
Notional interest on employee loans	(1,817)	2,378	561
	(5,622,110)	**(1,561,809)**	**(7,183,919)**

Deferred tax movement 2021 - Company	**Opening balance**	**Charged to profit or loss**	**Total**
Advance rent	3,004,374	(713,104)	2,291,270
Bad debt	(11,628)	-	(11,628)
Impairment on trade receivables	(11,782)	1,040	(10,742)
Accelerated capital allowance	(7,287,922)	215,728	(7,072,194)
Capital gains tax rollover	(345,726)	-	(345,726)
Unrealised forex	(174,687)	(296,586)	(471,273)
Notional interest on employee loans	(2,029)	212	(1,817)
	(4,829,400)	**(792,710)**	**(5,622,110)**

Notes to the Consolidated Financial Statements

	Group		Company	
	2022 N.'000	2021 N.'000	2022 N.'000	2021 N.'000

8. Deferred tax (continued)

Reconciliation of deferred tax asset / (liability)

At beginning of year	(5,622,110)	(4,829,400)	(5,622,110)	(4,829,400)
Originating temporary difference movement on PPE and investment property	(569,350)	215,728	(638,447)	215,728
Bad debt, impairment, gain/(loss) on foreign exchange and notional interest on employee loans	(161,645)	(295,334)	(210,023)	(295,334)
Advance rent	(713,339)	(713,104)	(713,339)	(713,104)
	(7,066,444)	**(5,622,110)**	**(7,183,919)**	**(5,622,110)**

Deferred tax assets due after 12 months				
Advance rent	1,577,931	2,291,270	1,577,931	2,291,270

Deferred tax liabilities due within 12 months				
Bad debt	(20,162)	(11,628)	(20,162)	(11,628)
Unrealised forex	(609,344)	(471,274)	(656,216)	(471,274)
Notional interest on employee loans	561	(1,816)	561	(1,816)
Impairment on trade receivables	(28,159)	(10,741)	(29,666)	(10,741)
	(657,104)	**(495,459)**	**(705,483)**	**(495,459)**

Deferred tax liabilities due after 12 months				
Depreciation	(7,641,545)	(7,072,195)	(7,710,641)	(7,072,195)
Capital gains tax rollover	(345,726)	(345,726)	(345,726)	(345,726)
	(7,987,271)	**(7,417,921)**	**(8,056,367)**	**(7,417,921)**

9. Prepayments

Prepayments are made up of the following balances:

Insurance	12,955	51,770	8,498	41,660
Employee loans	14,086	23,673	14,086	23,673
Trade	7,605,278	11,065,194	7,605,278	11,039,819
	7,632,319	**11,140,637**	**7,627,862**	**11,105,152**

Total prepayments				
Current portion	7,618,233	11,116,964	7,613,776	11,081,479
Non-current portion	14,086	23,673	14,086	23,673
	7,632,319	**11,140,637**	**7,627,862**	**11,105,152**

- Prepayments are expensed on a straight line basis.
- Employee loans refers to the prepaid portion of housing and car loans given to employees.

10. Inventories

Raw materials	19,009,236	12,722,339	18,971,632	12,699,655
Finished goods	3,971,490	5,172,975	3,864,099	5,059,998
Consumable equipment and spares	227,500	185,260	111,161	111,161
	23,208,226	**18,080,574**	**22,946,892**	**17,870,814**

Obsolete inventory are not provided for but are rather written off to profit or loss immediately they are identified.

During the year, obsolete inventory worth N243M was provided for and recognised in cost of goods sold.

No inventory was pledged as security for any liability.

Notes to the Consolidated Financial Statements

	Group		Company	
	2022 N.'000	2021 N.'000	2022 N.'000	2021 N.'000

11. Trade and other receivables

Trade receivables	10,799,011	11,975,599	10,383,989	11,595,627
Advances and employee receivables	301,802	390,570	301,802	390,570
Due from associated companies	10,524,122	-	16,563,610	4,798,455
Witholding tax receivable	1,263,790	867,563	1,203,012	867,563
Other receivables	1,151,323	1,377,109	147,396	353,891
	24,040,048	**14,610,841**	**28,599,809**	**18,006,106**

Other receivables consists majorly of advance payments to contractors .

The carrying amount of trade and other receivables are denominated in the following currencies:

NGN	19,248,069	11,136,893	23,808,012	14,532,159
USD	4,791,979	3,473,948	4,791,797	3,473,948
	24,040,048	**14,610,841**	**28,599,809**	**18,006,107**

The age analysis below excludes WHT				
Neither impaired nor past due	19,295,159	8,776,248	25,244,761	11,497,004
Impaired	-	-	-	-
Not impaired and past due in the following periods:			-	-
1 to 30 days	275,147	267,228	79,426	2,052,74
31 to 60 days	-	2,052,745	-	267,228
61 to 90 days	2,666,998	908,226	1,755,090	908,226
91 to 180 days	-	1,203,090	-	1,203,090
above 181 days	538,954	535,741	317,520	1,210,250
	22,776,258	**13,743,278**	**27,396,797**	**17,138,543**

In line with established practice, the bridging claims receivable is net off against bridging allowances payable to Petroleum Equalization Fund (PEF).

12. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below:

Loans and receivables - Group 2022

	Loans and receivables (N'000)	Total (N'000)
Trade and other receivables (Excl. WHT)	22,776,258	22,776,258
Cash and cash equivalents	25,050,249	25,050,249
	47,826,507	**47,826,507**

Loans and receivables - Group 2021

	Loans and receivables (N'000)	Total (N'000)
Trade and other receivables (Excl. WHT)	13,743,278	13,743,278
Cash and cash equivalents	18,012,074	18,012,074
	31,755,352	**31,755,352**

Notes to the Consolidated Financial Statements

	Group		Company	
	2022 N.'000	2021 N.'000	2022 N.'000	2021 N.'000

12. Financial assets by category (continued)

Loans and receivables Company - 2022

	Loans and receivables (N'000)	Total (N'000)
Trade and other receivables (Excl. WHT)	27,396,797	27,396,797
Cash and cash equivalents	24,547,702	24,547,702
	51,944,499	**51,944,499**

Loans and receivables Company - 2021

	Loans and receivables (N'000)	Total (N'000)
Trade and other receivables (Excl. WHT)	17,138,543	17,138,543
Cash and cash equivalents	17,693,269	17,693,269
	34,831,812	**34,831,812**

Impairment

	Group 2022 N.'000	Group 2021 N.'000	Company 2022 N.'000	Company 2021 N.'000
Trade receivables	10,895,571	12,014,020	10,475,910	11,629,191
Allowance for expected credit losses	(96,560)	(38,421)	(91,921)	(33,564)
	10,799,011	**11,975,599**	**10,383,989**	**11,595,627**

13. Loans to directors, managers and employees

Carrying value of loans to employees

	Group 2022 N.'000	Group 2021 N.'000	Company 2022 N.'000	Company 2021 N.'000
At beginning of the year	159,789	190,295	159,789	190,295
Advances	24,200	20,151	24,200	20,151
Repayments	(51,401)	(50,657)	(51,401)	(50,657)
	132,588	**159,789**	**132,588**	**159,789**

These advances comprises three types of loans made available to employees of the company. They are;

- Compassionate loan
- Car loan
- Home ownership scheme

The Compassionate loan and Home ownership scheme loan were given to employees at 0% interest rate while the Car loan was given to employees at 5% of the prevailing interest rate. 6 employees took car loan in 2022. In 2022, the rate equated to 0.61% (5% of 12.23%).

The Company measures employee loans at amortised cost using the effective interest method.

Employees loans at amortized cost

	Group 2022 N.'000	Group 2021 N.'000	Company 2022 N.'000	Company 2021 N.'000
Loans to directors, managers and employees	68,500	87,798	68,500	87,798

Fair value information is disclosed on note 35.

14. Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents consist of:

	Group 2022 N.'000	Group 2021 N.'000	Company 2022 N.'000	Company 2021 N.'000
Total balance	25,050,249	18,012,074	24,547,702	17,693,269

Notes to the Consolidated Financial Statements

	Group		Company	
	2022 N.'000	2021 N.'000	2022 N.'000	2021 N.'000

14. Cash and cash equivalents (continued)

Cash and bank

Short term deposits	16,556,055	-	16,556,055	-
Bank balance	8,494,194	18,012,074	7,991,647	17,693,269
	25,050,249	**18,012,074**	**24,547,702**	**17,693,269**

Short-term deposits were placed based on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates.

Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings.

Credit rating

A+	542,912	110,048	542,912	110,048
B	3,225,455	-	3,182,815	-
B-	21,280,581	17,901,705	20,821,975	17,582,900
Other	1,301	321	-	321
	25,050,249	**18,012,074**	**24,547,702**	**17,693,269**

The Group also assessed the cash and cash equivalents to determine the expected credit losses. Based on this assessment, the Group identified the expected losses on cash as at 31st December, 2022 (2021:nil) to be insignificant, as the loss rate is deemed immaterial.

15. Share capital

Issued and fully paid

360,595,261 Ordinary shares of 50k each	180,298	200,000	180,298	200,000

Reconciliation of number of shares issued:

Reported as at January 1, 2022	194,678	194,678	194,678	194,678

360,595,261 ordinary shares of the total authorised number of shares of 50k each have been called-up and fully paid.

Issued

360,595,261 Ordinary shares of 50k each	180,298	180,298	180,298	180,298
Share premium	14,380	14,380	14,380	14,380
	194,678	**194,678**	**194,678**	**194,678**

16. Retained income and other reserves

Reconciliation of retained income is as follows:

Balance at beginning of year	42,472,030	39,456,210	46,916,787	42,742,892
Profit for the year	18,260,000	6,080,710	18,015,382	7,238,785
Asset write off	-	170	-	170
Dividends paid	(3,065,060)	(3,065,060)	(3,065,060)	(3,065,060)
	57,666,970	**42,472,030**	**61,867,109**	**46,916,787**

Reconciliation of retained income and other reserves Group - 2022	**Retained Income (N'000)**	**Total (N'000)**
Balance at beginning of year	42,472,030	42,472,030
Profit for the year	18,260,000	18,260,000

Notes to the Consolidated Financial Statements

	Group		Company	
	2022 N.'000	2021 N.'000	2022 N.'000	2021 N.'000

16. Retained income and other reserves (continued)

Dividends paid	(3,065,060)	(3,065,060)
	57,666,970	**57,666,970**

Reconciliation of retained income and other reserves Group - 2021

	Retained Income (N'000)	Total (N'000)
Balance at beginning of year	39,456,210	39,456,210
Profit for the year	6,080,710	6,080,710
Asset write off	170	170
Dividends paid	(3,065,060)	(3,065,060)
	42,472,030	**42,472,030**

Reconciliation of retained income and other reserves Company - 2022

	Retained Income (N'000)	Total (N'000)
Balance at beginning of year	46,916,787	46,916,787
Profit for the year	18,015,382	18,015,382
Dividends paid	(3,065,060)	(3,065,060)
	61,867,109	**61,867,109**

Reconciliation of retained income and other reserves Company - 2021

	Retained Income (N'000)	Total (N'000)
Balance at beginning of year	42,742,892	42,742,892
Profit for the year	7,238,785	7,238,785
Asset write off	170	170
Dividends paid	(3,065,060)	(3,065,060)
	46,916,787	**46,916,787**

17. Borrowings

Held at amortised cost

	Group 2022	Group 2021	Company 2022	Company 2021
Loans	10,000,000	14,000,000	10,000,000	14,000,000

The bank overdraft facility and short term loan was obtained for working capital requirements

The carrying value of the bank overdraft and loan equals its fair value.

Notes to the Consolidated Financial Statements

	Group		Company	
	2022 N.'000	2021 N.'000	2022 N.'000	2021 N.'000

18. Retirement benefits

Defined contribution plan

The benefit structure is described as follows

Eligibility: All confirmed employees of 11Plc.

Mandatory retirement age: This is 60 for both male and female staff.

Early retirement: Allowable from age 45 with a minimum of 10 years company service.

Final pensionable salary: This is the Annual Pensionable Salary (i.e. annual basic salary + annual housing allowance + annual transport allowance + vacation allowance + year end bonus + annual furniture allowance) at date of exit (death, retirement or withdrawal from service).

Years of service: Accredited service is defined as the length of time, during which an employee worked full-time for the Company prior to retirement or death or withdrawal.

Employee savings scheme: This is payable at retirement and is calculated as 8.33% of annual pensionable salary and multiplied by the years of service, provided 5 years of qualifying service has been rendered at exit.

Pension Scheme: The Defined Benefit pension scheme was converted to Defined Contribution on the 31st January 2017 for active employees.

Defined benefit plan

The Company's Defined benefit plan funding requirements are determined using PENCOM regulations. The plan was fully funded following PENCOM's approval in January 2017 to convert to a Defined Contribution scheme for active employees.The Annuitants are still under the defined benefit scheme.

The valuation of the fund for Annuitants under the defined benefit scheme is as follows:

The valuation was carried out by Alexander Forbes Consulting Actuaries Nigeria (FRC/2012/002/00000000504) / (Wayne van Jaarsveld; FRC/2021/002/0000000024507).

Carrying value				
Pension liability	(651,722)	(756,794)	(651,722)	(756,794)
Fund at market value	391,897	520,026	391,897	520,026
	(259,825)	**(236,768)**	**(259,825)**	**(236,768)**

Plan Asset Classification Summary				
Fixed deposit	176,391	251,376	176,391	251,376
Government bond	223,520	119,720	223,520	119,720
Corporate bonds	-	-	-	-
Cash	1,172	155,598	1,172	155,598
Receivables	406	1,099	406	1,099
Payables	(9,592)	(7,767)	(9,592)	(7,767)
	391,897	**520,026**	**391,897**	**520,026**

Notes to the Consolidated Financial Statements

	Group		Company	
	2022 N.'000	2021 N.'000	2022 N.'000	2021 N.'000

18. Retirement benefits (continued)

Key assumptions used

The following assumptions were also used by the Actuary in the calculation of the company's Pension Expense, Plan Asset and Defined Benefit Obligation.

Discount rates used	17.00 %	15.00 %	17.00 %	15.00 %

In order to measure the liability, the projected benefit obligation is discounted to a net present value as at the current balance sheet date.

IFRS through IAS 19 requires that the discount rate be determined on the company’s balance sheet date by reference to market yields on high quality corporate bonds, except where there is no deep market in such bonds, in which case the discount rate should be based on market yields on Government bonds.

The discount rate should reflect the duration of the liabilities of the benefit program.

The weighted average liability duration for the Plan is 4years. The average weighted duration of a similar Nigerian Government bond as at 31st of December, 2022 was 4years with a gross redemption yield of 14.4%.

In view of the above, the actuary adopted 17.00% p.a as the discount rate for the current valuation.

Fund management and regulatory expenses are charged directly to the fund on an on-going basis.

Demographic Assumptions:

Mortality:The rates of mortality assumed in the plan are the rates in PA (90) ultimate table. The Mortality is age related.

Age now	Average number of death per 1,00 lives	
	Male	Female
60	161	70
70	386	204
80	896	582
90	1,942	1,552
100	3,713	3,530
110	5,913	6,814

Defined contribution plan

The Group's contribution to the scheme in 2022 was N88million (2021:N64million).

19. Deferred income

Deferred income relates majorly to advance rent on investment properties leased mainly to Mobil Producing Nigeria Unlimited.

Analysis of deferred income

	Group 2022	Group 2021	Company 2022	Company 2021
Opening balance	15,005,088	17,777,018	15,005,088	17,777,018
Additions	11,094,016	5,094,471	11,002,540	5,094,471
Amortisation (rental income for the year)	(8,224,994)	(7,866,401)	(8,224,994)	(7,866,401)
	17,874,110	**15,005,088**	**17,782,634**	**15,005,088**
Non-current	5,969,681	8,208,587	5,969,681	8,208,587
Current	11,904,429	6,796,501	11,812,953	6,796,501
	17,874,110	**15,005,088**	**17,782,634**	**15,005,088**

The Company leased its investment properties mainly to Mobil Producing Nigeria Unlimited under various lease agreements There were no contingent rents recognised during the period. Additions relates to income from rent and LPG.

Notes to the Consolidated Financial Statements

	Group		Company	
	2022 N.'000	2021 N.'000	2022 N.'000	2021 N.'000

20. Provisions

We have a pending litigation at the Supreme Court in the matter of Milan Industries Limited Vs AMCON/11Plc disputing the sales of Lagos Continental Hotels.

The Board confirmed 11Plc full indemnification by AMCON against loss on the purchase price and associated cost should the matter be decided against both AMCON and 11Plc.

The Board does not envisage any contingent liabilities thereof.

21. Current tax payable

	Group 2022 N.'000	Group 2021 N.'000	Company 2022 N.'000	Company 2021 N.'000
Balance at beginning of the year	(1,964,809)	(583,250)	(1,964,809)	(583,250)
Provision for the year	(2,995,567)	(2,714,527)	(2,691,237)	(2,714,527)
Balance as at December 31	2,200,940	1,964,809	1,896,610	1,964,809

Movement in current income tax

	Group 2022 N.'000	Group 2021 N.'000	Company 2022 N.'000	Company 2021 N.'000
Opening balance	1,964,808	583,250	1,964,808	583,250
Payments	(2,759,435)	(1,332,552)	(2,759,435)	(1,332,552)
Provision for the year	2,995,567	2,714,526	2,691,237	2,714,526
Withholding tax credit utilised	-	(415)	-	(415)
Balance at December 31	**2,200,940**	**1,964,809**	**1,896,610**	**1,964,809**

22. Trade and other payables

	Group 2022 N.'000	Group 2021 N.'000	Company 2022 N.'000	Company 2021 N.'000
Trade payables	14,555,491	13,575,346	14,116,019	12,967,193
VAT payable	366,585	498,000	366,585	498,000
Other payables	1,119,237	463,078	276,252	126,505
Due to related companies	24,234,449	20,906,025	23,769,102	20,763,360
Accrued expenses	99,342	87,532	51,319	38,036
Unclaimed dividend & payments	1,604,554	1,247,892	1,604,554	1,247,892
Non-product trade payables	2,197,809	4,943,933	2,197,809	4,943,933
Bridging allowance	2,628,217	2,159,139	2,628,217	2,159,139
Witholding tax	-	80,775	-	80,775
	46,805,684	**43,961,720**	**45,009,857**	**42,824,833**

Terms and conditions of the above financial liabilities:

- Trade and other payables are non-interest bearing and are settled within an average of 34 days of receipt of invoice
- Other payables are non-interest bearing and are mainly made up of retention on contracts, WHT and employee payables .
- Terms and conditions of related parties are disclosed in note 33.

23. Financial liabilities by category

The accounting policies for financial instruments have been applied to the line items below. There was no contract liability in 2022.

Loans and receivables - Group 2022

	Financial liabilities at amortised cost	Total
Trade and other payables (Excl. taxes, unclaimed dividend and payments)	44,834,545	44,834,545
Borrowings	10,000,000	10,000,000
	54,834,545	**54,834,545**

Loans and receivables - Group 2021

	Financial liabilities at amortised cost	Total
Trade and other payables (Excl. taxes, unclaimed dividend and payments)	42,135,053	42,135,053
Borrowings	14,000,000	14,000,000
	56,135,053	**56,135,053**

Notes to the Consolidated Financial Statements

	Group		Company	
	2022 N.'000	2021 N.'000	2022 N.'000	2021 N.'000

23. Financial liabilities by category (continued)

Loans and payables - Company 2022

	Financial liabilities at amortised cost	Total
Trade and other payables (Excl. taxes, unclaimed dividend and payments)	43,038,718	43,038,718
Borrowings	10,000,000	10,000,000
	53,038,718	**53,038,718**

Loans and payables - Company 2021

	Financial liabilities at amortised cost	Total
Trade and other payables (Excl. taxes, unclaimed dividend and payments)	40,998,166	40,998,166
Borrowings	14,000,000	14,000,000
	54,998,166	**54,998,166**

24. Revenue

	Group 2022	Group 2021	Company 2022	Company 2021
Intercompany sales	341,111,882	20,821,942	332,321,090	16,769,861
Third party sales	30,787,819	222,635,464	30,787,819	222,635,464
	371,899,701	**243,457,406**	**363,108,909**	**239,405,325**

The amount included in revenue arising from exchanges of goods or services included in revenue are as follows:

	Group 2022	Group 2021	Company 2022	Company 2021
Sale of goods	363,108,909	239,405,325	363,108,909	239,405,325
Rendering of services	8,790,792	4,052,081	-	-
	371,899,701	**243,457,406**	**363,108,909**	**239,405,325**

Disaggregated revenue information

	Group 2022	Group 2021	Company 2022	Company 2021
Fuels	212,932,287	162,050,387	212,932,287	162,050,387
Lubes	76,449,620	57,529,993	76,449,620	57,529,993
Liquefied petroleum gas(LPG)	73,727,002	19,824,945	73,727,002	19,824,945
Revenue from Lagos Continental	8,790,792	4,052,081	-	-
	371,899,701	**243,457,406**	**363,108,909**	**239,405,325**

Geographical markets

	Group 2022	Group 2021	Company 2022	Company 2021
Nigeria	371,899,701	243,457,406	363,108,909	239,405,325

Timing of revenue recognition

	Group 2022	Group 2021	Company 2022	Company 2021
Goods transferred at a point in time	371,899,701	243,457,406	363,108,909	239,405,325

25. Other income

	Group 2022	Group 2021	Company 2022	Company 2021
Rental income	8,468,494	8,084,697	8,468,494	8,084,697
Other operating income	810,845	165,347	810,845	165,347
Backcourt income	65,226	56,114	65,226	56,114
	9,344,565	**8,306,158**	**9,344,565**	**8,306,158**

Rental income represents rent received from investment properties of N8,224million (2021: N7,866million) and the balance represents rent from service stations.

Other operating income includes; services charges on demurrage, sale of scrap and management fee from 11 Hospitality.

Notes to the Consolidated Financial Statements

	Group		Company	
	2022 N.'000	2021 N.'000	2022 N.'000	2021 N.'000

26. Cost of sales

Sale of goods				
Purchases	330,507,823	222,657,971	329,555,840	222,179,773
Manufacturing expenses	555,053	751,792	555,053	751,792
Depreciation	114,081	93,628	114,081	93,628
	331,176,957	**223,503,391**	**330,224,974**	**223,025,193**

27. Operating expense

Total expenses				
Administrative expenses	13,450,478	10,131,884	6,044,076	5,399,926
Selling and distribution expenses	12,617,213	8,198,898	12,617,213	8,198,898
Loss on asset disposals	11,355	31,775	11,355	31,775
	26,079,046	**18,362,557**	**18,672,644**	**13,630,599**

The following items are included within operating expenses:				
Administrative expense (excl. depreciation)	9,030,714	5,947,784	3,444,413	2,731,708
Selling and distribution expenses (excl. depreciation)	11,328,519	7,101,862	11,328,519	7,101,862
Depreciation and amortisation	5,709,392	5,281,136	3,888,357	3,765,254
Loss on asset disposals	11,355	31,775	11,355	31,775
	26,079,980	**18,362,557**	**18,672,644**	**13,630,599**

Depreciation on manufacturing expense is charged to cost of sales and excluded from depreciation and amortisation in operating expense.

Included in operating expenses are the following expenses by nature:

Expenses by nature				
Employee related expenses	1,961,699	1,404,583	1,559,722	1,262,122
Volume related expense	6,096,930	4,438,470	6,096,930	4,438,470
Depreciation and amortisation	5,709,392	5,281,136	3,888,357	3,765,255
Maintenance & repairs	3,865,532	1,899,515	2,913,758	1,226,430
Auditors remuneration	110,200	37,359	77,950	28,759
Loss on asset disposals	11,355	31,775	11,355	31,775
Short-term rent	29,601	26,105	29,601	26,105
Others	7,755,173	5,078,573	3,655,083	2,722,358
Advert and promotion	441,629	144,025	346,059	108,309
Interest expense employee	13,599	9,965	13,599	9,965
Impairment on trade receivables	84,870	11,051	80,230	11,051
	26,079,980	**18,362,557**	**18,672,644**	**13,630,599**

Auditors remuneration includes 26.8M (including value added tax) to Grant Thornton for 2022 Audit services.

Non-audit services relates to tax consultancy services amounting to 51.1M.

Others mainly consists of contract labour, financial, legal, research and royalty paid to ExxonMobil.

28. Finance costs

Interest expense	1,621,710	611,726	1,621,710	611,726

Finance costs were incurred on overdraft facility obtained for working capital requirements, deposit made by dealers and on establishment of letter of credit.

29. Finance Income

Interest income on short term bank deposit	322,186	292,536	322,186	292,536
Interest income on loan to employees	12,096	9,522	12,096	9,522
	334,282	**302,058**	**334,282**	**302,058**

Notes to the Consolidated Financial Statements

	Group		Company	
	2022 N.'000	2021 N.'000	2022 N.'000	2021 N.'000
30. Taxation				
Major components of the tax expense				
Current				
Company income tax	2,514,228	2,490,945	2,271,032	2,490,945
Prior year Tax	27,402	-	27,402	-
Education tax (non - deductibility of Depreciation - 2%)	453,937	223,582	392,803	223,582
	2,995,567	**2,714,527**	**2,691,237**	**2,714,527**
Deferred				
Origination and reversal of temporary differences	1,444,334	792,711	1,561,809	792,711
	4,439,901	**3,507,238**	**4,253,046**	**3,507,238**
Profit before tax	22,699,901	9,587,948	22,268,428	10,746,023
Reconciliation of tax expense using accounting profit				
Income tax using statutory rate 30%	6,809,970	3,223,807	6,680,528	3,223,807
Education tax	421,928	224,218	365,523	224,218
Exempted operating profit - LPG	(2,918,715)	-	(2,918,715)	-
Investment allowance (Tax incentive)	-	(3,814)	-	(3,814)
NASENI and Police Levy	57,885	63,027	56,784	63,027
Prior year adjustment	27,402	-	27,402	-
Others	41,431	-	41,524	-
	4,439,901	**3,507,238**	**4,253,046**	**3,507,238**

31. Earnings per share

Basic earnings per share is determined by dividing profit or loss attributable to the ordinary equity holders of the parent by the weighted average number of ordinary shares outsandind during the year. The weighted average number of shares used in the Earnings per share calculation is 360,595,261 (2021: 360,595,261).

The final dividend stated below was declared and authorised after the end of the reporting period. The dividend has therefore not been recognised as a liablility in the reporting period. It has been disclosed for information purposes only.

Statement of Financial Position				
from continuing operations (kobo per share)	5,064	1,686	4,996	2,007

The computation of basic earnings per share was based on earnings and a weighted average number of ordinary shares in issue

Profit or Loss				
Dividend per share: final (kobo)	850	850	850	850

32. Dividends paid

Dividends	(3,065,060)	(3,065,060)	(3,065,060)	(3,065,060)

Notes to the Consolidated Financial Statements

	Group		Company	
	2022 N.'000	2021 N.'000	2022 N.'000	2021 N.'000

33. Related parties

Relationships

Nipco Plc	Parent Company
Purebond Limited	Ultimate Parent Company
Agrichemicals Limited	Related party
11 Hospitality	Subsidiary

Related party balances

	Group 2022 N.'000	Group 2021 N.'000	Company 2022 N.'000	Company 2021 N.'000
Amounts included in Trade receivable (Trade Payable) regarding related parties				
Nipco Plc	10,058,775	(9,492,862)	10,524,122	(9,350,198)
11 Hospitality	-	-	6,039,488	4,798,455
Agrichemicals Limited	(20,861,856)	(7,921,300)	(20,861,856)	(8,214,648)
Purebond Limited	(2,907,246)	(3,198,514)	(2,907,246)	(3,198,514)
Included in the balance to Nipco Plc is a payable balance stated as follows;				
Nipco Plc	(465,347)	-	-	-
Dividend paid				
Nipco Plc	(2,758,678)	(2,317,309)	(2,758,678)	(2,317,309)

Related party transactions

	Group 2022 N.'000	Group 2021 N.'000	Company 2022 N.'000	Company 2021 N.'000
Income from related parties				
Nipco Plc	30,787,819	16,769,861	30,787,819	16,769,861
Purchase from related parties				
Nipco Plc	(73,913,504)	(15,836,596)	(74,406,644)	(15,343,455)
Agrichemicals Limited	(103,412,563)	(58,203,407)	(103,412,563)	(58,203,407)
Administration fees paid to related parties				
Nipco Plc	(1,557,543)	(1,557,250)	(1,557,543)	(1,557,250)

Other related party disclosures

The sales to and purchases from related parties were made on terms equivalent to those that would prevail in an arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. No guarantees were provided or received for any related party receivables or payables. For the year ended December 31, 2022, 11Plc has not recorded any impairment of receivables relating to amounts owed by related parties (2021: Nil). This assessment is taken each financial year by examining the financial position of the related party and the market in which the related party operate.

34. Commitments

Authorised capital expenditure

No commitment on investment properties in 2022.

35. Fair Value Measurement and disclosures

The Group considers the fair value of its financial assets and liabilities not significantly different from its carrying values disclosed in the statement of financial position

a) Investment Properties

Location of Investment properties	Valuation technique
1, Lekki Epe Express Way, Victoria Island, Lagos	The market approach was used in arriving at the fair value of the property using evidences of similar and comparable (nature, location and condition) properties of recent sales transaction in the property market.
1, Ligali Ayorinde Street, Victoria Island, Lagos	The market approach was used in arriving at the fair value of the property using evidences of similar and comparable (nature, location and condition) properties of recent sales transaction in the property market.
3, Bayo Kuku Road, Ikoyi, Lagos	The market approach was used in arriving at the fair value of the property using evidences of similar and comparable (nature, location and condition) properties of recent sales transaction in the property market.
10A & B, Temple Road, Ikoyi, Lagos	The market approach was used in arriving at the fair value of the property using evidences of similar and comparable (nature, location and condition) properties of recent sales transaction in the property market.
10, Temple Road, Ikoyi, Lagos	The market approach was used in arriving at the fair value of the property using evidences of similar and comparable (nature, location and condition) properties of recent sales transaction in the property market.

b) Employee loans

Loans to Employees	The discounted cash flow method was used in arriving at the fair value of the loans the Company provides to employees. This fair value is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risks and remaining maturity.

The fair values of investment properties and employee loans are categorized as Level 3.

Notes to the Consolidated Financial Statements

	2022 N. '000	2021 N. '000
Company		
36 **Directors & Key management personnel emoluments**		
Emoluments of directors		
Fees paid to Non-Executive Directors		
Remuneration paid to Executive Directors	**201,740**	**182,920**
Other emoluments to NED	**6,425**	**2,255**
Total	**208,165**	**185,175**
The Executive Directors' remuneration shown above (excluding pensions and pension contributions) include:		
Chairman	**0**	**0**
The role of the chairman has been seperated from the role of managing director		
Highest paid Director	**94,861**	**88,879**
Directors received emoluments in the following ranges :		
Up to N250,000		
N251,001 - N1,000,000		
Above N1,000,000	**2**	**2**
The chairman does not receive emolument		
Emoluments of key management personnel		
Short term benefits (Salaries wages & other benefits)	**312,073**	**293,253**
Post employment benefits	**-**	**-**
Total	**312,073**	**293,253**
Staff numbers		
(a) The average monthly number of full time persons employed by the Company during the year (excluding the 2 executive directors) was as follows :		
Management staff	**13**	**13**
Senior staff	**44**	**46**
Total	**57**	**59**
(b) Employees of the Company, other than Directors, whose duties were wholly or mainly discharged in Nigeria, received remuneration (excluding pension contributions) in the following ranges :		
Under N2,000,000	**2**	**0**
N2,000,001 - N 6,000,000	**4**	**0**
N6,000,001 - N 8,000,000	**1**	**3**
N8,000,001 - N 10,000,000	**3**	**18**
N10,000,001 - N 20,000,000	**31**	**25**
N20,000,001 & above	**16**	**13**
Total	**57**	**59**

Notes to the Consolidated Financial Statements

37 Segmental Information

As at December 31, 2022, the Group had two reportable business segments:
(i) Petroleum Products Marketing (ii) Property Business

All MON's assets are located within Nigeria and there were no export sales made as at December 31, 2022. (2021: Nil)
Segment revenue reported below represents revenue generated from external customers. There were also no intersegment sales as at December 31, 2022 (2021: nil). The accounting policy of the reportable segments below are the same as 11Plc's accounting policies disclosed in the financial statements.

			Property Business		
	Petroleum Products Marketing (N'000)	Liquefied petroleum gas Business (N'000)	Investment property (N'000)	Hospitality (N'000)	(N'000)
A The segment results for the year ended December 31, 2022 are as follows:					
Revenue	298,332,028	64,776,881	-	8,790,792	371,899,701
Cost of sales	(275,177,144)	(55,047,830)	-	(951,983)	(331,176,957)
Operating expense	(16,091,706)	-	(2,580,938)	(7,407,336)	(26,079,980)
Other income	1,119,571	-	8,224,994	-	9,344,565
Finance income	334,282	-	-	-	334,282
Finance costs	(1,621,710)	-	-	-	(1,621,710)
Profit before tax	6,895,321	9,729,051	5,644,056	431,473	22,699,901
Taxation credit/(charge)	(2,354,414)	-	(1,898,632)	(186,855)	(4,439,901)
Profit after tax	4,540,907	9,729,051	3,745,424	244,618	18,260,000
The segment results for the year ended December 31, 2021 are as follows:					
Revenue	239,405,325	-	-	4,052,081	243,457,406
Cost of sales	(223,025,193)	-	-	(478,198)	(223,503,391)
Operating expense	(11,049,392)	-	(2,581,207)	(4,731,958)	(18,362,557)
Other income	439,757	-	7,866,401	-	8,306,158
Finance income	302,058	-	-	-	302,058
Finance costs	(611,726)	-	-	-	(611,726)
Profit before tax	5,460,829	-	5,285,194	(1,158,075)	9,587,948
Taxation	(1,591,552)	-	(1,915,686)		(3,507,238)
Profit after tax	3,869,277	-	3,369,508	(1,158,075)	6,080,710
B Reconciliation of segment assets and liabilities to total assets and liabilities as at December 31, 2022:					
Intangible assets	8,464	-	-	-	8,464
Segmented total assets (excl. cash and cash equivalents & deferred tax)	68,452,502	9,873,641	12,913,006	25,510,964	116,750,113
Segmented total liabilities (excl.bank overdraft, borrowings & deferred tax)	(53,897,902)	-	(14,751,710)	(8,231,122)	(76,880,734)
Deferred tax	(7,183,919)	-	-	117,475	(7,066,444)
Cash and cash equivalents	24,045,155	-	-	502,547	24,547,702
Segmented net assets	31,424,300	9,873,641	(1,838,704)	17,899,864	57,359,101
Capital expenditure	2,338,369		-	3,963,132	6,301,501
Depreciation charge for the year	(1,082,666)	(347,215)	(2,572,554)	(1,821,035)	(5,823,470)
Reconciliation of segment assets and liabilities to total assets and liabilities as at December 31, 2021:					
Intangible assets	-	-	-	-	-
Segmented total assets (excl. cash and cash equivalents & deferred tax)	66,451,019	-	15,485,563	23,271,780	105,208,362
Segmented total liabilities (excl.bank overdraft, borrowings & deferred tax)	(52,196,110)	-	(16,800,174)	(5,935,342)	(74,931,626)
Deferred tax	-	-	(5,622,110)		(5,622,110)
Cash and cash equivalents	17,693,269	-	-	318,805	18,012,074
Segmented net assets	31,948,178	-	(6,936,721)	17,655,243	42,666,699
		-			
Capital expenditure	5,585,237	-	-	2,982,023	8,567,260
Depreciation charge for the year	(1,286,055)	-	(2,572,828)	(1,515,880)	(5,374,762)

Segment assets consist primarily of Investment properties, property, plant and equipment, intangible assets, Inventory, long term receivables, debtors and other receivables.

Segment liabilities comprise current taxation, unamortized rental income, payables and other liabilities and provision for liabilities & charges.

Capital expenditure comprises additions to property, plant and equipment, Investment property and intangible assets.

Notes to the Consolidated Financial Statements

Property, plant and equipment
Group

December 2022	Land	Buildings	Plant and Equipment	Fixtures and Fittings	Motor Vehicles	Asset under Construction	Total
		N'000	N'000	N'000	N'000	N'000	N'000
Cost							
At beginning of the year	1,895,153	21,253,183	22,256,515	3,073,466	589,942	6,748,949	55,817,208
Realignment of asset classes	-	(171,045)	96,670	13,742	7,066	194,854	141,288
Transfer from assets under Construction	147,500	5,276	54,087	-	-	(206,863)	-
Additions	-	2,315,456	4,018,155	274,488	31,946	(338,544)	6,301,501
Reclass to property, plant and equipment	128,642	-	5,000,000	-	-	(5,000,000)	128,642
Disposals	-	(56,288)	(35,917)	(1,262)	-	-	(93,466)
At the end of the period	**2,171,295**	**23,346,582**	**31,389,511**	**3,360,435**	**628,954**	**1,398,396**	**62,295,173**
Depreciation							
At beginning of the year	-	(3,636,920)	(6,487,661)	(1,332,470)	(430,138)	-	(11,887,189)
Charge for year	-	(576,838)	(1,764,508)	(610,459)	(39,146)	-	(2,990,951)
Disposals	-	49,502	31,347	1,262	-	-	82,110
At the end of the period	**-**	**(4,164,256)**	**(8,220,822)**	**(1,941,668)**	**(469,284)**	**-**	**(14,796,030)**
Carrying Value							
December 31, 2022	**2,171,295**	**19,182,326**	**23,168,688**	**1,418,767**	**159,670**	**1,398,396**	**47,499,143**

December 2021	Land	Buildings	Plant and Equipment	Fixtures and Fittings	Motor Vehicles	Asset under Construction	Total
		N'000	N'000	N'000	N'000	N'000	N'000
Cost							
At beginning of the year	1,895,153	19,747,184	21,827,457	3,027,360	610,071	190,221	47,297,445
Additions	-	1,474,792	364,881	46,106	-	6,681,481	8,567,260
Transfer from assets under Construction	-	36,218	86,535	-	-	(122,753)	-
Disposals	-	(5,011)	(22,358)	-	(20,129)	-	(47,497)
At end of the year	**1,895,153**	**21,253,183**	**22,256,515**	**3,073,466**	**589,942**	**6,748,949**	**55,817,208**
Depreciation							
At beginning of the year	-	(3,087,942)	(5,157,043)	(758,740)	(393,549)	-	(9,397,274)
Charge for year	-	(550,562)	(1,349,441)	(573,729)	(53,783)	-	(2,527,515)
Disposals	-	1,584	18,823	-	17,194	-	37,601
At end of the year	**-**	**(3,636,920)**	**(6,487,661)**	**(1,332,470)**	**(430,138)**	**-**	**(11,887,188)**
	-	(171,045)	96,670	13,742	7,066	194,854	141,287
Carrying Value							
December 31, 2021	**1,895,153**	**17,445,219**	**15,865,524**	**1,754,739**	**166,869**	**6,943,803**	**44,071,307**

Notes to the Consolidated Financial Statements

Property, plant and equipment

Company

December 2022	Land	Buildings	Plant and Equipment	Fixtures and Fittings	Motor Vehicles	Asset under Construction	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cost							
At beginning of the year	1,895,153	7,641,744	15,440,537	228,484	558,935	5,424,363	31,189,216
Realignment of asset classes	-	(171,045)	96,670	13,742	7,066	194,854	141,287
Transfer from assets under Construct	147,500	5,276	54,087	-	-	(206,863)	-
Additions	-	149,064	1,168,448	2,869	31,946	986,042	2,338,369
Reclass to property, plant and equipn	128,642	-	5,000,000	-	-	(5,000,000)	128,642
Disposals	-	(56,288)	(35,917)	(1,262)	-	-	(93,467)
At the end of the period	**2,171,295**	**7,568,751**	**21,723,825**	**243,833**	**597,947**	**1,398,397**	**33,704,047**
Depreciation							
At beginning of the year	-	(3,128,847)	(5,129,672)	(209,387)	(414,635)	-	(8,882,541)
Charge for period	-	(281,562)	(846,623)	(10,336)	(31,395)	-	(1,169,916)
Disposals	-	49,502	31,347	1,262	-	-	82,111
At the end of the period	**-**	**(3,360,907)**	**(5,944,948)**	**(218,461)**	**(446,030)**	**-**	**(9,970,346)**
Carrying Value							
December 31, 2022	**2,171,295**	**4,207,844**	**15,778,877**	**25,372**	**151,917**	**1,398,397**	**23,733,701**
INV IN SUB	**-**	**-**	**-**	**-**	**-**	**22,100,000**	**22,100,000**

December 2021	Land	Buildings	Plant and Equipment	Fixtures and Fittings	Motor Vehicles	Asset under Construction	Total
		N'000	N'000	N'000	N'000	N'000	N'000
Cost							
At beginning of the year	1,895,153	7,422,792	15,335,763	228,484	579,064	190,221	25,651,477
Additions	-	187,745	40,597	-	-	5,356,895	5,585,237
Transfers from asset under Construct	-	36,218	86,535	-	-	(122,753)	-
Disposals	-	(5,011)	(22,358)	-	(20,129)	-	(47,498)
At end of the year	**1,895,153**	**7,641,744**	**15,440,537**	**228,484**	**558,935**	**5,424,363**	**31,189,216**
Depreciation							
At beginning of the year	-	(2,841,454)	(4,482,291)	(198,965)	(385,797)	-	(7,908,507)
Charge for year	-	(288,977)	(666,204)	(10,422)	(46,032)	-	(1,011,635)
Disposals	-	1,584	18,823		17,194	-	37,601
At end of the year	**-**	**(3,128,847)**	**(5,129,672)**	**(209,387)**	**(414,635)**	**-**	**(8,882,541)**
Realignment of asset classes	**-**	**(171,045)**	**96,670**	**13,742**	**7,066**	**194,854**	**141,287**
Carrying Value							
December 31, 2021	**1,895,153**	**4,341,852**	**10,407,536**	**32,839**	**151,366**	**5,619,217**	**22,447,962**
INV IN SUB						**22,100,000**	**22,100,000**

The realignment of asset class was done to maintain the same balance in the the fixed asset register, which resulted in the write off of 0.17M

Notes to the Consolidated Financial Statements

N'000

Intangible assets
Company

December 2022	Software Costs	Permit	Total
	N'000	N'000	N'000
Cost			
At beginning of the year	-	15,045	15,045
Additions	-	-	-
Disposals	-	-	-
At the end of the period	**-**	**15,045**	**15,045**
Amortization			
At beginning of the year	-	(5,829)	(5,829)
Amortization for the period charged to expense		(752)	(752)
Disposals	-	-	-
At the end of the period	**-**	**(6,581)**	**(6,581)**
Carrying Value			
December 31, 2022	**-**	**8,464**	**8,464**

December 2021	Software Costs	Permit	Total
	N'000	N'000	N'000
Cost			
At beginning of the year	229,582	15,045	244,627
At the end of the period	229,582	15,045	244,627
Amortization			
At beginning of the year	(218,386)	(5,077)	(223,463)
Amortization for the period charged to expe	(11,196)	(752)	(11,948)
Disposals	-	-	-
At the end of the period	(229,582)	(5,829)	(235,411)
Carrying Value			
December 31, 2021	**-**	**9,216**	**9,216**

These are capitalized amounts paid to a third-party for a right of way permit. The permit is for 20 years and it is amortized using the straight line method.

The Company's balance is the same as the Group.

Notes to the Consolidated Financial Statements

National Disclosure
Investment property movement analysis - Company

December 2022	Land and Buildings	Plant and Equipment	Asset under Construction	Total
	N'000	N'000	N'000	N'000
Cost				
At beginning of the year	12,614,379	20,450,384	293,205	33,357,968
At end of the period	**12,614,379**	**20,450,384**	**293,205**	**33,357,968**
Depreciation				
At beginning of the year	(2,687,745)	(15,043,547)	-	(17,731,292)
Realignment of asset classes	(1,925,027)	2,077,117	(293,205)	(141,114)
Charge for year	(297,384)	(2,275,170)	-	(2,572,554)
At end of the period	**(4,910,156)**	**(15,241,600)**	**(293,205)**	**(20,444,960)**
Carrying Value				
December 31, 2022	**7,704,223**	**5,208,785**	**-**	**12,913,008**

December 2021	Land and Buildings	Plant and Equipment	Asset under Construction	Total
	N'000	N'000	N'000	N'000
Cost				
At beginning of the year	12,646,195	20,450,384	293,205	33,389,784
Disposals	(31,816)	-	-	(31,816)
At end of the year	**12,614,379**	**20,450,384**	**293,205**	**33,357,968**
Depreciation				
At beginning of the year	(2,398,522)	(12,768,373)	-	(15,166,895)
Charge for the year	(297,654)	(2,275,174)	-	(2,572,828)
Disposals	8,431	-	-	8,431
At end of the year	**(2,687,745)**	**(15,043,547)**	**-**	**(17,731,292)**
Realignment of asset classes	**(1,925,027)**	**2,077,117**	**(293,205)**	**(141,114)**
Carrying Value				
December 31, 2021	**8,001,607**	**7,483,954**	**-**	**15,485,562**

The realignment of asset class was done to maintain the same balance in the the fixed asset register, which resulted in the write off of 0.17M

The Company's balance is the same as the Group.

11Plc

(Registration number RC 914)
Consolidated and Separate Financial Statements for the year ended December 31, 2022

Statement of Value Added

	Group 2022		Group 2021		Company 2022		Company 2021	
	N. '000	%	N. '000	%	N. '000	%	N. '000	%
- Inland sales	371,899,701		243,457,406		363,108,909		239,405,325	
- Export sales	-		-		-		-	
Sales to outsiders	371,899,701		243,457,406		363,108,909		239,405,325	
- Local purchases	247,671,506		176,811,832		239,836,473		173,260,020	
- Purchases from imports	103,412,563		58,203,407		103,412,563		58,203,407	
Purchases of goods and other services	351,084,069		235,015,239		343,249,037		231,463,427	
Value added by trading operations	20,815,632	69	8,442,167	51	19,859,873	68	7,941,899	49
Other income	9,344,565	31	8,306,158	49	9,344,565	32	8,306,158	51
	30,160,198		16,748,325		29,204,438		16,248,057	
Other expense	(11,355)	0	(31,775)	-	(11,355)	(0)	(31,775)	-
	30,148,842	100	16,716,550	100	29,193,083	100	16,216,282	100
Applied as follows :								
To pay staff and labour related expenses	1,961,699	7	1,404,583	8	1,559,722	5	1,262,122	8
To pay dividends to shareholders	3,065,060	10	3,065,060	18	3,065,060	10	3,065,060	19
To pay interests and similar charges	1,621,710	5	611,726	4	1,621,710	6	611,726	4
To pay Government taxes and licences	4,439,901	15	3,507,238	21	4,253,046	15	3,507,238	21
To provide for maintenance of assets	3,865,532	13	5,112,292	31	3,743,222	13	3,596,411	22
Profit after tax transferred to reserve (net of divid	15,194,940	50	3,015,650	18	14,950,322	51	4,173,725	26
	30,148,842	100	16,716,550	100	29,193,083	100	16,216,282	100

Company

Five-Year Financial Summary

	2022	2021	2020	2019	2018
	N'000	N'000	N'000	N'000	N'000
Equity					
Share capital	180,298	180,298	180,298	180,298	180,298
Share premium	14,380	14,380	14,380	14,380	14,380
Reserves	61,867,109	46,916,787	42,742,892	39,486,935	33,578,097
	62,061,788	47,111,466	42,937,571	39,681,613	33,772,775
Assets and liabilities :					
Property, plant & equipment	23,733,701	22,447,962	17,742,970	28,377,610	10,923,166
Investment property	12,913,008	15,485,561	18,222,889	20,796,632	23,372,829
Right-of-use-assets	1,457,369	1,810,224	1,846,256	1,527,470	
Intangible assets	8,464	9,216	21,164	44,696	68,316
Deferred tax assets	-	-	-	-	-
Prepayments	14,086	23,673	37,234	86,558	2,033,676
Working capital	24,988,760	9,065,521	3,405,574	4,806,829	14,935,050
	63,115,388	48,842,156	41,276,087	55,639,795	51,333,037
Net deferred credits	(23,153,600)	(23,830,697)	(20,438,517)	(16,288,683)	(17,560,262)
Net tangible assets	39,961,788	25,011,459	20,837,570	39,351,112	33,772,775
Turnover	363,108,909	239,405,325	163,907,942	191,676,329	164,609,535
Profit before taxation	22,268,428	10,746,023	8,988,942	13,107,877	13,695,459
Taxation	(4,253,046)	(3,507,238)	(2,758,074)	(4,224,128)	(4,366,524)
Profit after taxation	18,015,382	7,238,784	6,230,868	8,883,749	9,328,935
Actuarial gains/(losses)	-	-	-	-	-
Reserves beginning of the yea	46,916,787	42,742,892	39,486,935	33,578,097	27,164,151
Asset Write off		170	-	-	-
Dividends	(3,065,060)	(3,065,060)	(2,974,911)	(2,974,911)	(2,884,762)
Adoption of IFRS adjustment	-	-	-	-	(30,227)
Reserves end of year	61,867,109	46,916,787	42,742,892	39,486,935	33,578,097
Earnings per 50k share	4996K	2007K	1728K	246K	2587K
Dividends per 50k share		850K	850K	825K	825k
Net assets per 50k share	110822K	6936K	5779K	10489K	9366K

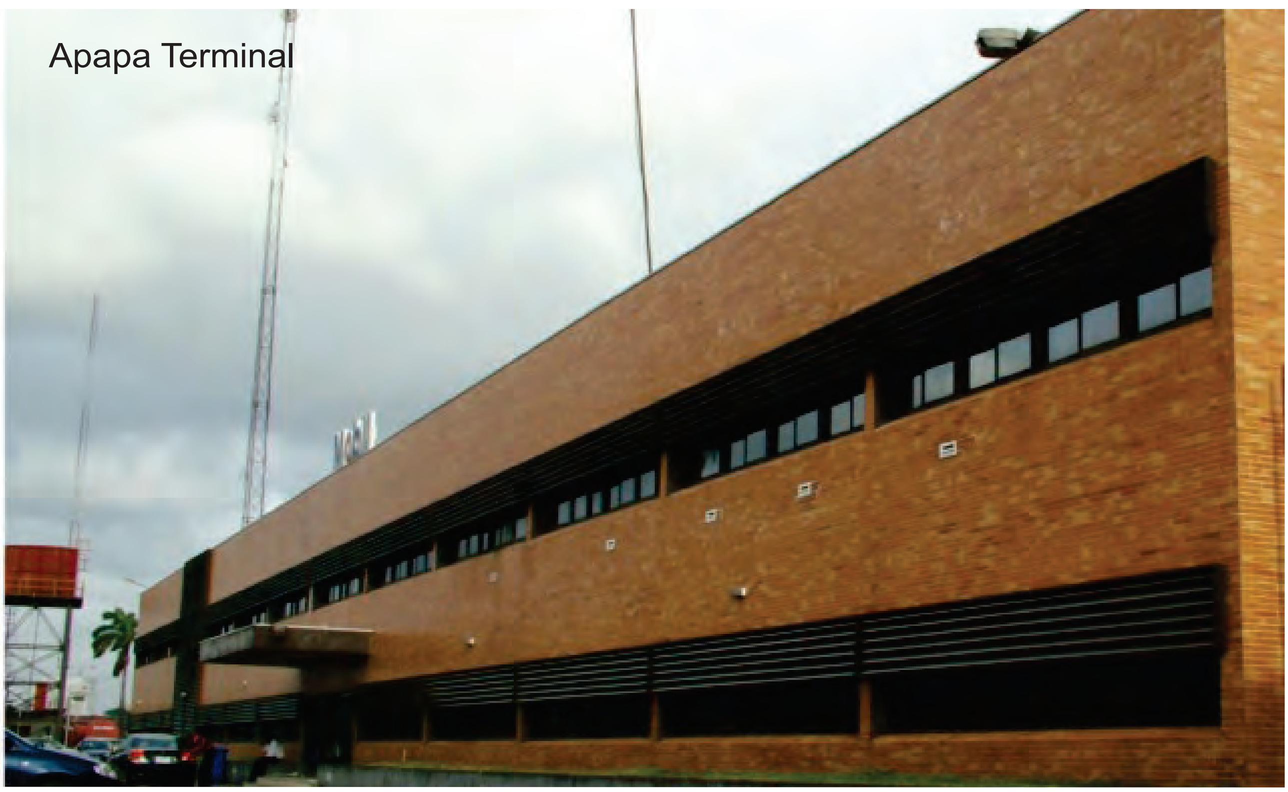
Note:

1) Earnings and dividend per share are calculated on the basis of the fully paid ordinary shares of 360,595,261 for 2018- 2022 financial 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

2) All figures disclosed are based on IFRS.

Facility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11

PROXY FORM

The 45th Annual General Meeting of 11Plc will be held at Abuja Continental Hotel, 1 Ladi Kwali Street Maitama, Abuja, Nigeria on Wednesday May 24, 2023 At 11.00am.

I/We……………………………………………………………………………being a member/members of 11Plc, hereby appoint

………………………………………………………………………………………………or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us or on my/our behalf at the Annual General Meeting of the Company to be held on May 24, 2023 and at any and every adjournment thereof:

Dated this ……………………………… day of ………………………… 2023.

Shareholder's signature ---

	RESOLUTION	VOTES	
		For	Against
1	To declare Dividend		
2	To authorize the Directors to fix the Auditors' remuneration.		
3	To elect members of the Audit Committee.		
4	To disclose the remuneration of Managers		
5	To approve the Directors' remuneration		

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

NOTE

A member (shareholder) who is unable to attend an Annual General Meeting is allowed by law to vote by Proxy. The above proxy Form has been prepared to enable you exercise your right to vote.

Provision has been made on this form for the Chairman of the Meeting to act as your proxy, but if you wish you may insert in the blank space on the form (marked*) the name of any person, whether a member of the Company or not, who will attend and vote on your behalf instead of the Chairman of the meeting.

Please sign the above and post it so as to reach the address shown overleaf not later than 48 hours before the date of the Annual General Meeting.

If executed by a corporation, the proxy form should be sealed with the common seal. The proxy must produce the Admission Card sent with the Notice of the Meeting to obtain entrance to the Meeting.

Before posting the above card, tear off this part and retain it for admission into the meeting.

ADMISSION CARD

Please admit ………………………………………… to the Annual General Meeting of 11Plc which will be held at 11.00 a.m. on the May 24, 2023 at 1 Ladi Kwali Street Maitama, Abuja, Nigeria.

Shareholder's Signature ………………………………………   Proxy's Signature ………………………………………………………

IMPORTANT:

a) This admission card must be produced by the shareholder or his proxy in order to obtain entrance to the Meeting.
b) Shareholders and/ or their proxies are requested to sign the admission card before attending the Meeting.

Affix
Stamp

The Registrar,
Greenwich Registrars & Data Solutions Limited,
274, Murtala Muhammad Way,
Alagomeji, Yaba,
Lagos State.

Affix Current Passport Photograph

E-DIVIDEND MANDATE ACTIVATION FORM

Only Clearing Banks are acceptable

Instruction

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

The Registrar
GREENWICH REGISTRARS & DATA SOLUTIONS LIMITED
274 Murtala Muhammed Way, Yaba, Lagos

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

Bank Verification Number

Bank Name

Bank Account Number

Account Opening Date

Shareholder Account Information

Surname/Company Name **First Name** **Other Names**

Address

City **State** **Country**

Previous Address (if any)

CSCS Clearing House Number

Mobile Number 1 **Mobile Number 2**

Email Address

Shareholder's Signature **Company Seal (If applicable)**

2nd Signatory (Joint/Company Accounts)

Help Desk Telephone No/Contact Centre Information for Issue resolution or clarification: +234-(0)1-2917747, +234-(0)1-2793160-2.

Tick	Company Name	Shareholders Account No.
	11 PLC	
	Abplast Products PLC	
	Allianz Nigeria Plc (erstwhile Union Assurance Company Limited; Ensure Insurance)	
	Aluminium Extrusion PLC	
	Cashchew Nut Processing Industries PLC	
	Chellarams PLC	
	Christlieb PLC	
	DANA Group of Companies PLC Series 1 & 2	
	DN Tyre & Rubber PLC	
	Ekiti State Bond Tranche 2	
	EKOCORP PLC	
	Eterna PLC	
	FAN Milk PLC	
	General Telecoms PLC	
	GlaxoSmithKline Nigeria PLC	
	Global Biofuel Nigeria Limited	
	Great Nigeria Insurance PLC	
	Ikeja Hotels PLC	
	Impresit Bakolori PLC	
	Industrial & General Insurance PLC	
	IPWA PLC	
	John Holts PLC	
	Julius Berger Nigeria PLC	
	Kajola Integrated & Investment Company PLC	
	Lennard Nigeria PLC	
	Meyer PLC	
	Municipality Waste Management Contractors Limited Series I,II & III	
	Nestle Nigeria PLC	
	Nigeria Cement Company PLC	
	Nigeria Reinsurance	
	Nigerian Enamelware PLC	
	Nigerian Lamp & Industries	
	Nigerian Wire & Cable PLC	
	Okitipupa Oil Palm PLC	
	Oluwa Glass Company	
	The Tourist Company of Nigeria PLC	
	Tripple Gee & Company PLC	
	UBN Property Company PLC	
	Unilever Nigeria PLC	
	Union Bank of Nigeria PLC	
	Union Homes REITS	
	Union Homes Savings & Loans PLC	
	University Press PLC	
	WEMA Bank PLC	
	Wema Funding SPV Plc Bond Series I & II	

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