

BARBADOS NATIONAL OIL COMPANY LIMITED



ANNUAL REPORT 25

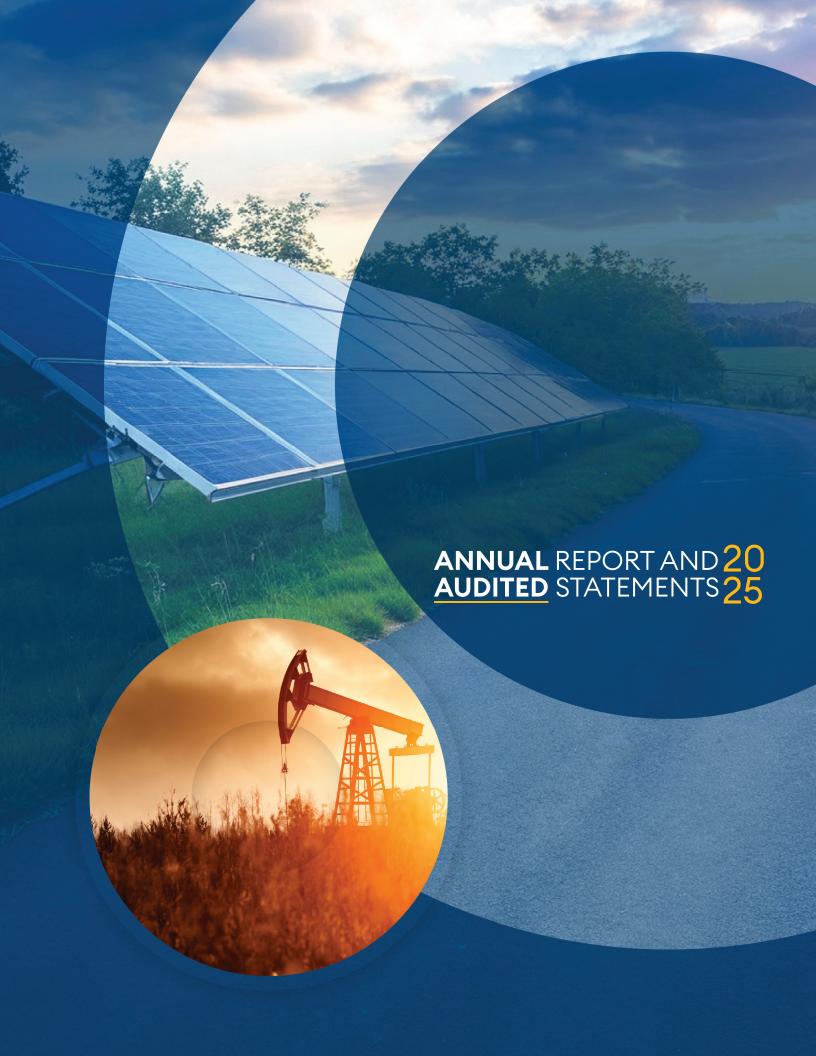


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MISSION STATEMENT

To create a diverse, optimised product portfolio by sourcing the best pricing and quality for energy solutions while maximising the benefits of renewable energy sources and ensure our legacy operations of hydrocarbon product remains economical

VISION STATEMENT

To be Barbados' leading integrated energy company for the provision of innovative, reliable and affordable energy products and services.

CORPORATE INFORMATION

Registered Office

Woodbourne, St Philip, Barbados

Shareholders

Government of Barbados National Petroleum Corporation

Attorneys-At-Law

Mr. Roger C Forde, KC

Mr. Barry Gale, SC

Ms. Karen Perreira

Corporate Secretary

Mrs. Donna Harris-Thornhill

Auditor

PricewaterhouseCoopers SRL

Board of Directors - Barbados National Oil Company Limited

(BNOCL or the Company)

Mr. Victor A Fernandes - Chairman (Resigned July 31, 2024)

Dr. Asquith Thompson - Deputy Chairman (Appointed Interim Chairman August 1, 2024)

Mr. Kevin Hunte - Permanent Secretary Ministry of Energy & Business

Ms. Averill Brathwaite, Representative of the Ministry of Finance & Economic Affairs

Mrs. Leslie Trotman-Edwards (Appointed January 1, 2025- Representative of the Barbados Workers Union))

Ms. Stephanie Catling-Birmingham

Dr. Erwin Edwards

Mr. Paul B. Scott (Appointed January 1, 2025)

Mr. Peter Thompson (Appointed January 1, 2025)

Mr. Carlton Cummins (Appointed January 1, 2025)

Ms. Dawn Williams (Appointed January 9, 2025)

Ms. Lachmi Connell (Appointed January 9, 2025)

Mr. Ross Maynard (Demitted office on January 1, 2025)

Ms. Liesel Weekes (Demitted office on January 1, 2025)

Mrs. Andria Shepherd-Payne (Demitted office on January 1, 2025)

Mrs. Collette Applewhaite (Demitted office on January 1, 2025)

CORPORATE INFORMATION

Board of Directors - Barbados National Terminal Co. Ltd.

(BNTCL or the Terminal)

Mr. Victor A. Fernandes - Chairman (Resigned July 31, 2024)

Dr. Asquith Thompson - Deputy Chairman (Appointed Director and Interim Chairman August 1, 2024)

Ms. Keisha Reid - Deputy Permanent Secretary Ministry of Energy & Business

Ms. Averill Brathwaite, Representative of the Ministry of Finance & Economic Affairs

Mr. Paul B. Scott (Appointed January 1, 2025)

Mr. Peter Thompson (Appointed January 1, 2025)

Ms Dawn Williams (Appointed January 1, 2025)

Mrs. Andria Shepherd-Payne (Demitted office on January 1, 2025)

Ms. Lasandra Bobb (Demitted office on January 1, 2025)

Ms. Jamila Burgess (Demitted office on January 1, 2025)

Mr. David Staples (Demitted office on January 1, 2025)

Ms. Lana Trotman (Demitted office on January 1, 2025)

Ms. Alexandra Daniel (Demitted office on January 1, 2025)

Senior Management

Mr. James Browne - Chief Executive Officer

Mr. Ashley Bignall - Chief Financial Officer

Mr. Ronnie Gittens - Group Human Resources Manager (demitted office September 6, 2024)

Mr. Terrance Straughn - Chief Operations Officer

Mr. Wesley Carter - Commercial Manager

Mr. Pedro Bushelle - Group Information Technology Manager

Mrs. Carolyn Forde-Bryan - Internal Auditor

Mr. Damien Catlyn - Group Health, Safety, Security, Environmental and Quality Manager

Ms. Karen Austin - Fuels Terminal Manager

Mr Rommel Clarke - Maintenance Manager

BOARD OF DIRECTORS



Mr. Victor A. Fernandes (Chairman - Resigned July 31, 2024 BNOCL/BNTCL)



Dr. Asquith Thompson (Interim Chairman) BNOCL/BNTCL



Mrs. Averill Brathwaite BNOCL/BNTCL



Mr. Paul B. Scott BNOCL/BNTCL Appointed January 1, 2025



Mr. Peter Thompson BNOCL/BNTCL Appointed January 1, 2025



Ms. Dawn Williams BNOCL/BNTCL *Appointed January 9, 2025



Mr. Kevin Hunte **BNOCL**



Dr. Erwin Edwards BNOCL



Ms. Stephanie Catling-Birmingham BNOCL

BOARD OF **DIRECTORS** C O N T I N U E D



Mr. Carlton Cummins BNOCL Appointed January 1, 2025



Ms. Lachmi Connell BNOCL Appointed January 9, 2025



Mrs. Leslie Trotman Edwards BNOCL Appointed January 1, 2025



Ms. Keisha Reid **BNTCL**



Mrs. Andria Shepherd-Payne BNOCL/BNTCL Demitted Office January 1, 2025



Mrs. Collette Applewhaite BNOCL Demitted Office January 1, 2025



Ms. Liesel Weekes **BNOCL** Demitted Office January 1, 2025



Mr. Ross Maynard BNOCL Demitted Office January 1, 2025



Ms. Alexandra Daniel BNTCL Demitted Office January 1, 2025

BOARD OF **DIRECTORS** C O N T I N U E D









*Ms. Dawn Williams was appointed to the Board of BNOCL Directors on January 9, 2025 and to the Board of BNTCL Directors on January 1, 2025.



MESSAGE FROM THE BOARD OF DIRECTORS

Further cementing the transition from BNOCL to BNECL where Sustainability is at the core of the Company's Strategy

As we close the 2024–2025 fiscal year under BNOCL and BNTCL and enter our first full year as the unified Barbados National Energy Company Limited (BNECL), we stand at a defining moment in our nation's energy journey. The amalgamation of BNOCL and BNTCL, with the upcoming integration of the National Petroleum Corporation (NPC), marks more than an administrative change, but a transformational shift in how we must view our mandate, our operations and our future.

The global energy landscape is rapidly shifting. For Small Island Developing States (SIDS) like Barbados, the most densely populated CARICOM island state, the stakes are high. Our energy security, climate goals, and economic resilience are deeply interconnected. BNECL was established to lead a complex energy transition that must protect our People, Country and Planet: powering Barbados today while preparing for the low-carbon, inclusive and climate-resilient systems of tomorrow.

We are not starting from scratch. Our GREEN Mandate has already laid a strong foundation, committing us to nine strategic aims - from achieving net-zero operations and promoting biodiversity, to empowering people and expanding equitable energy access. To date, we have installed over 5MW of solar photovoltaics (PV) at our Woodbourne facility, approximately 2MW of commercial solar PV and have 260 grid-connected residential solar PV customers. In addition, we have launched our biodiesel blending as well as wind development projects at Lamberts, St. Lucy and in the St. George valley. Furthermore, we are about to embark on substrate testing to de-risk planned biomethane (renewable natural gas) facilities utilizing a circular, waste-to-energy model.

During the course of FY2025, the Company continued to perform admirably in its management of the traditional energy products as the critical sourcing, importation and terminalling facility was provided by the BNOCL and BNTCL. During the year, 775,310 barrels of gasoline, 533,199 barrels of diesel, 7,429,206 gallons of LNG and 1,105,488 barrels of fuel oil portfolios were sourced, imported and supplied to customers at optimum pricing, while maintaining the highest quality standards.

BNOCL strived to maintain high energy security standards to ensure great customer satisfaction at all times. The exploration and production sector of the oil and natural gas field saw an increase in the total production by 25.5% resulting in Bds\$32.189 million in revenue which contributed to the country's foreign exchange needs. Natural gas sales also contributed to the company's revenue stream and \$32.45 million was generated, albeit from a combination of local and imported natural gas.

During the winter season, BNOCL successfully completed its third season of liquefied natural gas (LNG) bunker operations at the Barbados Port Inc (BPI), bunkering circa 788 tonnes of LNG over the period January to March 2025. This operation generated US\$1,060,820 of gross revenue.

BNOCL's strategic pathways continued on a sustainability roadmap of People, Country and Planet where energy security for the abovementioned products was one of its operational tenets. BNOCL's focus on energy security

MESSAGE FROM **THE BOARD OF DIRECTORS**

was coupled with the company's emphasis on green house gas mitigation where the company collaborated with strategic offtakers to import low sulfur diesel, low sulfur and low ash fuel oil. The Company's emphasis on growing the LNG/natural gas market illustrated the further emphasis on meeting the Paris 2015 Agreement and the Company's commitment to reducing the effects of Green House Gases.

As persons drive through the gates of our facility, the new BNECL will emphasize our focus on sustainability. Our solar panels and battery storage systems, along with the biofuel options would further highlight our aim to curtail growing greenhouse gas emissions.

Barbados' target of 100% renewable energy and carbon neutrality is ambitious, but attainable. The transition is not only in words but embedded in the Company's actions. To meet this, BNECL will go beyond integrating sustainability into projects. We must embed it into our DNA - our governance, our culture and our core business model. Sustainability can no longer be siloed; it must shape how we plan, procure, invest, and evaluate performance. One of our first steps in meeting these grand objectives was to achieve financial stability. During FY2025, the Company generated \$46,341,070 from a total revenue of \$587,663,841. This is up from a FY2024 profit of \$33,966,902 profit from a total revenue of \$585,043,276.

The company's cash position also increased from FY2024 figure of \$1,584,779 to a FY2025 cash position of \$7,468,635.

Partnerships will form the backbone of BNECL achieving its national sustainable development goals. Over the course of the fiscal period of review, BNOCL developed several partnerships aimed at constructing renewable and conventional energy projects. In the future BNECL will embark on additional initiatives in BESS, solar pv, wind and biodiversity energy space as we recognize that as a collective group with similar objectives, we will need to combine our varied strengths, resources, and perspectives to tackle these national and global sustainability objectives.

To drive this transformation, we propose five strategic actions:

• 1. Systematize Sustainability

Embed ESG principles into corporate strategy, procurement, project planning, and enforce performance management across all operations.

• 2. Position for Oversight

Establish a Sustainability Division and active Sustainability Committee across all facilities to oversee climate risks, stakeholder engagement, and alignment with global frameworks (GRI, TCFD, SDGs).

3. Access Green Capital

Develop a finance pathway to unlock access to more green bonds, transition loans and investment in clean energy infrastructure.

MESSAGE FROM THE BOARD OF DIRECTORS

· 4. Reach the Underserved

Scale outreach to low-income communities, support women and youth in energy innovation and expand Corporate Social Responsibility and educational programmes.

• 5. Accelerate Decarbonisation

Retrofit legacy assets, reduce methane leaks, implement circular waste strategies, and promote cleaner fuel alternatives.

BNECL is already making the transition tangible. However, to lead in sustainability means acting systemically, decisively and with long-term vision.

As directors of one of Barbados' leading energy companies, our leadership is critical. Every decision, from the boardroom to the panel, pump or pipeline; every point of use, must advance our national goals and global objectives. We will ensure that this amalgamation is not the end of a process, but the beginning of a new era one where BNECL sets the benchmark for clean energy leadership across island states.

Aggressive decarbonisation and strong energy security are not opposing objectives but mutually reinforce strategies that strengthen our national resilience.

Our role must evolve from managing today's energy needs to building the future-ready infrastructure Barbados requires.



CORPORATE PROFILE

The Barbados National Oil Company Limited, (a continuation of Mobil Exploration Inc. after they ceased onshore exploration and production operations in Barbados) was established on January 17, 1986.

The Company's legacy business is the economic exploration and production of the country's hydrocarbon potential onshore Barbados. Its portfolio is equally supported by its trading and marketing division which seeks to ensure that energy products are supplied to the country at the most competitive prices on a sustainable, efficient and reliable basis.

BNOCL has constantly pursued the diversification of the energy mix in the country, particularly as it relates to alternative energy sources for commercial and industrial purposes. The objective of this policy direction is to assist in reducing the country's dependence on imported fossil fuels, thereby reducing the demand for foreign exchange, while contributing to the protection of the environment.

The Company has taken into consideration the challenges being posed by the global energy transition and continues to accelerate investments in renewable energy technologies and low carbon solutions as part of a broader effort to transition its onshore oil, gas and production business to a full-fledged, integrated energy company. This includes the development of solar and wind energy, investments in battery storage and research into the use of hydrogen, liquefied natural gas and biofuels. These efforts are reflective of the Company's commitment to championing the transformational goals outlined in the Barbados National Energy Policy and supporting the island's strong climate advocacy.

O BNOCL'S OPERATIONS

BNOCL's upstream operations are onshore only and are conducted under a Mineral Lease Agreement with the Government. This lease authorises the Company to carry out exploration and production activities in an area

of 16,438 acres (6,652.2 hectares) in the parishes of St Philip, St George, St Thomas and St Andrew as shown in Figure 1. In its operations, the Company employs various enhanced recovery techniques on low-producing wells to increase the rate of recovery.

A number of distinct geological providences in the Woodbourne area, namely Central and West Woodbourne, Lower Greys, Hampton and Edgecombe are the main production sites of the Company's crude oil. This locally produced crude oil is stored at the Terminal at Fairy Valley, Christ Church for shipment to Petrojam Jamaica. Up until September 2018 the crude was sold to Petrotrin, where it was refined at Point-a-Pierre Refinery under a Processing Agreement.

BNOCL has a 30.4% equity interest in an associated company, Asphalt Processors Inc.(API)

Figure 1: Map of Barbados showing the four locations making up the Mineral Lease.



O OFFSHORE EXPLORATION

BNOCL is the administrator of the Government's carried interest in respect of the Carlisle Bay and Bimshire offshore blocks licensed to the Australian exploration company, Woodside Energy (formerly BHP Billiton). Following its 3D seismic survey, Woodside entered the second optional phase of exploration for the Bimshire block and was granted additional time by the government to undertake further geological and geophysical studies to de-risk exploration in the Carlisle Bay block. Shell having vast deep water experience, acquired a 40% minority share in each of the two blocks. Furthermore, BNOCL continues its role as part of the Barbados Offshore Development Team, whose purpose is to advance oil and gas exploration offshore Barbados.

O COMPOSITION OF THE GROUP:

The BNOCL Group comprises three (3) wholly owned subsidiary companies.

Barbados National Oilfield Services Limited (BNOSL) was incorporated in 1996 to provide the services of Operator under a Production Sharing Contract (PSC). Subsequent to the conclusion of that PSC in 2004, BNOSL was retained to execute the exploration and production of onshore activities on behalf of the parent company.

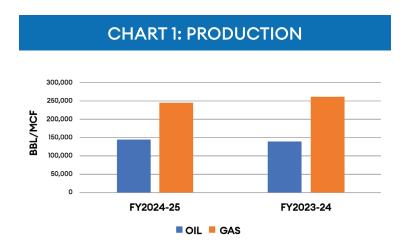
Barbados National Terminal Company. Ltd. was incorporated in 1998 following the closure of the Mobil refinery. Its purpose is to manage the storage and distribution of gasoline, diesel, heavy fuel oil for electrical generation and for other industrial uses and heavy fuel oil for the production of bitumen as well as the storage and exportation of crude oil on behalf of the Group. BNTCL also stores aviation (jet) fuel and kerosene on behalf of the major oil companies. BNTCL, which was constructed in 2004, commenced operations at the temporary Needham's Point Facility in St Michael. It currently operates from its terminal at Fairy Valley, Christ Church.

Heavy fuel oil is handled at the Esso Terminal at Holborn, St Michael under a long-term lease agreement with Esso Standard Oil S.A. The decision to use the Holborn Terminal for fuel oil was partially influenced by its proximity to the Barbados Light and Power (BL&P) power generating plant at Spring Garden, which consumes approximately 95% of the imported heavy fuel oil.

Barbados National Oil Holding Company Limited (BNOHCL) manages certain real estate assets owned by the Group.

O CRUDE OIL & NATURAL GAS PRODUCTION (CHART 1 BELOW)

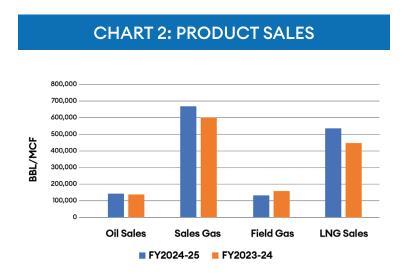
Oil production increased by 2% while gas production decreased by 6% in FY 2024-25 when compared to the previous fiscal year. The natural and mechanical decline of the aging field was overcome by several activities under the Enhanced Recovery and Cementation contract with T N Ramnauth and Company Limited. Since the gas-oil ratio of the significant producers was relatively low, the gas production decreased despite the marginal oil increase:



PRODUCTION					
PRODUCT	2024-2025	2023-2024	% DIFFERENCE		
Oil (bbl)	142,929	140,361	2		
Gas (mcf)	245,157	262,199	(6)		

O CRUDE OIL & NATURAL GAS SALES (SEE CHART 2 BELOW)

The increase in crude oil sales in FY 2024/25 of 3% is commensurate with that of crude production as efforts continue to optimize production and minimize stock levels. Gas sales increased by 11% from 603,329mcf in FY 2023/24 to 668,294mcf in FY 2024/25. Increased Sales Gas is a reflection of increased demand from the National Petroleum Corporation as it grows its customer base in fulfilment of Barbados' National Energy Policy. Since 2016, natural gas sales, has been a mixture of gasified imported liquefied natural gas (LNG) and gas produced by BNOCL's wells referred to as Field Gas. In FY 2024/25 Field Gas sales contracted by 16% while sales of LNG increased by 20% in comparison to FY 2023/24. In FY 2024/25 Field Gas contributed 20% of Gas Sales and LNG 80%, while in FY 2023/24 the Field Gas and LNG contributions were 26% and 74% respectively:



PRODUCT SALES					
PRODUCT	2024-2025	2023-2024	% DIFFERENCE		
Oil (bbl)	144,976	140,121	3		
Sales Gas (mcf) Field Gas (mcf)	668,294 131,667	603,329 157,108	11 (16)		
LNG (mcf)	536,627	446,221	20		

RESERVES (CHART 3 ON PAGE 18)

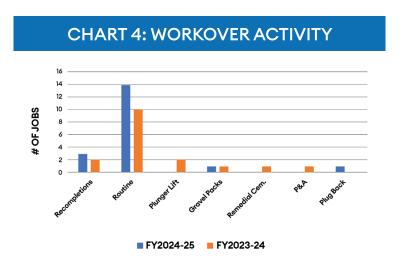
At April 1, 2025, reserves were assessed at approximately 1.46MMbbls of oil and 3.48BCF gas – a reduction of 6% and increase of 3% for oil and gas respectively when compared to the assessment at April 1, 2024. These changes are the result of several factors; a marginally less favourable environment for the assessment in FY 2024/25 i.e increased operating costs and lower oil price, re-evaluation of assets from year to year due to re-completions and production, and additions to the behind pipe gas reserves due to the identification of potential candidates for non-associated gas production in FY 2025/26:



RESERVES					
PRODUCT	2024-2025	2023-2024	% DIFFERENCE		
Oil (bbl)	1,456,125	1,541,793	(6)		
Gas (mcf)	3,476, 674	3,378,036	3		

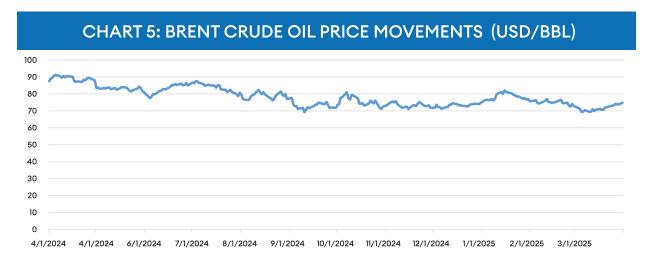
WORKOVERS (CHART 4 ON PAGE 19)

Nineteen (19) workovers were executed in FY 2024/25 – two (2) more than in the previous fiscal year. As is customary the majority of the jobs performed were routine with fourteen (14) jobs of this nature. The remaining non-routine work consisted of one (1) plug back at Lower Greys 24, one (1) gravel pack at Lower Greys 22 and three (3) recompletions at Woodbourne 85, Woodbourne 119 and Lower Greys 20. There is still room for improvement, as many of the challenges that adversely affected the activity level in FY 2023/24, persisted in the fiscal year just ended. The challenges include unavailability of stock items, unavailability of personnel at critical times and downtime on workover rigs and equipment:



NUMBER OF WORKOVERS					
NATURE OF WORKOVER	FY 2024-2025	FY 2023-2024			
Recompletion	3	2			
Routine	14	10			
Plunger Lift	0	2			
Gravel Pack	1	1			
Remedial Cementation	0	1			
Plug & Abandonment	0	1			
Plug Back	1	0			
TOTAL	19	17			

World Market Oil prices on average for the fiscal period April 2024 to March 2025; were 5% lower than the previous period. The highest price reached during the year under review was US\$91.17, compared to the previous year's peak of US\$96.55 per barrel. The price history for the current fiscal year is depicted in Chart 5 below.



During the fiscal period April 2024 to March 2025, BNOCL's imports of gasoline increased by 6.8% and there was an increase for diesel of 15.4%, compared to the previous year. In addition, the Company's heavy fuel oil (HFO) import quantities increased by 1%.

In relation to Liquefied Natural Gas (LNG), imports increased by 9% compared to the previous year, as a result of increased demand in the residential and commercial sectors and the international ship bunkering.

With respect to renewable energy, BNOCL's continued acceleration of the commercial impetus within the renewable energy space was significantly impacted by the lack of capacity on the national grid and restrictions implemented by the Barbados Light & Power Company.

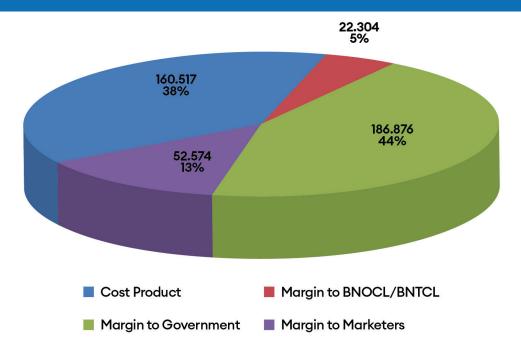
The Company also continued to broaden its scope and activities within the portfolio of corporate social responsibility.

Gasoline

For the year under review, the quantity of gasoline imported increased by 6.8% over the previous year as 775,310 barrels of the product were purchased from PARIA, based in Trinidad. During the year under review, the maximum and minimum purchase prices for gasoline were BD\$253 and BD\$201 per barrel, respectively, resulting in the average purchase price of BD\$219 per barrel.

The retail price of gasoline at April 1, 2024 was BD\$4.23 per litre, reflecting a 2% decrease compared to the prior year's price. As noted in Chart 6, of that price, 38% represented the cost of the product, and the company's storage fee and margin accounted for 5.3%.

CHART 6: GASOLINE - BREAKDOWN OF BENEFICIARIES OF RETAIL PRICE



Ultra-Low Sulphur Diesel (ULSD)

The quantity of ULSD imported increased by 15.4% during the year under review, compared to the previous year, as 533,199 barrels of ULSD were purchased at an average price of BD\$237 per barrel. The maximum and minimum purchase prices for ULSD were BD\$264 and BD\$220 per barrel, respectively.

The retail price of ULSD at April 1, 2024 was BD\$3.47 per litre, reflecting a 14% decrease compared to the prior year's price. As noted in Chart 7, of that price, 44.5% represented the cost of the product, and the company's storage fee and margin accounted for 7.6%.

Heavy Fuel Oil (HFO)

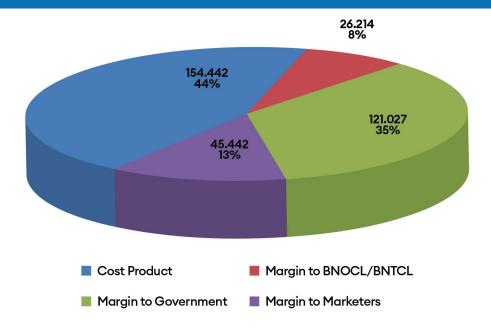
During the fiscal period under review, BNOCL imported 1,105,488 barrels of HFO. Of the total imported during the current year, 74,943 barrels were procured for use in the manufacturing of Asphalt related products.

As much as 87% of HFO imported into the domestic market was consumed in power generation, while the remainder was used for asphalt production.

Importation of Liquefied Natural Gas (LNG)

During the fiscal year, BNOCL imported 7,429,206 gallons (or 613,984 MMBtu) of Liquefied Natural Gas (LNG), to supplement domestic commercial and residential demand, as well as international ship bunkering. This resulted in an increase of 9% over the quantity of product imported in the previous fiscal year. Typically, the capacity of

CHART 7: DIESEL (ULSD - BREAKDOWN OF BENEFICIARIES OF RETAIL PRICE



a container is 10,527(+10%) gallons. The USA based company, New Fortress Energy (later MIAMI LNG) supplied 47% of the imported gas; while Crowley based in Puerto Rico supplied the remaining quantity.

O RENEWABLE ENERGY SEGMENT - COMMERCIALIZATION INITIATIVE

Renewable Energy Market Transition

There has been notable progress in the renewable energy (RE) market despite the halt in interconnections of solar photovoltaic (PV) systems by the Barbados Light & Power Company's (BLPC). The Fair Trading Commission (FTC) issued the revised Grid Code to govern the implementation of battery energy storage systems (BESS) and the Ministry of Energy and Business (MEB) issued a Request for Information (RFI) as the first step in the public procurement process for battery storage. It was anticipated that the Request for Proposals (RFP) for the provision of BESS and the licence application portal for BESS by the MEB, as well as the revised Energy Storage Tariff (EST) by the FTC will soon be issued and operationalized.

Solar Photovoltaics (Residential & Commercial)

PV equipment sales totaled BDS \$735,173.25 through the sale of mainly solar PV racking, solar modules and portable battery units to both installers and residential customers. However, the acquisition of new residential and commercial RE customers was temporarily placed on hold due to the halted interconnection of RE systems by the BLPC.



The interconnection of three (3) of BNOCL's ground mount solar PV systems was also completed during the period. These included WB1, WB105 and WB111 with capacities of 975kWac, 825kWac and 675kWac respectively. These systems were connected at half capacity due to grid constraints, pending the installation of battery storage.

Battery Energy Storage

Utility Scale

Further to the submission of initial BESS Licence applications to the MEB in 2023 for commercial-scale BESS projects at the following six (6) PV project sites, i.e., WB1, WB4, WB105, WB111, Berinda Cox Fish market and BNTCL, BNOCL is prepared to act as the implementation arm for BESS projects locally. Discussions have begun surrounding financing of the aforementioned, as well as other BESS projects.

BNOCL has also progressed to an advanced stage in the development of its BESS Power Purchase Agreement (PPA), with the next step being negotiation with the BLPC.

Microgrid

BNOCL completed the installation of a 50kWh BESS to supply the Accounts Office Building at its Woodbourne location. The system was energized in January 2025 and official commissioning is planned for April 2025. Work is also underway for the installation of additional commercial-scale batteries to supply the remaining buildings at BNOCL's Woodbourne location, in the first instance, with the goal of establishing a microgrid.

Residential

The provision and installation of battery backup has become a key focal point for BNOCL, given the changing market conditions. The company expanded its EcoFlow portable battery product line to include larger capacity batteries, as well as whole-home backup solutions. Furthermore, BNOCL is in the kickoff stages of offering stackable and scalable battery solutions targeted towards residential customers for the promotion of energy resilience and energy security.

Operation and Maintenance (O&M) Services

BNOCL recognized and noted the market need for the operation and maintenance of solar PV systems by its customers. Preparatory work for the launch of the O&M service offering is underway. This includes procurement of requisite equipment and upskilling required personnel.

O RESEARCH & DEVELOPMENT

Biogas

BNOCL is in the process of exploring a pilot biogas project in collaboration with Rum & Sargassum Inc., which is a Barbados-based biofuel company that produces transportation fuel from low-cost waste streams including rum distillery wastewater and Sargassum seaweed. This project seeks to achieve the tripartite benefit of (i) energy security through the production of energy from local waste streams, (ii) solving the economic problems



surrounding the disruption of local beach tourism by Sargassum, and (iii) mitigating waste disposal issues for rum distillery and industrial operations. This project commenced in 2023 and the target date for provision of the first supply of biogas at the pump is March 2026.

This has been labeled the Biomethane Refining for Integrated Delivery of Green Energy (BRIDGE) Project which seeks to install a biogas plant to supplement domestic natural gas supply, thereby reducing the country's dependence on imported LNG. The project is in its first phase and seeks to source and secure substrates, conduct laboratory testing and establish the project business case. Once completed, the project will progress to phase two which entails design, construction and commissioning.

Biodiesel

Decarbonization of the transportation sector remains a key research area. As a result, BNOCL has met with various biodiesel producers to commence a pilot project to support the use and uptake of biodiesel as a transition fuel. Discussions are ongoing with the aim being to provide biodiesel to customers and support the low carbon transition of the transportation sector until the full electrification of both public and private vehicles is achieved.

Wind Energy

BNOCL is still in the process of exploring the diversification of its renewable energy portfolio through the addition of wind energy technology as it holds great potential. Following research and meetings held with suppliers in 2023, the Commercial Department is currently reviewing a proposal from a potential supplier to determine feasibility and viability for further exploration and subsequent deployment across suitable locations nationwide.

Solar Irrigation

Decarbonization of the agricultural sector was also highlighted as an area of key focus. As a result, BNOCL is seeking to support the domestic agricultural sector in transitioning from fossil-fuel powered pumps to sustainable irrigation systems to achieve environmental, social and economic benefits. Technical analysis of the solution is currently underway, following consultation with parties within the agricultural sector.

O SUSTAINABILITY & CORPORATE SOCIAL RESPONSIBILITY

BNOCL recognizes the importance of sustainable development for the overall development of Barbados. In this regard, a Sustainability Policy which seeks to prioritize people, country and planet, in alignment with the social, economic and environmental aspects that underpin sustainable development, has been established as we continue to conduct oil and gas operations sustainability and expand into the clean energy sphere.

One key initiative geared towards supporting social development is the Low-Income Community Programme. This Programme seeks to financially support low-income communities to enable participation in renewable energy (RE) projects as a key facet of energy democratization, energy security and overall sustainability.

Corporate Social Responsibility and Promotions

During the fiscal period under review, the Company continued its engagement in specific strategic initiatives, aimed at enhancing brand image, social outreach and building out its benevolent agenda.

Bronze Sponsor for Chefette Fun Run





Staff once again laced up their running shoes for the annual Chefette Fun Run, a meaningful event that supports several local charities. As a proud Bronze Sponsor, we were honoured to contribute to this worthy cause while promoting health, teamwork and community spirit.

Career Showcase at Alleyne School

The Company was proud to participate in the Alleyne School Science Career Showcase, company representatives engaged with eager and inquisitive students interested in the energy sector. It was inspiring to see their enthusiasm as they explored the diverse career opportunities within BNOCL. The Company remains

> committed to empowering the youth by sharing knowledge, fostering innovation and supporting the next generation of energy professionals.



A part of the Culture - BNOCL sponsored Donella in Pick of the Crop Finals

BNOCL supported Donella, a seasoned calypsonian known for her wholesome yet hard-hitting lyrics, during this year's Crop Over cultural season.

In the community - Celebrating Youth Day

On September 30, 2024, BNOCL celebrated Youth Day by participating in the Barbados Youth Green Tech Expo, coordinated by the Youth Secretariat. This event displayed innovative sustainable solutions and highlighted the role of young minds in shaping the future of energy.

BNOCL is pleased to be a part of this initiative, reinforcing our commitment to youth empowerment and a greener Barbados.

Summer Camp Tours

As part of the National Summer Camp Initiative, BNOCL welcomed over 200 students to our Woodbourne facility for an immersive tour of the operations. These young minds had the opportunity to learn about the Company's





rich legacy in energy production and its transition to renewable operations. After an engaging session of discovery, the students enjoyed a relaxing lunch before heading off to their next adventure. The Company is proud to inspire the next generation with knowledge about Barbados' evolving energy landscape.

Aquaponics Donation to Grantley Prescod Memorial Primary School

BNOCL was honoured to support Grantley Prescod Memorial Primary School with a donation towards

their aquaponics initiative, fostering sustainable agricultural education among young students. This innovative system combines aquaculture and hydroponics, teaching students about eco-friendly food production while promoting STEM learning. The Company remains committed to investing in initiatives that inspire the next generation and contribute to a greener future for Barbados.

Tradewind Tankers & BNOCL collaborate for Back-to-School Event

In partnership with Tradewind Tankers, BNOCL hosted a Back-to-School Event, bringing joy and support to students as they prepared for the new school year. The event was a highlight for many, featuring an afternoon of fun and excitement with interactive games, virtual



reality experiences, a 360° photo booth, music, delicious food, and back-to-school giveaways. From all reports, the event was well received, reinforcing our commitment to supporting the community and empowering the next generation.

Donation of Netball Uniforms – Springer Eagles Netball Team

The Company's sustainability efforts, in People, was further show cased in its commitment to youth and sports development when the BNOCL proudly donated netball uniforms to the Springer Eagles Netball Team. The team displayed their talent and determination, going on to win the Under-19 title at the 2024 BSSAC Dasani Powerade Schools Netball Competition.



Sharon Primary School Educational Tour

On March 21, the Communications team within the Commercial Department welcomed 51 Class 4 students from Sharon Primary School for an educational tour of our operations. The visit provided students with valuable insights into both the Company's legacy business and growing renewable energy initiatives. The students were highly engaged throughout the tour, asking thoughtful questions and showing great interest in the energy sector. The Company remains proud to play a role in educating the next generation about industry and the importance of sustainability.

Barbados Secondary Schools' Athletic Championship (BSSAC) Sponsorship

The BNOCL was proud to sponsor the highly anticipated Barbados Secondary Schools' Athletic Championship (BSSAC) once again this year. As part of our continued support for youth development and sports, we presented financial awards to the winning boys' team from Combermere and to the winning girls' team from the St. Michael School.

BSSAC remains a key event on our corporate calendar, as we believe in empowering young athletes and providing them with opportunities to excel-both locally and on the world stage.



TERMINAL OVERVIEW

The team at BNTCL continued its product stewardship of the liquid petroleum products of unleaded gasoline (ULG), ultra-low sulphur diesel (ULSD), Jet A1 and crude oil, which are stored at the Fairy Valley facility, with no issues related to quality or availability during the period.

The country's recovery post pandemic continued with all products having increased sales over the prior year's period. Jet A1 sales are now relatively consistent to 2019 levels. This increase in jet fuel is related to an increase in airlift into the country along with increased air-to-sea charter flights as people continue to travel. The current economic predictions of reduced growth in the world economy, if realized, are likely to have an adverse impact to global travel which will impact Jet fuel sales in the financial April 2025 to March 2026.

Sales of ULSD were the most significant increase which was driven mostly by the generation of electricity and therefore it is not expected to be a significant future trend. Gasoline had small increases but generally the figures have been consistent in the last three years.

Upstream production of crude oil increased slightly during the period and therefore there were increased export volumes to the refinery in Jamaica. This trend is expected to continue as an extensive well maintenance program is planned to increase oil production along with its associated natural gas.

O HEALTH, SAFETY, SECURITY, ENVIRONMENTAL (HSSE) MANAGEMENT

BNTCL remained consistent in its practice of maintaining its high safety standards. There were no lost time injuries during the period. At the end of this financial year, there were one thousand and two days (1002 days) without a loss time injury.

During this period, several new employees were trained in Group Prevac's Comprehensive Safety course which is designed specifically for the petroleum industry. These employees were trained in general safety practices including the issuance of safety permits, risks specific to this industry and confined space entry. This is a three-year certification course so during the period, refresher training was completed. This training will assist the organisation in preparing for the planned tank cleaning activity in the financial year April 2025 to March 2026.

BNTCL had no major environmental issues during the period. The HSSE Department performed regular water quality tests on the external bore sites. These showed no impacts on the water quality of Barbados. These tests also showed no Total Petroleum Hydrocarbons (TPH) readings above the industry standards. The average results of the in-house testing of the outfall at the Fairy Valley compound were below the industry standard of 5.0 parts per million (ppm).

O BUDGETARY MANAGEMENT

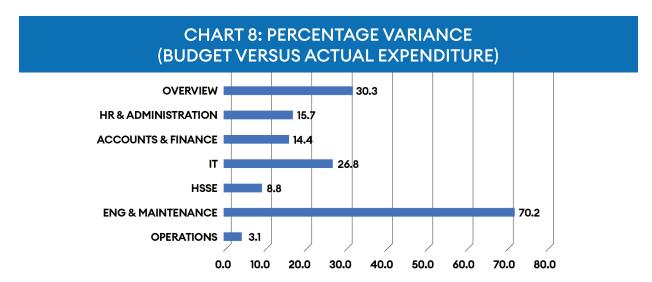
Global costs have been rising as the world still grapples with inflationary prices. There have been increases in the cost of both supplies and services during the review period. The management team continued its focus on

TERMINAL OVERVIEW

reducing costs whilst ensuring that the Company received the best value for money and that expenditure was within the approved budget. When expected expenditure exceeded budget, prior approval was received from the relevant authorities.

The departments of Operations, Engineering & Maintenance, HSSE, IT, Accounts & Finance and HR & Administration had an overall variance of +30.3% between actual and budgeted expenditure. All departments have a positive variance.

The large variance was due to the delay in two (2) maintenance activities of the pipeline inspection and the tank cleaning for the jet fuel tanks in the financial year. These activities are scheduled for the financial year 2025-2026.



O INVENTORY MANAGEMENT

The demand for energy products continued with increases in petroleum products of Jet A1, gasoline and diesel. Despite the continued phase electrification of the transport sector along with the increase in hybrid and electric vehicles available to the public, anticipated declines in gasoline and diesel have not been realised.

For the period under review, there were approximately sixty-nine (69) tanker operations (Oistins), which discharged a total of 2,781,888 bbls of Gasoline, Diesel and Aviation (white products) as follows:

- 511,277 bbls of ultra-low sulphur diesel (ULSD),
- 751,420 bbls of unleaded gasoline (ULG) and
- 1,519,191 bbls of aviation fuel (Jet A1).

There was a 4% increase in the importation of white products through BNTCL compared to 2023-2024 figures of 2,681,755 bbls. There were increases across all three products with ULSD having the greatest increase at

TERMINAL OVERVIEW

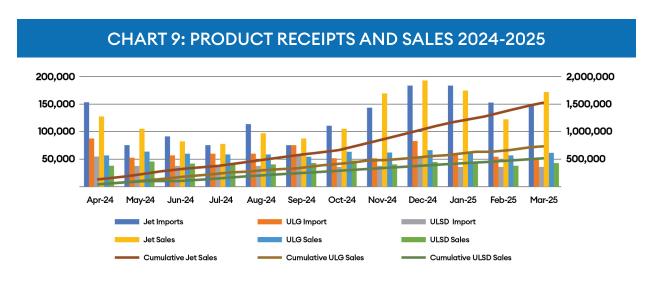
10.8% and gasoline and jet fuel contributed to this overall increase with increases in Jet A1 and ULG of 1.6% and 3.5%, respectively.

The importation of the low ash fuel oil (LAFO), at the SOL Holborn facility, is used for the generation of electricity. The heavy fuel oil (Asphalt Feed) is also imported at the Holborn facility and is used for road maintenance. There were twenty-six (26) LAFO tanker discharge operations and two (2) heavy fuel oil for Asphalt feed through Bridgetown Port Inc (BPI). During the period under review, 999,192 bbls of LAFO were imported. This was a decline of 1.8% for LAFO from the previous year's figure of 1,017,411 bbls. This decline in imports and the increase in tankers was related to the removal of the 65,000- barrel tank at Holborn by the owner of the facility. The group was forced to operate for a period of over a month with the 14,000-barrel tank only.

Crude oil exports from the terminal were 153,888 bbls, which is a 25.5% increase from the previous year's figure of 122,606 bbls. The increase in transfers to BNTCL from BNOCL resulted in an additional export being facilitated during the year.

During the period, the total sales increased by 5% over the previous year's sales. The total sales of white products were 2,776,868 bbls as opposed to the previous year's figure of 2,640,817 bbls.

ULG showed a 0.4% increase over the prior period, with sales of 736,677 bbls, whilst diesel showed a 9.7% increase over the previous year, with sales of 515,820 bbls. Aviation sales were 1,524,371 bbls for the period and this was an increase of 6.1% over the previous year due to the increase in tourism arrivals on the island.



The management of stock is key in the oil and gas industry and therefore the industry has standards related to product gains or losses. Gains and losses are normal as tanks can have evaporative losses due to temperature changes along with product meter errors. These gains and losses equate to financial losses to the organisation or customers and therefore need to be monitored and minimized.



During the period, the overall losses to crude and Jet A1 were 23 bbls and 256 bbls, respectively for the twelve-month period. These percentage losses for these products were 0.01% and 0.02% for Crude and Jet A1, respectively. The ULG and ULSD both had gains of 30 bbls and 624 barrels, respectively. This percentage gains are 0.00% for gasoline and 0.12% for diesel.

The gains and losses were generally controlled within the period.

O ASSET INTEGRITY AND MAINTENANCE MANAGEMENT

During the period, BNTCL maintained its focus on asset integrity. The company issued and completed an RFP for the Project Management Services and Technical Oversight for the pipeline. The actual inspection is currently projected to be completed in the latter half of the financial year 2025-2026. This will ensure that the pipelines remain fit for purpose and identify any potential threats.

The company plans to complete an API 653 inspection for the diesel tanks along with repair work for the aviation tanks which were identified on a prior inspection.

O PROJECT MANAGEMENT

Terminal Management Software

During the financial year, the company engaged Ferrum Energy to provide Terminal Management Software. This project is expected to be completed by July 2025. This will improve inventory management within the facility and allow for greater control over the loading rack operations.

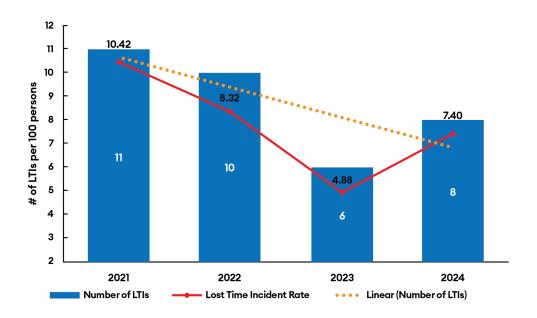
Biodiesel Generator

The Company issued an RFP for the purchase of a biodiesel generator. This generator will increase BNTCL's green energy footprint, reduce its carbon contribution and improve the company's resilience during the hurricane season, whilst focusing on reducing electricity purchases from the utility company.

HEALTH, SAFETY, SECURITY, ENVIRONMENTAL & QUALITY OVERVIEW

In the 2024 – 2025 calendar year, we unfortunately had an increase in the number of Lost Time Incidents (LTIs) with an increase from six (6) in the previous financial year to eight (8) within this year. This resulted in an increase in the lost time incident rate to 7.40 LTI's per 100 employees.

CHART 10: LOST TIME INCIDENT RATE



The LTIs were observed within the operational departments of Maintenance, Workover and Production.

BNOCL continued its excellence in ensuring the quality of our products to the national market with zero non-conformances across the unleaded gasoline, ultra-low sulphur diesel and LNG portfolios. The good performance continued in the heavy fuel oil product lines with 100% acceptance of product, having experienced only two minor non-conformances, none of which affected product acceptance.

BNOCL continued to perform well in environmental management with no significant oil spills breaching containment in this financial year. The acceptance of used engine oils from mechanics and industrial entities across the island also continued throughout 2024-2025 and has facilitated a significant reduction in the national risk of oil contamination from the large accumulation of used oils stored around the island.

The joint ground water testing programme with the Barbados Water Authority (BWA) and Asphalt Processors Inc. (API) was restarted as BWA's mechanical issues were rectified. BNOCL was particularly pleased that the levels of Total Petroleum Hydrocarbon (TPH) continued to be far below the acceptable level for the past five years, with most tests showing no recordable levels of TPH identified.

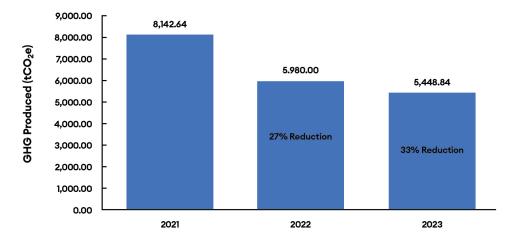
HEALTH, SAFETY, SECURITY, ENVIRONMENTAL & QUALITY OVERVIEW

A major thrust of BNOCL's transition from traditional fossil fuel to becoming an integrated energy company has been the adoption of sustainable development principles. BNOCL views itself as one of the Government of Barbados' main entities in the promotion of sustainable energy and climate resilience. To this end we have aligned our strategic goals with those of the Sustainable Development Goals (SDGs) and developed a Sustainability Thrust based upon nine (9) aims:

- 1. Net Zero Operations
- 2. Net Zero Sales
- 3. Invest in the Transition
- 4. Incentivize & Empower Team Members
- 5. Improve the Lives of Barbadians
- 6. Promote Wellness Among Staff
- 7. Transparency in Process
- 8. Reduce National Waste
- 9. Improve Biodiversity

Over the last few years, BNOCL has made significant progress in achieving these aims with a 33% reduction in Operational Greenhouse gas (GHG) emissions.

CHART 11: BNOCL OPERATIONAL GREENHOUSE GAS EMISSIONS



All of the efforts in promoting sustainability across the companies were encapsulated in the "Pre-Amalgamation Sustainability Report: Powering a Sustainable Future for Barbados 2024" which was created by the HSSEQ department. Included in the sustainability efforts were the adoption of low carbon technologies and the promotion of renewable energy to the adoption of the Gordon Walters Primary School and the promotion of wellness among our staff.

HUMAN RESOURCES OVERVIEW

During the year BNOCL continued to focus on its strategic path to become a diversified energy Company. The Human Resources Department played its role to support the desired goals by ensuring that staff were provided with a level of professional training to strengthen the Company's human resource capital.

Negotiations with the Barbados Workers Union for the period April 2021 to March 2024 were completed and the retroactive payment was made during this financial period under review. The Company remained committed to working closely with the Union to ensure that its staff's needs and concerns were addressed, as it worked on fostering a positive and supportive work environment.

The HR department continued to focus on the preparation for the amalgamation of the BNOCL Group and the National Petroleum Corporation (NPC). Extensive collaboration took place with the Amalgamation Committee to ensure they were provided with the necessary information to make informed decisions throughout the process. The department also continued to collaborate with NPC's HR department to organize joint events, providing staff from both entities with opportunities to connect and interact on a social level.

BNOCL/SJPI Scholarships

BNOCL maintained its commitment to the Memorandum of Understanding (MOU) with Samuel Jackman Prescod Institute of Technology (SJPI) by providing eleven scholarships in the year 2024-2025.

Students progressing to the second year with a grade point average (GPA) of 3.0 or higher were eligible to retain their financial support. Two such students maintained their scholarships, while nine first-year students were awarded scholarships for the 2024–2025 academic year.

STAFF APPOINTMENTS AND CHANGES

This year has been a period of further growth and changes to the structure of the BNOCL Group. The following staff were promoted to fill the developmental gaps/vacancies that were identified.

DEPARTMENT	EMPLOYEE	PROMOTION DATE	TITLE
Warehouse	Mr. Damian Harewood	April 2024	Warehouse Clerk
HR	Mrs. Melissa Griffith	April 2024	Human Resources Officer
HR/Admin	Ms. Kamesha Wilson	April 2024	Administrative Assistant
HSSEQ	Ms. Tiara Parris	September 2024	HSSEQ Officer

HUMAN RESOURCES OVERVIEW

Congratulations are also in order for the following persons who were appointed during this period:

DEPARTMENT	EMPLOYEE	APPOINTMENT DATE	TITLE
Production	Roger Brathwaite	June 2024	Roustabout
Production	Ronald Hunte	June 2024	Roustabout
Production	Tremaine Dottin	July 2024	Roustabout
Renewable Energy	Rasheena Dow	October 2024	Renewable Energy Coordinator
Marketing	Jamiesha Hoyte	October 2024	Business Analyst
Production	Benjamin Bourne	March 2025	Pumper
Marketing	Rachael Alleyne	March 2025	Business Development Officer

Additionally, in June 2024, Mr. Glyne Harper transferred to the post of Gas Plant Operator, providing additional support for the Gas Plant operations and the provision of gas products to the country.

During this period there were a number of persons who retired from the Company as detailed below:

DEPARTMENT	EMPLOYEE	TITLE	RETIREMENT DATE	YEARS OF SERVICE
Warehouse	Heather Bancroft	Assistant Inventory & Purchasing Officer	April 2024	41 Years
Health Safety Security & Environment	Noel Welch	HSSE Officer	August 2024	26 Years
Workover	Ashley Thompson	Rig Operator	November 2024	40 Years
LPG Plant	Grantley Green	Lead Operator	December 2024	41 Years
Production	Leroy Elcock	Lease Operator	February 2025	41 Years

The BNOCL Group would like to thank them for their service and wish them good health as they enter a new phase in their lives.

HUMAN RESOURCES OVERVIEW

O TRAINING

A number of Technical & Non-Technical courses were attended by Engineering and Wireline staff during FY 2024/25. In Depth Drilling Solution Limited conducted workover rig related IADC courses on site; Rig Pass, Introductory Well Servicing and Well Servicing Workover. All Wireline and Engineering participants were successful and gained their certification.

The Engineering Assistant also participated in the Comprehensive Safety Training Refresher whilst the Engineering Technician attended the Comprehensive Safety Training Beginner's course, both facilitated by Prevac/SOL. The Integrated Management Systems Internal Auditor course conducted by DNV Training Services was attended by the Engineering Assistant. All Engineering and Wireline staff successfully completed the mandatory online Cybersecurity training.

Additionally, personnel attended the Guyana Energy Conference and Supply Chain Expo in Georgetown.

INFORMATION TECHNOLOGY OVERVIEW

O INTRODUCTION

The I.S Department continued to pursue the goal of continuous improvement during the financial year of 2024 – 2025. Given the tight integration of the Information and Communication Technology (ICT) infrastructure amongst Barbados National Oil Company Limited (BNOCL), Barbados National Terminal Company Limited (BNTCL) and National Petroleum Corporation (NPC) special attention was given to cybersecurity.

YEAR IN REVIEW

• The Wide Area Network (WAN) was expanded to include four photovoltaic of the BNOCL's remote sites. This was facilitated by BNOCL's telecommunications service provider (TSP). This expansion also included the remote Supervisory Control and Data Acquisition (SCADA) sites between BNOCL, BNTCL and NPC. This work was undertaken by the SCADA contractors and TSP.



• The server software deployed at the three locations was upgraded to the most recent versions. This included all application servers and domain controllers. Client computers across the Companies continued to be patched or updated using centralized software.



- It is widely known that cyberattacks continued to increase after the Covid 19 pandemic. As such, a combination of cybersecurity tools using Al Intelligence continue to be used to ensure detection of any abnormalities within the ICT environment. A proposal is being developed to upgrade to a managed detection and response software to further harden the environment.
- Given the proposed amalgamation, the I.S
 to ansure that the Companies could agaily transition to the

Department completed a number of assigned tasks to ensure that the Companies could easily transition to the amalgamated entity. All steps were taken to ensure the environment remained secure and highly accessible to all employees during the transition period. With April 1st 2025 being the proposed start date, the Department was prepared to ensure this process went well.

O TRAINING

The response of the cyber awareness training was excellent as the I.S Department continued to make employees aware that cybersecurity was a multidisciplinary issue that went beyond the realm of (ICT). This training enabled the Companies to adopt a more holistic approach to ensure safety, security and organization success. Participants received a certificate of completion on passing a test at the end of the course.

INFORMATION TECHNOLOGY OVERVIEW

CONTINUED



O CYBER SECURITY

The Companies got through the 2024-2025 period without any significant reports of cyber-attacks. The Department continued to send updates to staff on the changing methods being used by bad actors to ensure they could spot attempts and alert the I.S Department staff. Most staff were vigilant resulting in the identification of suspicious emails. The suspicious emails were mostly phishing attempts which were tagged for easier recognition by the security software.

A combination of cybersecurity tools were used to ensure detection of any abnormalities within the ICT environment. These tools utilize Artificial Intelligence (AI) to further aid detection. A proposal was being developed to upgrade to a managed detection and response software to further harden the environment.

O CONCLUSION

ICT continued to play a significant role within the Companies as it streamlined the business through business processes automation, telecommunication improvements, collaboration and reporting. This resulted in improvements in efficiency, decision-making and productivity.

FINANCIAL OVERVIEW

The BNOCL Group recorded total comprehensive income of \$46.34 million for the year ended March 2025 as compared to comprehensive income of \$33.97 million in 2024. The parent company BNOCL as an entity recorded comprehensive income of \$43.88 million for the year 2025 as compared to net comprehensive income of \$29.72 million in 2024. BNOSL recorded a loss of (\$3.19 million) in 2025 as compared to a loss of (\$1.47 million) in 2024. BNTCL recorded a profit of \$5.55 million in 2025. This was 10.5% more than the profit of \$5.02 million recorded in 2024.

The increase in profitability at the Group level was primarily due to operational improvements in refined products sales as well as structural changes to the pricing framework. Profitability at BNTCL was again negatively impacted by the increase in the cost of utilizing the Holborn terminal and by a 16% increase in General and administrative expenses.

O REVENUE

The Group's gross revenue increased minimally by 0.5% from \$585.0 million in the year ended March 2024 to \$588.1 million in the current year under review. The sale of refined petroleum products accounted for \$515.1 million or 87.6% of gross revenue for the current year. This represented a decrease of 0.9% or \$4.46 million from the previous year's refined products revenue of \$519.5 million. The decrease in revenue from this segment of the business resulted primarily from the sale of product at significantly lower average prices which negated a general increase in volumes imported for the year under review.

There was a small increase in imported HFO volumes which corresponded with a 2.8% increase in revenue from the sale of fuel oil as revenue increased from \$168.3 million in 2024 to \$172.98 million in the year under review. Revenue from gasoline and diesel also increased slightly from \$327.1 million in 2024 to \$330.3 million in the year under review. This represented an increase of 1% or \$3.17 million. Revenue from Asphalt feed dropped significantly from \$24.0 million in 2024 to \$11.8 million in 2025.

Revenue from the sale of natural gas increased from \$28.0 million in 2024 to \$32.4 million in the year under review. The price of indigenous natural gas to the National Petroleum Corporation (NPC) was set on a sliding scale with a floor of \$7.50 per mcf and a ceiling of \$11.15 per mcf while imported gas was again sold to the NPC at a rate calculated on a cost-plus margin basis

BNTCL's throughput fees to non-related companies increased by 3% or \$0.17 million from \$5.7 million in 2024 to \$5.9 million in the current year. These amounts are included in the total terminal throughput fees of \$27.05 million for the year under review. Total terminal throughput fees increased by \$0.53 million or 2.0% compared to the figure of \$26.52 million for 2024.



O OPERATING COST

The operating cost of the Group decreased by 3.5% from \$532.1 million in 2024 to \$513.4 million in the current year. The major contributor was a decrease in the overall cost of refined product to \$475.97 million in the current year compared with a cost of \$500.1 million in 2024. This represented a decrease of 4.8% when compared to the previous year and was attributable primarily to generally lower costs per barrel for all refined products.

O GENERAL AND ADMINISTRATION EXPENSES

In the year under review, the Group's General and Administration expenses increased by \$2.1 million or 14.9% to total \$16.0 million, while its Finance costs decreased from \$5.8 million in 2024 to \$5.7 million in the year under review. The total loans balance was \$72.2 million at the end of 2024 but decreased to \$60.3 million at the end of the year under review.

O CASH FLOW

The Group generated \$21.1 million in its operating activities for the current year. This was a decrease in cash generated when compared to the \$29.7 million in cash generated from operations in 2024. The company also utilized \$1.4 million cash in investing activities and \$13.9 million in financing activities in the year ended March 2025. The opening cash balance of the Group was \$1.6 million while the ending cash balance was \$7.5 million. This represented an overall increase of \$5.9 million in the cash balance of the Group.



Barbados National Oil Co. Ltd.

Registered Office

Woodbourne, St Philip, Barbados

Directors

Dr. Asquith Thompson - Chairman

Ms. Averill Brathwaite

Mrs. Stephanie Catling-Birmingham

Dr. Erwin E. Edwards

Mr. Kevin Hunte

Mr. Carlton Cummins (Appointed January 1, 2025)

Mr. Peter Thompson (Appointed January 1, 2025)

Ms. Lesley Trotman-Edwards (Appointed January 1, 2025)

Ms. Lachmi Connell (Appointed January 9, 2025)

Mr. Paul B. Scott (Appointed January 1, 2025)

Ms. Dawn Williams (Appointed January 9, 2025)

Mr. Victor Fernandes - Chairman (Until July 31, 2024)

Ms. Collette Applewhaite (Until January 1, 2025)

Mr. Ross Maynard (Until January 1, 2025)

Mrs. Andria Shepherd-Payne (Until January 1, 2025)

Ms. Liesel N. Weekes (Until January 1, 2025)

Corporate Secretary

Mrs. Donna Harris-Thornhill

Auditor

PricewaterhouseCoopers SRL

Banker

Republic Bank (Barbados) Limited

Attorneys-at-law

Mr. Barry Gale, SC

Mr. Roger C. Forde, KC

Ms. Karen Perreira



Independent auditor's report

To the Shareholder of Barbados National Energy Company Limited

Our opinion

In our opinion, except for the possible effects of the matter described in the Basis for qualified opinion section of our report, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Barbados National Oil Company Limited (the Company) and its subsidiaries (together 'the Group') as at March 31, 2025, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at March 31, 2025;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for qualified opinion

The in-house oil and gas reserves reports prepared as at March 31, 2025 and March 31, 2024 did not fully evaluate in-place volumes, reserves resources and project cost assumptions nor were they prepared in accordance with the Society of Petroleum Engineers or Petroleum Resource Management System guidelines. As such the oil and gas reserves reported were deemed to be inconclusive. In the absence of reliable information with respect to the Group's oil and gas reserves, we were unable to determine whether adjustments might have been necessary in respect of the depletion costs reported in the statement of comprehensive income and statement of cash flows, and property, plant and equipment reported in the statement of financial position for the current and prior year.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

PricewaterhouseCoopers SRL, The Financial Services Centre, Bishop's Court Hill, P.O. Box 111, St. Michael, BB14004, Barbados, West Indies

T: (246) 626 6700, F: (246) 436 1275, www.pwc.com/bb



Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other information

Management is responsible for the other information. The other information comprises the 2025 Annual report (but does not include the consolidated financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the 2025 Annual report, if, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. As described in the Basis for qualified opinion section above, we were unable to determine whether adjustments might have been necessary in respect of the depletion costs reported due to the in-house oil and gas reserves reports being inconclusive. We will be unable to conclude whether or not the other information is materially misstated with respect to this matter.

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 IFRS Accounting Standards, 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 Group'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 management either intends to liquidate the Group 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:

- 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial
 information of the entities or business units within the Group as a basis for forming an opinion on the
 consolidated financial statements. We are responsible for the direction, supervision and review of the
 audit work performed for purposes of the group audit. We remain solely responsible for our audit
 opinion.



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.

Other matter

This report is made solely to the shareholder of Barbados National Energy Company Limited, as a body corporate, in accordance with Section 147 of the Companies Act of Barbados. Our audit work has been undertaken so that we might state to the shareholder of Barbados National Energy Company Limited 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 shareholder of Barbados National Energy Company Limited as a body corporate, for our audit work, for this report, or for the qualified opinion we have formed.

Pricewaterhouse Coopers SRL

Bridgetown, Barbados June 30, 2025

Consolidated Statement of Financial Position As at March 31, 2025

(expressed in Barbados dollars)		
	2025 \$	2024 \$
Current assets		
Cash on hand and at bank (note 5)	7,468,635	2,457,788
Term deposits (note 6)	187,654	187,654
Accounts and other receivables (note 7)	80,685,693	71,228,772
Due from associated company (note 8)	5,923,081	6,142,105
Due from shareholder (note 8)	33,251,702	18,834,283
Inventories (note 9) Prepaid expenses	25,457,174 2,552,386	29,632,705 942,889
Corporation tax receivable	2,332,380	942,009
	155,528,368	129,426,196
		123,120,130
Current liabilities Bank overdraft (note 5)	_	873,009
Accounts payable and accrued liabilities (note 10)	16,915,440	35,751,371
Due to shareholder (note 8)	3,524,139	3,374,173
Borrowings - current portion (note 11)	12,221,220	12,038,113
Lease liability - current portion (note 17)	1,683	1,516
Corporation tax payable	3,803,221	830,644
	36,465,703	52,868,826
Working capital	119,062,665	76,557,370
Due to shareholder (note 8)	(24,251,062)	(25,148,235)
Inventories (note 9)	286,003	369,711
Financial investments (note 12)	2,453,249	2,453,249
Investment in associated companies (note 13)	1,357,115	1,317,060
Property, plant and equipment (note 14)	144,770,063	151,289,210
Deposit on plant and equipment (note 15)	1,284,305	805,025
Provision for abandonment (note 16)	(12,910,680)	(11,650,986)
Right-of-use-asset (note 17)	3,171,967	3,230,708
Lease liability (note 17)	(4,391,421)	(4,393,103)
Employee benefits (note 18)	(2,875,664)	(2,428,075)
Borrowings (note 11)	(48,108,419)	(60,162,144)
Deferred tax asset (note 19)		176,190
Deferred tax liability (note 19)	(1,091,071)	
Net assets	178,757,050	132,415,980

Consolidated Statement of Financial Position ... continued As at March 31, 2025

(expressed in Barbados dollars) 2024 Represented by: Equity Share capital (note 20) 41,014,809 41,014,809 91,401,171 Retained earnings 137,742,241 132,415,980

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

Approved by the Board of Directors of Barbados National Energy Company Limited on June 30, 2025

Dawn Williams - Director

178,757,050

Consolidated Statement of Changes in Equity For the year ended March 31, 2025

(expressed in Barbados dollars)

(expressed in Barbados dollars)			
	Share capital \$	Retained earnings	Total \$
Balance at March 31, 2023	41,014,809	57,434,269	98,449,078
Net income for the year	-	34,160,913	34,160,913
Other comprehensive loss		(194,011)	(194,011)
Total comprehensive income for the year		33,966,902	33,966,902
Balance at March 31, 2024	41,014,809	91,401,171	132,415,980
Net income for the year	_	47,445,432	47,445,432
Other comprehensive loss		(1,104,362)	(1,104,362)
Total comprehensive income for the year		46,341,070	46,341,070
Balance at March 31, 2025	41,014,809	137,742,241	178,757,050

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

Consolidated Statement of Comprehensive Income

For the year ended March 31, 2025

(expressed in Barbados dollars)		
	2025	2024
D.	\$	\$
Revenue	(4 (44 422	59 ((2 720
Upstream revenue (note 21) Refined products sales (note 21)	64,644,432 515,018,888	58,663,720 519,478,513
Renewable energy revenue (note 21)	2,137,108	1,205,842
Terminal throughput fees	5,863,413	5,695,201
1 V		0,000,201
	587,663,841	585,043,276
Operating costs Cost of goods sold - refined products (note 25)	475 060 440	500,092,738
Cost of goods sold - renned products (note 25)	475,969,440 14,662,828	10,007,405
Cost of goods sold - crude on (note 25) Cost of goods sold - renewable energy (note 25)	1,065,270	399,255
Holborn facilities costs (note 28)	5,188,622	5,354,570
Terminal operating costs (note 25)	3,469,790	3,760,780
Depreciation (notes 14 & 17)	8,163,999	8,254,502
Depletion (note 14)	1,227,499	1,336,601
Royalties	2,722,959	2,804,893
Inventory write-off	899,892	90,076
	513,370,299	532,100,820
Gross profit	74,293,542	52,942,456
General and administrative expenses (note 25)	(16,009,223)	(13,934,197)
Finance costs (notes 11 & 17)	(5,726,291)	(5,835,492)
Operating profit	52,558,028	33,172,767
Other income (note 22)	299,526	404,445
Other losses (note 23)	(110,148)	(62,139)
Income before share of net income of associated company	52,747,406	33,515,073
Share of net income of associated company (note 13)	40,055	625,478
Income before taxation	52,787,461	34,140,551
Taxation (note 19)	(5,342,029)	20,362
Net income for the year	47,445,432	34,160,913
Other comprehensive loss Items that will not be reclassified to income:		
Items that will not be reclassified to income: Remeasurements of employee benefits obligations (note 18)	(1,213,585)	(213,199)
Deferred tax related to remeasurements of employee benefits obligations	109,223	19,188
x 1,1111 11110		
	(1,104,362)	(194,011)
Total comprehensive income for the year	46,341,070	33,966,902

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

Consolidated Statement of Cash Flows

For the year ended March 31, 2025

(expressed in Barbados dollars)		
	2025 \$	2024 \$
Cash flows from operating activities		
Income before taxation	52,787,461	34,140,551
Adjustments for:		
Depreciation	8,163,999	8,254,502
Depletion	1,227,499	1,336,601
Pension plan expense	1,055,246	1,041,083
Share of net income of associated company	(40,055)	(625,478)
Finance costs	5,726,291	5,790,124
Interest income	104,656	(65,153)
Gain on disposal of property, plant and equipment Amortisation on inventories	(248,938) 83,708	(13,791) 48,830
IDB project expenses	805,340	821,366
IDB project expenses	003,340	821,300
Operating income before working capital changes	69,665,207	50,728,635
(Increase)/decrease in accounts and other receivables	(9,456,921)	4,425,984
Decrease in due from associated company	219,024	158,062
Increase in due from shareholder	(14,417,419)	(7,179,986)
Decrease in inventories	4,175,531	1,768,288
Decrease in prepaid expenses	(1,609,497)	484,597
Decrease in accounts payable and accrued liabilities	(18,835,931)	(13,000,736)
Increase in due to shareholder	3,750	
Cash generated from operations	29,743,744	37,384,844
Finance costs paid	(5,726,291)	(5,790,124)
Pension plan contributions paid	(1,821,242)	(1,685,013)
Income taxes paid	(995,011)	(231,143)
Interest received	(104,656)	65,153
Net cash generated by operating activities	21,096,544	29,743,717
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,782,252)	(3,269,459)
Deposit on plant and equipment	(479,280)	(208,154)
Proceeds from disposal of property, plant and equipment	901,139	101,277
Purchase of tank heels		(418,541)
Net cash used in investing activities	(1,360,393)	(3,794,877)
Carried forward	19,736,151	25,948,840

Consolidated Statement of Cash Flows ...continued For the year ended March 31, 2025

(expressed in Barbados dollars)

	2025 \$	2024 \$
Brought forward	19,736,151	25,948,840
Cash flows from financing activities		
Repayment of borrowings	(11,870,618)	(11,226,111)
Repayment to shareholder	(1,980,162)	(917,832)
Principal elements of lease payments	(1,515)	(1,365)
Net cash used in financing activities	(13,852,295)	(12,145,308)
Net increase in cash and cash equivalents	5,883,856	13,803,532
Cash and cash equivalents - beginning of year	1,584,779	(12,218,753)
Cash and cash equivalents - end of year (note 5)	7,468,635	1,584,779

Non-cash investing and financing activities (note 27).

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

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

1 General information

The Company is incorporated under the Companies Act, CAP 308 of the Laws of Barbados. The common shares are 75.48% owned by the Government of Barbados and 24.52% owned by the National Petroleum Corporation.

The principal activities of Barbados National Oil Company Limited ("the Company" or "BNOCL") and its subsidiaries ("the Group") are the exploration and production of the onshore hydrocarbon potential of Barbados and the importation, storage and supply of petroleum products to the Barbados market.

Subsequent to year end on April 1, 2025, the Group was the subject of an almagamation (note 31). These financial statements have been authorised for issue by the board of directors of the newly amalgamated entity, Barbados National Energy Company Limited.

2 Material accounting policy information

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

a) Basis of preparation

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards under the historical cost convention. The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

i) New standards, amendments and interpretations adopted by the Group

Amendment to IAS 1 - Non-current liabilities with covenants. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions. (effective January 1, 2024)

ii) New standards, amendments and interpretations mandatory for the first time for the financial period beginning April 1, 2024 but not currently relevant to the Group

Amendment to IAS 7 and IFRS 7 - Supplier finance. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis. (effective January 1, 2024)

Amendment to IFRS 16 - Leases on sale and leaseback. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted. (effective January 1, 2024)

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

- 2 Material accounting policy information ... continued
 - a) Basis of preparation ... continued
 - iii) New standards, amendments and interpretations issued but not yet effective for the financial period beginning April 1, 2024 and not early adopted

Management has reviewed the new standards, amendments and interpretations to existing standards that are not yet effective and has determined that the following are relevant to the Group's operations. The Group has not early adopted the new standards, amendments and interpretations nor has the Group assessed their full impact.

Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments.

These amendments clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system, clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion, add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets), and make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI). (effective annual periods beginning on or after January 1, 2026)

Annual improvements to IFRS - Volume 11. Annual improvements are limited to changes that either clarify the wording in an accounting standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the accounting standards. The 2024 amendments are to the following standards:

- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7:
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows. (effective annual periods beginning on or after January 1, 2026 with earlier application permitted).

IFRS 18, 'Presentation and Disclosure in Financial Statements' This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to the structure of the statement of profit or loss, required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures), and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. (effective annual periods beginning on or after January 1, 2027)

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

2 Material accounting policy information ... continued

b) Basis of consolidation

These consolidated financial statements include the accounts of BNOCL and its wholly-owned subsidiary companies, Barbados National Oilfield Services Limited (BNOSL), Barbados National Terminal Co. Ltd. (BNTCL) and Barbados National Oil Holding Company Limited (BNOHCL).

c) Revenue recognition

Upstream revenue represents revenue from the production and sale of natural gas and crude oil. It is recognised on an accrual basis net of VAT.

Refined product sales reflect the invoiced value of goods and services provided net of VAT and are recognised on an accrual basis. They also include the net refined value of crude oil produced.

Throughput fees reflect the invoiced value of storage fees for petroleum products net of VAT and are recognised on an accrual basis.

Interest income is interest earned from bank deposits and is recognised on an accrual basis.

d) Investment in associated company

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost.

The Group's share of its associates' profits or losses is recognised in the consolidated statement of comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

e) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on a weighted average basis. Net realisable value is the price at which stock can be realised in the normal course of business, less incidental costs of transportation, storage and refining. Provision is made for obsolete or slow-moving items. Non-current inventory represents tank heels and can only be sold when tanks are emptied. Amortisation of tank heels is charged over 3 - 5 years depending on the product.

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

2 Material accounting policy information ... continued

f) Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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. All other repairs and maintenance are charged to the consolidated statement of comprehensive income during the financial period in which they are incurred.

Depreciation on plant and equipment is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

Building 3 - 30 years Furniture and office equipment 3 - 5 years Motor vehicles 4 - 5 years Well equipment 15 years Natural gas compression facilities 10 years Seismic cost 10 years Production and operating equipment 10 years Pipelines and terminal 35 years

Gains and losses on disposal are determined by comparing the proceeds with the carrying amounts. These are included in the consolidated statement of comprehensive income.

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at each consolidated statement of financial position date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

g) Intangible drilling costs and depletion

Intangible drilling costs incurred in the development of an exploratory well are capitalised in these consolidated financial statements under the successful efforts method of accounting.

Intangible drilling costs are amortised on the basis of the existing production of hydrocarbons for the year relative to the total proven developed reserves of hydrocarbons, using a combination of the Decline Curve Analysis and the Empirical Volumetric calculations based on log analysis techniques.

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

2 Material accounting policy information ... continued

h) Foreign currency translation

i) Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The consolidated financial statements are presented in Barbados dollars, which is the Group's functional and presentation currency.

ii) Transactions and balances

Foreign currency transactions and balances are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income.

i) Employee benefits

The Group operates a defined benefit pension plan on behalf of the employees, the assets of which are held in a segregated fund. The pension plan is funded by payments from employees and the Group, taking into account the recommendations of independent qualified actuaries.

Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The liability recognised in the consolidated statement of financial position in respect of defined benefit pension plan is the present value of the defined benefit obligation at the consolidated statement of financial position date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of long-term government securities. All actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the consolidated statement of other comprehensive income in the period in which they arise.

Past service costs are recognised immediately in the consolidated statement of comprehensive income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past service costs are amortised on a straight-line basis over the vesting period.

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

2 Material accounting policy information ... continued

j) Provisions

Provisions for abandonment are recognised when the Group has a present legal or constructive obligation as a result of past events; if it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation, and are shown in the consolidated statement of comprehensive income.

k) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

1) Accounts receivable

The Group applies the simplified approach for accounts receivable as permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group applies specific provisions for higher risk accounts using a risk-based methodology based on certain factors, including customer profile and the nature of products sold or services rendered. All other non-specific accounts were grouped together and aged using a 'provisions matrix'. Scaled loss rates were then calculated based on historical payment profiles and applied to the different aging buckets as of the consolidated statement of financial position date. The loss rates were adjusted to incorporate forward-looking information.

m) Taxation

Taxation expense in the consolidated statement of comprehensive income comprises current tax charges.

Current tax charges are based on taxable income for the year, which differs from the income before tax reported because it excludes items that are taxable or deductible in other years, and items that are never taxable or deductible. The Group's liability for current tax is calculated at tax rates that have been enacted at the consolidated statement of financial position date.

The Group follows the liability method of accounting for deferred tax.

Deferred tax is the tax expected to be paid or recovered on differences between the carrying amounts of assets and liabilities and the corresponding tax bases. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Currently enacted tax rates are used in the determination of deferred income tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilised.

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

2 Material accounting policy information ... continued

n) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost and any difference between net proceeds and the redemption value is recognised in the consolidated statement of comprehensive income over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan and are capitalised and amortised over the period of the facility to which it relates.

o) Provision for abandonment

A provision is established towards the cost of returning the surface location of each successful well to its original condition. The provision is measured at the present value of the expected future cash flows that will be required to perform the restoration. The provision is updated at each consolidated statement of financial position date for changes in the estimates of the amount or timing of future cash flows and changes in the discount rate. The cost is included as part of the intangible drilling costs and depleted over the production life of the well. The asset cannot decrease below zero and cannot increase above the asset's recoverable amount. If the decrease in provision exceeds the carrying amount of the asset, the excess is recognised immediately in the consolidated statement of comprehensive income. Adjustments that result in an addition to the cost of the asset are assessed to determine if the new carrying amount is fully recoverable or not.

p) Royalty expense

Royalty expense is charged by the Government of Barbados at a rate of 12.5% on the sale of crude oil and natural gas. The basis is in accordance with the substance of the relevant agreements.

q) Accounts payable

Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less.

Accounts payable are recognised initially at fair value and subsequently measured at amortised cost.

r) Impairment of non-financial assets

Property, plant and equipment and other non-financial assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

2 Material accounting policy information ... continued

s) Leases

The Group leases land for a period of 50 years from January 2004 with an option to renew for an additional 25 years.

Lease terms are negotiated on an individual basis and include a wide range of different terms and conditions. The lease agreement does not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- the amount of the initial measurement of lease liability:
- any lease payments made at or before the commencement date less any lease incentives received.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the Group's lease, the Group's incremental borrowing rate is used, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third-party financing, and
- makes adjustments specific to the lease, for example, term, country, currency and security.

If a readily observable amortising loan rate becomes available to the Group (through recent financing or market data) which has a similar payment profile to the lease, then the Group will use that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the consolidated statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of the lease liability
- any lease payments made at or before the commencement date less any lease incentives received

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

2 Material accounting policy information ... continued

s) Leases ... continued

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

An extension option is often included in the lease agreement. This is used to maximise operational flexibility in terms of managing the asset used in the Group's operations. The extension option held is exercisable only by the Group and not by the respective lessor.

t) Financial instruments

i) Financial assets under IFRS 9

Classification

The Group classifies its financial assets in the following measurement category:

- those to be measured at amortised cost (AC)

The classification for debt instruments depends on the Group's business model for managing those assets. It also requires the Group to examine the contractual terms of the cash flows, i.e. whether these represent 'solely payments of principal and interest' (SPPI).

The business model test requires the Group to assess the purpose for holding debt securities (hold to collect, hold to collect and sell or to trade). Substantially all the Group's debt instruments are held to maturity to collect cash flows and accordingly meet the 'hold to collect' criteria.

All debt instruments passing the business model and SPPI tests are classified at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, transaction costs that are directly attributable to the acquisition of the financial asset.

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

2 Material accounting policy information ... continued

Financial instruments ... continued

Financial assets under IFRS 9 ... continued

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset.

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost. Interest income from these financial assets is included within 'interest income' using the effective interest rate method.

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

Impairment

The Group assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost.

Accounts receivable

The Group applies the simplified approach for accounts receivable as permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group applies specific provisions for higher risk accounts using a risk-based methodology based on certain factors, including customer profile and the nature of products sold or services rendered. All other non-specific accounts were grouped together and aged using a 'provisions matrix'. Scaled loss rates were then calculated based on historical payment profiles and applied to the different aging buckets as of the consolidated statement of financial position date. The loss rates were adjusted to incorporate forward-looking information.

ii) Financial liabilities

The Group's financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method. At the consolidated statement of financial position date, the following items were classified as financial liabilities: accounts payables, amounts due to shareholder, borrowings and lease liability.

iii) Fair values

Fair value amounts represent estimates of the consideration that would currently be agreed upon between knowledgeable, willing parties who are under no compulsion to act and is best evidenced by a quoted market value, if one exists. Except for the amounts due from/to affiliated companies for which fair value cannot be established because the repayment terms are undetermined, estimated fair values are assumed to approximate their carrying values.

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

3 Critical accounting judgements and key sources of estimation uncertainty

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

a) Estimated impairment of assets

The Group tests annually whether assets have suffered any impairment in accordance with the accounting policy stated in the material accounting policy information section. Management's calculations require the use of estimates.

b) Depletion of intangible drilling and development costs

The Group makes provisions for the depletion of its intangible drilling and development costs as stated in Note 14. Judgement is required in determining the level of depletion based on the estimated reserves of the Group's wells.

c) Employee benefits

The present value of pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. These assumptions are disclosed in Note 18. Any changes in these assumptions will impact the carrying amount of pension obligations or assets.

d) Provision for abandonment

The Group makes provisions for the cost of returning the surface location of each successful well to its original condition as stated in Note 2(o). Judgement is required in determining the provision based on the present value remedial cost of each well. Assumptions are made with respect to the discount factor, length of time and the expected cost of closure to be incorporated into the present value calculation. These assumptions and the sensitivity to changes are disclosed in Note 16.

e) Provision for obsolescence

The Group make provisions for obsolete inventory as disclosed in Note 9. Judgement is required in determining the level of provision based on the age and future use of the inventory item.

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

4 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by the management team through continuous review of Group performance.

a) Market risk

i) Foreign currency risk

The Group is not exposed to significant foreign exchange risk. Foreign currency transactions are primarily from petroleum product purchases and maintenance of the terminal facility.

These transactions have been formally fixed to United States dollars (US\$) to mitigate exposure to fluctuations in foreign currency exchange rates, where the Barbados dollar and United States dollar are fixed 2:1.

ii) Cash flow and fair value interest rate risk

The Group is exposed to interest rate risks. Cash flow interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates.

The return on financial investments may be variable, fixed for a term or fixed to maturity. On reinvestment of a matured investment, the returns available on the new investment may be significantly different from the returns formerly achieved. This is known as reinvestment risk.

The Group's borrowings are issued at fixed rates. The Group is therefore exposed to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Interest margins may increase or decrease as a result of such changes.

The exposure of the Group's borrowings to interest rate changes and the contractual re-pricing dates of the borrowings at the end of the reporting period are as follows:

	2025		2024	
-	\$	%	\$	%
Fixed rate borrowings - repricing or maturity dates:				
Less than 1 year	12,221,220	20.26	12,038,113	16.67
1 - 5 years	38,190,493	63.30	45,453,433	62.95
Over 5 years	9,917,926	16.44	14,708,711	20.38
_	60,329,639	100.00	72,200,257	100.00

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

Financial risk management ... continued

b) Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. The Group's credit risk arises from cash and cash equivalents, deposits with financial institutions as well as credit exposure to customers and other receivables.

The Group has policies in place to ensure that sales of products are made to customers with an appropriate credit history, financial position, credit quality and other factors. Sales balances due from customers are settled in cash. Deposits are placed only with well known banks and financial institutions.

The maximum credit risk exposure is as follows:

	2025	2025		
	\$	%	\$	0/0
Cash and bank balances	7,468,635	6.45	2,457,788	2.84
Term deposits	187,654	0.16	187,654	0.22
Accounts and other receivables	66,585,556	57.47	56,320,542	65.19
Due from shareholder	33,251,702	28.70	18,834,283	21.80
Due from associated company	5,923,081	5.11	6,142,105	7.11
Financial investments	2,453,249	2.11	2,453,249	2.84
	115,869,877	100.00	86,395,621	100.00

The Group recognises provision for losses for assets subject to credit risk using the expected credit loss model. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

The Group uses three approaches in arriving at expected losses:

The simplified approach (for accounts receivable)

The general approach (for all other financial assets)

A practical expedient for financial assets with low credit risk (intercompany balances)

The simplified approach

The Group applies the IFRS 9 simplified approach to measuring expected credit losses for accounts receivable. The simplified approach eliminates the need to calculate 12-month ECL and to assess when a significant increase in credit risk has occurred. Accordingly, a lifetime expected loss allowance is used from day 1. To measure the lifetime loss allowance, the Group first considers whether any individual customer accounts require specific provisions. Loss rates are then assigned to these accounts based on qualitative and quantitative factors using a LGD matrix. All other non-specific accounts receivable are then grouped based on shared credit risk characteristics and the days past due.

The expected loss rates for non-specific accounts are based on the payment profiles of sales over a period of 72 months starting April 1, 2017 and ending on March 31, 2023 and the corresponding historical credit losses experienced within this period.

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

4 Financial risk management ... continued

b) Credit risk ... continued

Practical expedient for financial assets with low credit risk

As an exception to the simplified and general approaches, if the credit risk of a financial instrument is low at the reporting date, the Group can measure impairment using 12-month ECL, and so it does not have to assess whether a significant increase in credit risk has occurred.

The financial instrument has to meet the following requirements, in order for this practical expedient to apply:

- it has a low risk of default:
- the borrower is considered, in the short term, to have a strong capacity to meet its obligations in the near term; and
- the lender expects, in the longer term, that adverse changes in economic and business conditions might, but will not necessarily, reduce the ability of the borrower to fulfil its obligations.

Incorporation of forward-looking information

Historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified indicators such as trends in days sales outstanding for key customers and macroeconomic indicators of the country to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Assets written off

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group categorises a loan or receivable for write off when a debtor fails to make contractual payments, even after several attempts at enforcement and/or recovery efforts. Where receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in the consolidated statement of comprehensive income.

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

Financial risk management ... continued

Credit risk ... continued

Assets written off ...continued

The Group provides for credit losses on financial assets (including related party balances arising in the normal course of operations) as follows:

March 31, 2025

Category	Credit rating	Average ECL rate %	Estimated EAD \$	Expected credit loss
Performing (Stage 1)	Amounts due from associated company in the 1 to 30 days category	8.9%	_	_
Underperforming (Stage 2)	Amounts due from associated company in the 31 to 90 days category	22.4%	_	-
Non-performing (Stage 3)	Amounts due from associated company over 90 days	38.8%	9,674,283	3,751,202
Write-off	Recovery is highly unlikely			
TOTAL		38.8%	9,674,283	3,751,202
			_	Estimated EAD 9,674,283
			_	9,674,283

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

Financial risk management ...continued

b) Credit risk ... continued

March 31, 2024

Category	Credit rating	Average ECL rate %	Estimated EAD \$	Expected credit loss \$
Performing (Stage 1)	Amounts due from associated company in the 1 to 30 days category	6.7%	42	7
Underperforming (Stage 2)	Amounts due from associated company in the 31 to 90 days category	21.9%	56,947	32
Non-performing (Stage 3)	Amounts due from associated company over 90 days	88.1%	12,419,537	6,334,382
Write-off	Recovery is highly unlikely	_	_	_
TOTAL		50.8%	12,476,526	6,334,421

Credit rating	Estimated EAD
Financial assets in the 1 to 30 days category	42
Financial assets in the 31 to 90 days category	56,947
Financial assets over 90 days	12,419,537
Recovery is highly unlikely	
	12,476,526

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

4 Financial risk management ... continued

c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities to meet reasonable expectations of its short term obligation. Due to the dynamic nature of the underlying businesses, management maintains flexibility in funding by maintaining availability under committed credit lines.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the consolidated statement of financial position date to the contractual maturity date. The amounts disclosed in the table are contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year	More than 1 year	Total
	\$	s s	\$
At March 31, 2025			
Accounts payable	7,689,595	_	7,689,595
Due to shareholder	3,524,139	24,251,062	27,775,201
Lease liability	1,683	4,391,421	4,393,104
Borrowings	14,525,461	53,589,261	68,114,722
	25,740,878	82,231,744	107,972,622
Off financial statement exposure			
Guarantee and letter of credit	_	30,800,000	30,800,000
Total liabilities	25,740,878	113,031,744	138,772,622
At March 31, 2024			
Bank overdraft	873,009	_	873,009
Accounts payable	24,302,730	_	24,302,730
Due to shareholder	3,374,173	25,148,235	28,522,408
Lease liability	1,516	4,393,103	4,394,619
Borrowings	14,918,843	68,114,722	83,033,565
	43,470,271	97,656,060	141,126,331
Off financial statement exposure			
Guarantee and letter of credit	_	30,800,000	30,800,000
Total liabilities	43,470,271	128,456,060	171,926,331

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

Financial risk management ... continued

Liquidity risk ... continued

The table below analyses the Group's financial assets into relevant maturity groupings based on the remaining period at the consolidated statement of financial position to the contractual maturity date.

	Less than 1 year \$	More than 1 year \$	Total \$
At March 31, 2025	Ψ	Ψ	Ψ
Cash and cash equivalents	7,468,635	_	7,468,635
Term deposits	187,654	_	187,654
Accounts and other receivables	66,585,556	_	66,585,556
Due by shareholder	33,251,702	_	33,251,702
Due from associated company	5,923,081	_	5,923,081
Financial investments		2,453,249	2,453,249
Assets held for managing liquidity	113,416,628	2,453,249	115,869,877
At March 31, 2024			
Cash and cash equivalents	2,457,788		2,457,788
Term deposits	187,654	_	187,654
Accounts and other receivables	56,320,542	_	56,320,542
Due by shareholder	18,834,283	_	18,834,283
Due from associated company	6,142,105	_	6,142,105
Financial investments		2,453,249	2,453,249
Assets held for managing liquidity	83,942,372	2,453,249	86,395,621

Capital risk management

The Group's objective is to provide returns to its shareholders and benefits to other stakeholders and to reduce operating cost.

The Group uses the gearing ratio to monitor capital. This ratio is calculated as net debt divided by total capital. Net debt is current borrowings less cash. Total capital is equity plus net debt.

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

5 Cash and cash equivalents

	2025 \$	2024 \$
Cash on hand and at bank Bank overdraft	7,468,635	2,457,788 (873,009)
	7,468,635	1,584,779

The Group has a credit facility with the bank of \$15,000,000. Any excesses over the agreed overdraft limit which the bank may allow at its discretion, whether requested or not will attract an interest rate of 8% above the effective rate per annum, in addition to a fee of \$60 for every debit entry. At March 31, 2025 the rate of interest on the bank overdraft was 6% (2024 - 6%).

Term deposits

	2025 \$	2024 \$
Term deposits	187,654	187,654

Term deposits have maturities of 6 months or less and bear interest at 0.01% (2024 - 0.01%). A lien over term deposits amounting to US\$75,000 (2024 - US\$75,000) has been given as security for the Group's \$40M loan facility.

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

7 Accounts and other receivables

	2025 \$	2024 \$
Trade receivables	56,939,269	49,443,632
Lease receivables Less: Loss allowance	1,455,753 (121,710)	2,271,175 (121,710)
	1,334,043	2,149,465
Duty prepaid VAT receivable Other receivables	7,053,000 7,047,137 8,312,244	7,276,911 7,631,319 4,727,445
Total accounts and other receivables	80,685,693	71,228,772

No loss allowance was considered necessary in respect of trade receivables during 2025 or 2024.

The other classes within accounts receivable do not contain impaired assets.

The maximum exposure to credit risk at March 31, 2025 is the fair value of each class of receivable mentioned above, which approximates their carrying values. The Group does not hold any collateral as security.

Lease receivables relate to the financing arrangements granted to customers for renewable energy systems. Interest is charged at a rate of 6.5% to 8.5% per annum.

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

Related party transactions

The following transactions were carried out with related parties:

Sales of goods and services

	2025 \$	2024 \$
Sale of natural gas to shareholder (note 21)	32,364,655	28,039,876

ii) Key management compensation

Key management comprises directors and senior management of the Group. Compensation to these individuals was as follows:

	2025 \$	2024 \$
Salaries and other short-term benefits	1,927,536	1,709,603
Directors' fees	155,575	172,000
Due from associated company		

iii)

	2025 \$	2024 \$
Due from associated company Less: loss allowance	9,674,283 (3,751,202)	12,476,526 (6,334,421)
	5,923,081	6,142,105

The amount due from Asphalt Processors Inc. arises from sale transactions and is unsecured and bears no interest.

iv) Due from shareholder

	2025 \$	2024 \$
National Petroleum Corporation	33,251,702	18,834,283

This amount is in the normal course of business and is normally payable within 30 days of the invoice date.

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

8 Related party transactions ... continued

v) Due to shareholder

	2025 \$	2024 \$
Current:		
Operating charges (i)	3,750	_
IDB loan (ii)	3,520,389	3,374,173
	3,524,139	3,374,173
Non-current: IDB loan (ii)	24,251,062	25,148,235

- This amount arises mainly from sale transactions and is unsecured and interest free and without terms of repayment.
- On June 14, 2017, the Government of Barbados entered into loan contract no. 3843/OC-BA with the Inter-American Development Bank for a project entitled "Deployment of Cleaner Fuels and Renewable Energies in Barbados" in the amount of US\$34 million. Subsequently on January 8, 2019, the Government of Barbados entered into an on-lending agreement with the National Petroleum Corporation (the Corporation) to execute the project. Subsequently, the Corporation and Barbados National Oil Company Limited (BNOCL) entered into an institutional cooperation framework agreement which identified components of the project in favour of BNOCL and the commitments of each party. The Corporation and BNOCL then entered into a repayment agreement to determine the allocation of funds between each entity. The project commenced June 14, 2017 and the disbursement period was scheduled to be completed six years from the effective date of the loan contract. On June 9, 2023 the IDB granted a general extension of twenty-four (24) months to the disbursement period to June 14, 2025. Subsequent to year end on June 17, 2025, the IDB granted a further general extension of twelve (12) months to the disbursement period to June 14, 2026. The loan is being repaid semiannually, with the first installment due from the Borrower seventy-eight (78) months after the effective date of the loan contract and the last installment paid no later than the final amortisation date which is twenty-four (24) years from the effective date of the loan contract. As such repayments commenced in November 2023.

Barbados National Oil Company LimitedNotes to the Consolidated Financial Statements

March 31, 2025

(expressed in Barbados dollars)

•	T .	
u	Inventories	
,		

9	Inventories		
		2025	2024
		\$	\$
	Refined products	12,023,174	14,484,464
	Crude oil	4,956,367	6,958,412
	Materials	19,349,535	18,797,975
	Sand	207,700	207,700
	Biodiesel	41,517	41,517
	Renewable energy supplies	4,883,217	5,128,008
	Goods in transit	826,659	975,649
		42,288,169	46,593,725
	Less: non-current inventories	(286,003)	(369,711)
		42,002,166	46,224,014
	Less: provision for obsolescence on materials	(16,544,992)	(16,591,309)
		25,457,174	29,632,705
10	Accounts payable and accrued liabilities		
		2025	2024
		\$	\$
	Accounts payable	7,689,595	24,302,730
	VAT payable	1,333,892	490,155
	Accrued expenses	3,914,312	3,308,365
	Payroll deductions	173,760	154,458
	Unearned revenue	546,992	1,539,769
	Duty payable	3,256,889	5,955,894
		16,915,440	35,751,371

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

11 Borrowings

	2025	2024
	\$	\$
Non-current		
i) Fixed rate bond - \$50m	1,250,000	3,750,000
ii) Bank borrowings - \$30m	11,339,895	15,188,478
iii) Bank borrowings - \$40m	20,960,522	24,896,278
iv) Bank borrowings - \$20m	14,558,002	16,327,388
	48,108,419	60,162,144
Current		
Borrowings	12,221,220	12,038,113
Total borrowings	60,329,639	72,200,257

i) Fixed rate bond - \$50m

A fixed rate \$50,000,000 Bond 2004 - 2026 with interest payable semi-annually in arrears based on the outstanding principal, computed on a 360 day basis. The bond is secured by a Guarantee to the extent of \$50,000,000 from the Government of Barbados.

The effective interest rates applicable to this bond over the life of the bond, are as follows:

First 2 years	5.75%
Next 5 years	6.25%
Next 5 years	6.75%
Next 5 years	7.00%
Last 5 years	7.25%

The bond initially had a 2 year moratorium on principal payments, followed by equal semi-annual payments of principal. Repayment of principal on this bond commenced on December 11, 2006.

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

11 Borrowings ... continued

ii) Bank borrowings - \$30m loan

On August 12, 2020, Republic Bank (Barbados) Limited committed to provide a demand facility of \$30,000,000 with an annual interest of 3.95% which is fixed for the first 5 years. The balance is repayable quarterly in arrears based on the outstanding principal, computed on a 360 day basis with payments of principal and interest of \$1,097,997 over 8 years. The effective rate applicable to this loan at the statement of financial position date was 3.95% (2024 - 3.95%).

The bond and loans are secured by the following securities:

- Guarantee dated February 16, 2010 from the Company for \$30.8m.
- First legal debenture/mortgage stamped to cover \$30m over the fixed and floating assets of a subsidiary with a specific charge over the property and terminal facility at Fairy Valley, Christ Church.
- Trident Insurance Company Limited policy number FC-036115 over the stock of the Company held at Fairy Valley, Christ Church and anywhere else the Company operates. Sum insured US\$100m expiring April 1, 2024.
- Letter of Undertaking dated January 12, 2006 from the Company to remit funds to satisfy monthly loan repayments at the Bank's request.
- Cross guarantees both dated November 16, 2020 from the Company and a subsidiary.
- Guarantee dated April 26, 2012 from The State in the Right of The Government of Barbados stamped to cover \$120M.

iii) Bank borrowings - \$40m loan

In 2021, a 10 year commercial mortgage loan was entered into between the Company and Republic Bank (Barbados) Limited, for a total of \$40,000,000. This has been executed to assist the Company with the liquidation of the overdraft of \$30m and to provide capital support. Repayment is made in quarterly blended principal and interest payments of \$1,215,335 at a rate of 3.95% per annum, which is fixed for 5 years and subject to review thereafter.

iv) Bank borrowings - \$20m loan

In 2022, a 10 year commercial loan was entered into between the Company and Republic Bank (Barbados) Limited, for a total of \$20,000,000. This was executed to assist the Company with the repayment of taxes owed to the Government of Barbados. Repayment is made in monthly blended principal and interest payments of \$212,132 at a rate of 5% per annum.

Notes to the Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

11 Borrowings ... continued

The loans are secured by the following securities:

- i) First freehold debenture/mortgage dated December 12, 2006 stamped to cover \$30,000,000 over the fixed and floating assets of the Company, with a specific charge over property located at Woodbourne Plantation, Woodbourne, St. Philip.
- ii) Further upstamp of freehold debenture mortgage by \$10,000,000 dated November 16, 2020 over the fixed and floating assets of the Company and of a subsidiary as surety and principal obligor, with a specific charge over property located at Woodbourne, St. Philip.
- iii) Assignment of Trident Insurance Company Limited Policy Number FC-36115 over Fairy Valley, Christ Church and anywhere else the Company operates from in Barbados. Sum insured US \$100,000,000. Expiring April 1, 2025.
- iii) Lien over term deposit in the name of the Company for the equivalent of US\$75,000.
- iv) Cross guarantees both dated November 16, 2020 from two subsidiaries.

The fair values of the borrowings as at March 31, 2025 was \$58,262,477 (2024 - \$70,356,569). The fair values are based on cash flows discounted using a rate based on the latest bond rates which range from 2.4% to 4.7% (2024 - 2.9% to 5.1%).

12 Financial investments

	2025	2024
	\$	\$
Financial assets at amortised cost:		
Government of Barbados Series D Bond	2,453,249	2,453,249

The bond accrues interest at 1.5% and matures on August 31, 2053.

The fair value of financial assets at amortised cost at year end was \$1,897,777 (2024 - \$1,880,351).

13 Investment in associated companies

	2025 \$	2024 \$
Net assets - beginning of year Share of net income of associated company for the year	1,317,060 40,055	691,582 625,478
Net assets - end of year	1,357,115	1,317,060

The Group has a 30.40% interest in the associated company, Asphalt Processors Inc., a company incorporated in Barbados.

In 2023, the entity invested \$250 in Seed21 Energy Limited.

Barbados National Oil Company Limited Notes to Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

14 Property, plant and equipment

Total \$		478,089,704	(330,225,647)	147,864,057		147,864,057	3,269,459	8,824,213	(288,702)		1,240,033 (233,358)		145,872	(9,532,364)	151,289,210
Construction in progress		17,492,931	1	17,492,931		17,492,931	786,610	8,348,050	(79,704)		1 1		ı	1	26,547,887
Intangible drilling and development costs \$		198,310,691	(152,244,018)	46,066,673		46,066,673	I	I	1 1		1,240,033		I	(1,350,913)	45,955,793
Production and operation equipment		171,658,561	(103,750,383)	67,908,178		67,908,178	1,735,815	- (003 28)	(288,702)		1 1		I	(5,940,028)	63,328,743
Seismic cost		1,396,500	(1,101,963)	294,537		294,537	I	I	1 1		1 1		ı	(34,465)	260,072
LPG processing facilities \$		14,258,976	(12,341,184)	1,917,792		1,917,792	I	I	1 1		1 1		ı	(233,410)	1,684,382
Well equipment		38,908,042	(36,891,776)	2,016,266		2,016,266	I	I	1 1		1 1		I	(477,334)	1,538,932
Motor vehicles		4,354,851	(3,454,054)	900,797		200,797	205,298	I	1 1		(233,358)		145,872	(256,854)	761,755
Furniture, fittings and office equipment		9,419,708	(8,949,166)	470,542		470,542	517,197	476,163	00,320		1 1		ı	(466,720)	1,083,702
Land, buildings & leasehold improvements		22,289,444	(11,493,103)	10,796,341		10,796,341	24,539	1 200	79,704		1 1		I	(772,640)	10,127,944
	At March 31, 2023	Cost	Accumulated depreciation	Net book amount	Year ended March 31, 2024	Opening net book amount	Additions Additions from	Execution Unit	Adjustments	Increase in provision for	abandonment Disposals - cost	Disposals - accumulated	depreciation Depreciation and	depletion charges	Closing net book amount

Notes to Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

14 Property, plant and equipment ... continued

Notes to Consolidated Financial Statements

March 31, 2025

(expressed in Barbados dollars)

14 Property, plant and equipment ... continued

	Land, buildings & leaschold improvements	Furniture, fittings and office equipment	Motor vehicles	Well equipment \$	LPG processing facilities	Seismic cost \$	Production and operation equipment	Intangible drilling and development costs	Construction in progress	Total
At March 31, 2025										
Cost	22,393,687 10,905,097	10,905,097	4,129,578	38,908,042	14,228,361	1,396,500	173,388,432	200,810,418	27,007,427	493,167,542
Accumulated	(13,040,984) (9,829,927)	(9,829,927)	(3,348,142)	(3,348,142) (37,791,284) (12,777,388)	(12,777,388)	(1,165,870)	(1,165,870) (115,607,142) (154,836,742)	(154,836,742)	I	(348,397,479)
Net book amount 9,352,703 1,075,170	9,352,703	1,075,170	781,436	1,116,758 1,450,973	1,450,973	230,630	57,781,290	45,973,676		27,007,427 144,770,063

Notes to Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

15 Deposit on plant and equipment

At March 31, 2025, the Group had made deposits totalling \$1,284,305 (2024 - \$805,025) on plant and equipment. A further \$521,082 (2024 - \$219,588) is due in relation to the plant and equipment.

16 Provision for abandonment

	2025 \$	2024 \$
Balance at beginning of year Increase in provision for abandonment (note 14)	11,650,986 1,259,694	10,410,953 1,240,033
Balance at end of year	12,910,680	11,650,986

The Group has established a provision of \$12,910,680 (2024 - \$11,650,986) towards remediation costs which are estimated to be \$54,475 (2024 - \$49,160) per well which is required to return the surface location of wells to their original condition. The cost of abandonment is included in intangible drilling and development costs under property, plant and equipment and is amortised to the consolidated statement of comprehensive income in line with the Group's depletion charge for the year. The estimated price per well is the present value of \$105,471 per well over a 10 year period at a discount rate of 6.83% (2024 - \$105,471 per well over a 11 year period at a discount rate of 7.186%).

The sensitivity of the provision for abandonment to changes in the weighted principal assumptions is as follows:

	Impact on	provision for aband	lonment
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1.0%	11,762,197	14,183,828
Cost	10.0%	14,201,749	11,619,612
Period	1 year	12,085,257	13,792,480

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

Notes to Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

17 Leases

i) Amounts recognised in the consolidated statement of financial position:

	2025 \$	2024 \$
Right-of-use asset Land	3,171,967	3,230,708
Lease liabilities Current Non-current	(1,683) (4,391,421)	(1,516) (4,393,103)
Total	(4,393,104)	(4,394,619)

There were no additions to right-of-use assets during the 2025 or 2024 financial year.

ii) Amounts recognised in the consolidated statement of comprehensive income:

	2025 \$	2024 \$
Depreciation charge of right-of-use assets Land	(58,739)	(58,739)
Interest expense (included in finance costs)	(486,484)	(486,635)

The total cash outflow for leases was \$488,000 (2024 - \$488,000).

18 Employee benefits

The Group operates defined benefit pension plans for their employees under segregated fund policies with Sagicor Life Inc. The plans are valued triennially by independent actuaries. The next full triennial valuation is due on April 1, 2024. Interim valuations are performed each year.

In respect of the defined benefit plans operated by the Group, the amounts recognised in the consolidated statement of financial position are as follows:

	2025 \$	2024 \$
Fair value of plan assets Present value of funded obligations Effect of IFRIC 14	30,525,961 (30,433,512) (2,968,113)	28,910,420 (28,119,934) (3,218,561)
Net liability in the consolidated statement of financial position	(2,875,664)	(2,428,075)

Notes to Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

18 Employee benefits ... continued

The movement in the fair value of plan assets is as follows:

The movement in the fair value of plan about it as follows.		
	2025 \$	2024 \$
Fair value of plan assets at beginning of year	28,910,420	26,636,964
Actual return on plan assets	944,140	1,553,507
Contributions - employer	1,821,242	1,685,013
Contributions - employee	413,316	381,955
Benefits paid	(1,563,157)	(1,347,019)
Fair value of plan assets at end of year	30,525,961	28,910,420
The movement in the present value of funded obligations is as follows:		
	2025	2024
	\$	\$
Present value of funded obligations at beginning of year	28,119,934	26,790,589
Interest cost	2,343,904	2,238,752
Current service cost (including voluntary contributions)	1,271,933	1,188,356
Benefits paid	(1,563,157)	(1,347,019)
Actuarial gain on obligation	260,898	(750,744)
Present value of funded obligations at end of year	30,433,512	28,119,934
Movements in the net liability recognised in the consolidated statement	of financial position ar	re as follows:
	2025	2024
	\$	\$
Net liability at beginning of year	(2,428,075)	(2,858,806)
Net expense recognised in the consolidated statement		
of comprehensive income	(1,055,246)	(1,041,083)
Contributions paid	1,821,242	1,685,013
Remeasurements included in the consolidated statement of other		
comprehensive income	(1,213,585)	(213,199)
Net liability at end of year	(2,875,664)	(2,428,075)

Notes to Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

18 Employee benefits ... continued

The amounts recognised in the consolidated statement of comprehensive income are as follows:

	2025 \$	2024 \$
Current service cost Interest on obligation Expected return on plan assets Interest on effect of IFRIC 14	858,617 2,343,904 (2,412,805) 265,530	806,401 2,238,752 (2,227,247) 223,177
Total included in employee expenses	1,055,246	1,041,083
The amounts recognised in other comprehensive income are as follows:		
	2025 \$	2024 \$
Actuarial gain on obligation Actual return on plan assets Expected return on plan assets Effect of IFRIC 14	(260,898) 944,140 (2,412,805) 515,978	750,744 1,553,507 (2,227,247) (290,203)
Total included in other comprehensive income	(1,213,585)	(213,199)
	2025 \$	2024 \$
Actual return on plan assets	944,140	1,553,507
Plan assets are comprised as follows:		
	2025	2024
Mortgages Bonds Equities Real estate Current assets and liabilities	24.2% 53.1% 19.3% 1.6% 1.8%	24% 53% 20% 2% 1%
	100%	100%

Expected contributions for the year ending March 31, 2026 are \$1,980,239.

The weighted average duration of the defined benefit plan is 13.74 to 16.03 years.

Notes to Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

18 Employee benefits ... continued

Assets are matched to the pension obligations by investing in long term securities with maturities that match the benefits payments as they fall due and in the currency of benefit payments. Whether the duration and the expected yield of the investments are matching the expected cash outflows arising from the pension obligation is monitored actively. The Group has not changed the processes used to manage its risk from previous years. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

Principal actuarial assumptions at the consolidated statement of financial position date are as follows:

	2025	2024
Discount rate at end of year	8.25%	8.25%
Expected return on plan assets at end of year	8.25%	8.25%
Future promotional salary increases	2.50%	2.50%
Future pension increases	1.25%	1.25%
Future inflationary salary increases	4.25%	4.25%
Future changes in NIS Ceiling	4.25%	4.25%
Mortality	GAM94	GAM94

Through its defined benefit pension plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to Government of Barbados bond yields; if plan assets underperform this yield, this will create a deficit. The plan holds a significant proportion of equities, which are expected to outperform government bonds in the long-term while providing volatility and risk in the short-term.

Responsibility for the governance of the plan lies with the board of trustees. The trustees invest the funds for the defined benefits section of the plan primarily via two pooled segregated funds and amend their asset allocation benchmark as necessary to meet the objectives. The government bonds in the funds represent primarily investments in Government of Barbados securities. There are limited investments in corporate bonds.

However, the Group believes that due to the long-term nature of the plan liabilities and the strength of the supporting Group, a level of continuing equity investment is an appropriate element of the Group's long term strategy to manage the plan efficiently.

Notes to Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

18 Employee benefits ... continued

Changes in bond yields

A decrease in Government of Barbados bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plan's bond holdings.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

		Impact on defined benefit obligation		
	Defined benefit obligation	Change in assumption	Increase in assumption	Decrease in assumption
Base IAS 19 results	30,453,512			
Discount rate		1.0%	27,014,434	34,688,713
Salary growth rate		0.5%	31,426,241	29,511,346
Life expectancy		1 year	31,512,039	-

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the year) has been applied as when calculating the pension plan liability recognised within the consolidated statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

19 Taxation

Deferred taxes

	2025 \$	2024 \$
Deferred tax asset/(liability) - beginning of year Deferred tax (charge)/credit Deferred tax credit relating to components	176,190 (1,376,484)	(715,815) 872,817
of other comprehensive income	109,223	19,188
Deferred tax (liability)/asset - end of year	(1,091,071)	176,190

Notes to Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

19 Taxation ... continued

Deferred taxes ... continued

The deferred tax (liability)/asset recognised is comprised as follows:

	2025	2024 \$
	3	Ť
Accelerated tax depreciation	(24,564,739)	(22,472,219)
Unutilised tax losses (note 24)	8,002,626	20,495,598
Employee benefits liability (note 18)	2,875,664	2,428,075
Inventory obsolescence	342,306	342,306
Right-of-use asset (note 17)	(3,171,967)	(3,230,708)
Lease liability (note 17)	4,393,104	4,394,619
	(12,123,006)	1,957,671
Deferred tax (liability)/asset at 9% (2024 - 9%)	(1,091,071)	176,190

The above temporary differences have no expiry date, except for unutilised tax losses, the expiry dates of which are disclosed in Note 24.

Current taxes

The corporation tax charge for the year is comprised as follows:

	2025 \$	2024 \$
Current tax charge Deferred tax charge/(credit)	3,965,545 1,376,484	852,455 (872,817)
	5,342,029	(20,362)

Notes to Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

19 Taxation ... continued

Current taxes ... continued

The tax on the Group's income before taxation, differs from the theoretical amount that would arise using the statutory taxation rate of Barbados as follows:

	2025 \$	2024 \$
Income before taxation	52,787,461	34,140,552
		- , - ,
Tax calculated at statutory rate of 9.0% (2024 - 9%/5.5%)	4,750,872	1,877,731
Effect of sliding scale of tax rates	_	(273,729)
Tax effects of the following:		
Expenses not deductible for tax purposes	240,595	42,052
Movement in deferred tax asset not recognised	45,972	(396,869)
Deferred tax asset now recognised	_	(1,585,881)
Prior year over provision - current and deferred tax	505,870	697,288
Change in tax rate during the year on opening deferred tax	_	(1,263,713)
Rate at which deferred tax is computed	_	660,936
Income taxed at a different rate	_	151,390
Tax losses expiring unutilised	64,215	274,436
Investment allowance	_	(204,003)
Income not subject to tax	(265,495)	
	5,342,029	(20,362)

Petroleum Winning Operations Taxation Act, Cap. 82

- a) Under the Petroleum Winning Operations Taxation Act, Cap. 82, the company is not subject to taxation until its level of regular exports of petroleum average 10,000 barrels a day, measured over a period of 30 consecutive days, or until the expiration of a period of five years from the date on which petroleum was first regularly exported by the company, whichever is earlier. The company did not meet these criteria during the current of prior year.
- b) In 2006, the company took over the selling and distribution operations of refined petroleum products from its subsidiary, Barbados National Terminal Co. Ltd. This activity is subject to tax and is not exempt under the Petroleum Winning Operations Taxation Act, Cap. 82, as described above.

Notes to Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

20 Share capit	tal
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The Company is authorised to issue an unlimited number of shares of no par value Issued

	2025 \$	2024 \$
82,030 common shares	41,014,809	41,014,809
The shares are allotted as follows:		
	2025 Number	2024 Number
Government of Barbados - common shares National Petroleum Corporation - common shares	61,913 20,117	61,913 20,117
	82,030	82,030

21 Revenue

Upstream revenue represents sales attributable to natural gas and crude oil as follows:

	2025 \$	2024 \$
Crude oil Natural gas (note 8)	32,189,932 32,454,500	30,305,436 28,358,284
	64,644,432	58,663,720
Downstream revenue - refined product sales is comprised of the	ne following:	
	2025 \$	2024 \$
Fuel oil		

515,018,888

519,478,513

Notes to Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

21 Revenue ... continued

Renewable energy revenue is comprised of the following:

		2025 \$	2024 \$
	Photovoltaic revenue	2,137,108	1,205,842
22	Other income		
		2025 \$	2024 \$
	Interest income Other income Finance income Gain on disposal of property, plant and equipment	104,656 150,300 3,256 41,314	65,153 318,615 6,886 13,791
		299,526	404,445
23	Other losses		
		2025 \$	2024 \$
	Amortisation of tank heels Miscellaneous expenses - other	83,708 26,440	48,830 13,309
		110,148	62,139

24 Tax losses

Accumulated tax losses which are available for set off against future taxable income for corporation tax purposes are as follows:

Tax losses related to the recognised deferred tax asset not recognised are as follows:

Year	Losses b/fwd. \$	Incurred \$	Expired \$	Losses c/fwd.	Expiry date
2018	713,498	_	(713,498)	_	
2021	229,173	_	_	229,173	2028
2023	1,865,934	_	_	1,865,934	2030
2024	35,983	_	_	35,983	2031
2025	_	488	_	488	2032
-					
_	2,844,588	488	(713,498)	2,131,578	

Notes to Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

24 Tax losses ... continued

Tax losses related to the recognised deferred tax liability are as follows:

Year	Losses b/fwd. \$	Adjustment \$	Utilised \$	Losses c/fwd.	Expiry date
2018	16,244	(16,244)	_	_	
2020	2,648,426	(10,211)	(2,648,426)	_	
2021	9,806,609	899,905	(2,703,888)	8,002,626	2028
2022	4,761,138	_	(4,761,138)		
2023	418,593	_	(418,593)		
ı	17,651,010	883,661	(10,532,045)	8,002,626	

The tax losses are as computed by the Group's companies in their corporation tax returns and have as yet neither been confirmed nor disputed by the Barbados Revenue Authority.

25 Expenses by nature

	2025	2024
	\$	\$
Petroleum products	481,805,095	502,419,062
Staff costs (note 26)	18,837,904	15,683,482
Consulting and professional fees	845,822	635,282
Repairs and maintenance	984,942	1,422,586
Renewable energy	1,065,270	399,255
Insurance	2,953,562	2,663,860
Utilities	629,037	730,013
Write back of loss allowance for amounts due from		
associated company	(2,583,219)	(3,020,655)
IDB project expenses	887,879	2,045,196
Other	5,750,259	6,048,899
Total cost of goods sold, terminal operating costs and general		
and administrative expenses	511,176,551	529,026,980

Notes to Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

26 Staff costs

Staff costs funded by the Group were as follows:

		2025	2024
		\$	\$
	Wages, salaries and bonus	14,295,543	12,043,238
	Allowances	580,452	564,990
	National Insurance	1,040,827	1,011,519
	Pension expense (note 18)	1,055,247	1,041,083
	Medical and other costs	1,865,835	1,022,652
		18,837,904	15,683,482
	Number of persons employed by the Group at year end	140	147
27	Non-cash investing and financing cash flows		
		2025	2024
		\$	\$
	Additions to property, plant and equipment	423,865	8,824,213
	Amounts due to shareholder	750,957	8,727,747
	Accounts and other payables	130,731	25,341
	recounts and other payables		43,341

28 Holborn facilities costs

In March 2006, ESSO Standard Oil S.A. Limited (subsequently SOL Petroleum (Barbados) SRL (SOL)) and the Group negotiated an agreement whereby SOL would provide storage and handling services to the Group for an initial period of at least 10 years. The services include the receiving, storage, handling and delivery of petroleum products in and out of SOL's Holborn Terminal located at Fontabelle, St. Michael at a standard fee rate of US\$2.40 for each barrel of product delivered out of the terminal. An updated agreement is currently under negotiation between the relevant entities.

29 Contingent asset

In September 2005, there was an accident involving the Group's pipelines at Oistins and its shipper. Currently, the Group is legally pursuing its claims against the shipper amounting to \$1.2 million plus interest and incidental costs. The Group has not recognised this amount as an asset in the consolidated financial statements due to the uncertainty of its outcome.

30 Contingent liabilities

Bank guarantees have been entered into by the Group to provide security on the bank borrowings of a subsidiary. The liabilities attached to these guarantees at March 31, 2025 amount to \$30,800,000 (2024 - \$30,800,000).

Notes to Consolidated Financial Statements March 31, 2025

(expressed in Barbados dollars)

31 Subsequent events

The Company entered into an agreement, on December 9, 2024, with its wholly-owned subsidiaries, Barbados National Oilfield Services Limited, Barbados National Terminal Co. Ltd., and Barbados National Oil Holding Company Limited, (the "amalgamating companies") to amalgamate under the provisions of the Section 209 of the Companies Act, Cap 308 of the Laws of Barbados.

The amalgamation became effective on April 1, 2025 following the filing of the articles of amalgamation with the Registrar of Companies. The amalgamating companies continued as one company under the name of Barbados National Oil Company Limited.

As a consequence of the amalgamation, all assets, liabilities, rights and obligations of the Company were assumed by the amalgamated company.

Subsequent to that amalgamation, a second amalgamation on April 1, 2025 was effected between the Barbados National Oil Company Limited and the newly formed Barbados National Energy Company Limited, (a company wholly owned by the Government of Barbados.).

The business and operations of the Barbados National Oil Company Limited continued under the Barbados National Energy Company Limited.

It is also intended that the assets, liabilities, rights and obligations of the shareholder, the National Petroleum Corporation will be vested in the Barbados National Energy Company Limited.













Barbados National Oil Company Limited Woodbourne, St Philip, Barbados 246-418-5200

