

COMPANY REGISTRATION NUMBER 09353584
AFENTRA OVERSEAS LIMITED
REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2022



AFENTRA OVERSEAS LIMITED
YEAR ENDED 31 DECEMBER 2022
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**AFENTRA OVERSEAS LIMITED
YEAR ENDED 31 DECEMBER 2022
OFFICERS AND PROFESSIONAL ADVISERS**

Director

Paul McDade

Company Secretary

Richard Cliff

Corporate Bankers

The Royal Bank of Scotland Plc

1 Albyn Place

Aberdeen, AB10 1BR

Auditors

BDO LLP UK

55 Baker Street

London, W1U 7EU

Registered Office

High Holborn House, 52-54 High Holborn

London, WC1V 6RL

AFENTRA OVERSEAS LIMITED

YEAR ENDED 31 DECEMBER 2022

DIRECTOR'S REPORT

The Director presents this Report on the affairs of Afentra Overseas Limited (the 'Company'), (previously known as Sterling Energy Overseas Limited), together with the Financial Statements and Auditors' Report for the year ended 31 December 2022.

The Director's Report has been prepared in accordance with the special provisions applicable to companies entitled to use the small companies' exemption. The Director has adopted the exemption and, in addition, has not prepared a Strategic Report as defined by Part 15, s414B of the Companies Act 2006.

Principal activities

The principal activity of the Company is the extraction of crude petroleum.

Directors

The Director who served during the period is shown below:

Mr. Paul McDade

The Company had no employees in the year. The Director received no remuneration from Afentra Overseas Limited for services undertaken during the year.

Directors indemnity provision

The company has arranged appropriate Directors insurance to indemnify the Directors against liability in respect of proceedings brought about by third parties. Such provisions remain in place at the date of this report.

Going Concern

The Company's business activities are set out above. The Director has, at the time of approving the financial statements, a reasonable expectation that given the continued financial support, through a letter of support provided by the ultimate parent company, Afentra plc, the Company has adequate resources to continue in operational existence for the foreseeable future. This assessment has been made by the Director who remains confident the Group has sufficient cash resources at the date of signing to meet its liabilities as they fall due for a period of at least 12 months from the date of signing these financial statements, and notwithstanding; the impact the current situation in Ukraine and the impact to commodity prices and foreign exchange rates. Thus the Board believes its appropriate to continue to adopt the going concern basis of accounting in preparation of the financial statements.

Disclosure of information to auditors

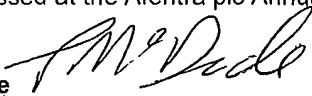
The person who is a Director at the date of approval of this Report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

BDO LLP has expressed its willingness to continue in office as auditors and a resolution to reappoint BDO was passed at the Afentra plc Annual General Meeting on 20 June 2023.

Paul McDade



Director

28/09/23

AFENTRA OVERSEAS LIMITED
YEAR ENDED 31 DECEMBER 2022
STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The Director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has elected to prepare the Company financial statements in accordance with UK adopted international accounting standards in conformity with the requirements of the Companies Act 2006. Under company law the Director must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Director is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Paul McDade

Director

28/09/23

AFENTRA OVERSEAS LIMITED
YEAR ENDED 31 DECEMBER 2022
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AFENTRA ENERGY OVERSEAS LIMITED

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its result for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Afentra Overseas Limited ("the Company") for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

AFENTRA OVERSEAS LIMITED
YEAR ENDED 31 DECEMBER 2022
Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on;

- Our understanding of the Company and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining an understanding of the Company's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be the applicable financial reporting framework and the Companies Act 2006.

Our procedures in respect of the above included:

AFENTRA OVERSEAS LIMITED

YEAR ENDED 31 DECEMBER 2022

- Discussed with management to understand the laws and regulations relevant to the Company; and
- Reviewed minutes of meetings of those charged with governance and held discussions with management regarding their knowledge of any known or suspected instances of non-compliance with laws and regulations;

Irregularities including fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Reviewing minutes of meetings of those charged with governance and holding discussions with management regarding their knowledge of any known or suspected instances of fraud;
- Discussing amongst the engagement team how and where fraud might occur in the financial statements; and
- Obtaining an understanding of the company's internal controls and how they detect, prevent, and mitigate risks related to fraud.

Based on our risk assessment, we considered the area most susceptible to fraud to be management override of controls via posting inappropriate journal entries.

Our procedure in respect of the above included:

- Testing the appropriateness of journal entries made throughout the year which met specific risk-based criteria to supporting documentation.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Matt Crane (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

London, UK

28/09/23

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

AFENTRA OVERSEAS LIMITED
YEAR ENDED 31 DECEMBER 2022
STATEMENT OF COMPREHENSIVE INCOME

	Note	Year ended 31st December 2022 \$	Year ended 31st December 2021 \$
Other administrative expenses		-	-
Results		<u>-</u>	<u>-</u>
Results before tax	4	<u>-</u>	<u>-</u>
Tax charge	5	<u>-</u>	<u>-</u>
Results for the year		<u><u>-</u></u>	<u><u>-</u></u>
Other comprehensive income		-	-
Total comprehensive results for the year		<u><u>-</u></u>	<u><u>-</u></u>

The Director is paid by other companies which are part of the ultimate parent's group. No recharge is made to this company.

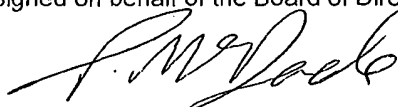
AFENTRA OVERSEAS LIMITED
YEAR ENDED 31 DECEMBER 2022
STATEMENT OF FINANCIAL POSITION

	Note	As at 31st December 2022 \$	As at 31st December 2021 \$
Current assets			
Trade and other receivables	6	2	2
Cash and cash equivalents		-	-
		<u>2</u>	<u>2</u>
Total assets		<u>2</u>	<u>2</u>
Equity			
Share capital	7	2	2
Retained earnings		-	-
		<u>2</u>	<u>2</u>
Total equity		<u>2</u>	<u>2</u>
Current liabilities			
Trade and other payables		-	-
		<u>-</u>	<u>-</u>
Total liabilities		<u>-</u>	<u>-</u>
Total equity and liabilities		<u>2</u>	<u>2</u>

The Financial Statements of Afentra Overseas Limited, registered number 09353584 were approved by the Board of Directors on 28/09/23.

The accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

Signed on behalf of the Board of Directors



Paul McDade

Director

AFENTRA OVERSEAS LIMITED
YEAR ENDED 31 DECEMBER 2022
STATEMENT OF CHANGES IN EQUITY

	Share capital \$	Retained earnings \$	Total \$
As at 1 January 2021	2	-	2
Result for the period	-	-	-
As at 31 December 2021	<u>2</u>	<u>-</u>	<u>2</u>
Result for the year	-	-	-
As at 31 December 2022	<u>2</u>	<u>-</u>	<u>2</u>

AFENTRA OVERSEAS LIMITED
YEAR ENDED 31 DECEMBER 2022
STATEMENT OF CASH FLOWS

	Year ended 31st December 2022 \$	Year ended 31st December 2022 \$
Operating activities		
Result before tax	-	-
Write off of investment	-	-
	<hr/>	<hr/>
Operating cash outflow prior to working capital	-	-
Decrease in trade and other receivables	-	-
Decrease in trade and other payables	-	-
	<hr/>	<hr/>
Net cash flow used in operating activities	-	-
	<hr/>	<hr/>
Net decrease in cash and cash equivalents	-	-
	<hr/>	<hr/>
Cash and cash equivalents at beginning of year	-	-
Effect of foreign exchange rate changes	-	-
	<hr/>	<hr/>
Cash and cash equivalents at end of year	<hr/>	<hr/>

AFENTRA OVERSEAS LIMITED

YEAR ENDED 31 DECEMBER 2022

NOTES TO THE ACCOUNTS

1. General information

Afentra Energy Overseas Limited is a private company limited by shares, is incorporated in the United Kingdom and is registered in England and Wales under the Companies Act. The address of the registered office is given on page 3. The nature of the Company's operations and its principal activities are set out in the Director's Report on page 4.

The Financial Statements are presented in US dollars being the functional currency of the primary economic environment in which the Company operates.

2. Accounting policies

The financial statements have been prepared in accordance with UK adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006. The particular accounting policies adopted, which have been applied consistently throughout the current period, are described below.

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

The Company financial statements have been prepared in accordance with those parts of the Companies Act 2006 applicable to companies reporting under UK adopted International Accounting Standards.

(i) New and amended standards adopted:

No standards have been adopted this year.

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

Standard	Description	Effective date
IFRS 17	Insurance Contracts	1 January 2023
IAS 1	Amendments – Disclosure of Accounting Policies	1 January 2023
IAS 8	Amendments – Definition of Accounting Estimates	1 January 2023
IAS 12	Amendment - Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
IAS 1	Amendment – Presentation of Financial statements (Amendment- Non-current Liabilities with Covenants)	1 January 2024
IAS 16	Amendment – Leases (Amendment-Liability in a Sale and Leaseback)	1 January 2024

b) Foreign currencies

The US dollar is the functional and reporting currency of the Company. Transactions denominated in other currencies are translated into US dollars at the rate of exchange ruling at the date of the transaction. Assets and liabilities in other currencies are translated into US dollars at the rate of exchange ruling at the reporting date. All exchange differences arising from such translations are recognised in the statement of comprehensive income.

AFENTRA OVERSEAS LIMITED

YEAR ENDED 31 DECEMBER 2022

NOTES TO THE ACCOUNTS

c) Financial instruments

The Company's Financial Instruments comprise of receivables. There are no other categories of financial instrument.

Trade receivables

Trade receivables are recognised and carried at the original invoice amount less any provision for impairment.

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

d) Going concern

The Financial Statements have been prepared in accordance with the going concern basis of accounting for reasons set out in the 'Going Concern' section of the Director's Report.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the Director is required to make judgements, estimates and assumptions about the carrying amounts of assets that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

There are no key assumptions concerning the future, or other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year.

4. Results before tax for the period

In 2022 the audit fee payable to the Company's auditors for the audit of the Company's annual accounts of \$2k (2021: \$2k) was borne by the Company's ultimate parent company Afentra plc.

The Director is paid by other companies which are part of the ultimate parent's group. No recharge is made to this company.

5. Trade and other receivables

	As at 31st December 2022 \$	As at 31st December 2021 \$
Amounts receivable from Afentra plc	2	2
	<u>2</u>	<u>2</u>

6. Called up share capital

	As at 31st December 2022 \$	As at 31st December 2021 \$
Authorised, allotted, called up and fully paid (1 ordinary shares of £1 each)	<u>2</u>	<u>2</u>

AFENTRA OVERSEAS LIMITED

YEAR ENDED 31 DECEMBER 2022

NOTES TO THE ACCOUNTS

7. Financial instruments

The Company's objective and policy is to use financial instruments to manage the risk profile of its underlying operations. The Company continually monitors financial risk including oil and gas price risk, interest rate risk, currency translation risk and liquidity risk and takes appropriate measures to ensure such risks are managed in a controlled manner including, where appropriate, the use of financial derivatives.

The Company does not enter into or trade financial instruments, for speculative purposes. During the period, the Company's financial assets consisted of:

- intercompany receivables

These are used to manage the working capital requirements of the Company. The Company monitors risk on a regular basis and takes appropriate measures to ensure risks are managed in a controlled manner.

Capital management

The Company is not subject to externally imposed capital requirements. The capital structure of the Company consists of equity attributable to the equity holders of the parent, issued capital, reserves and retained earnings as disclosed in the statement of changes in equity.

The Company's liquidity risk is managed on a group-wide basis by maintaining adequate reserves, banking facilities and reserve borrowing facilities to match its short, medium and long-term funding requirements.

The Company has no debt and therefore no gearing. Further information relating to the Company's capital and liquidity situation is included in note 2.

8. Related party transactions

	Note	As at 31st December 2022 \$	As at 31st December 2021 \$
Amounts owed by related parties			
Afentra plc	6	<u>2</u>	<u>2</u>
		<u>2</u>	<u>2</u>

No interest is receivable on amounts owed to or receivable from other group companies.

9. Subsequent events

No subsequent events to the Balance Sheet date of December 31st have occurred.

10. Controlling party

The ultimate parent company and controlling party is Afentra plc. The smallest and largest group in which the Company is consolidated is that headed by Afentra plc, copies of whose financial statements can be obtained from High Holborn House, 52-54 High Holborn, London WC1V 6RL and on the Afentra plc website.