

## FALSE STORY ON TAX EVASION

Our attention has been drawn to baseless and false media reports in the media linking Sahara Group with alleged tax evasion. Some of the apparently syndicated reports are highlighted below:

[Tax evasion: Reps summon FIRS, Agip, nine others - Punch Newspapers \(punchng.com\)](https://punchng.com/news/tax-evasion-reps-summon-firs-agip-nine-others/)

<https://dailypost.ng/2022/11/29/tax-evasion-reps-committee-gives-7-day-ultimatum-to-firs-summons-9-oil-companies-for-investigation/>

Sahara Group would like to state for the record that the company is not and has never been involved in any form of tax evasion as erroneously highlighted in the reports.

The Nigerian House of Representatives Ad Hoc Committee, as part of its routine oversight functions, invited the Federal Inland Revenue Service and operators in the oil and gas sector to verify the Structure & Accountability of the Joint Venture Businesses and Production Sharing Contracts of the Nigerian National Petroleum Corporation (NNPC) from 1990.

The Committee invited two Sahara Group entities, including Enageed Resource Limited and Sahara Energy Resource Limited.

Enageed Resource Limited is the contractor appointed by the NNPC, to explore, develop and produce crude oil on its behalf under the Production Sharing Contract on Oil Mining Lease (OML) 148. Enageed Resource is not in a Joint Venture (JV) with the NNPC and all tax transactions in relation with this contract are filed by the NNPC.

Sahara Energy Resource Limited, on the other hand, is a downstream company that is neither involved in exploration, production nor production-sharing contracts.

The above positions have since been submitted to the Committee on the 14<sup>th</sup> and 21<sup>st</sup> of December 2022 respectively, and these were well received. We urge our stakeholders and the public to disregard the false tax evasion reports as they are merely sensational and unfounded.

Sahara Group has always maintained impeccable tax returns record across all its businesses since inception in 1996. Recently, Ikeja Electric, a Sahara Group company was commended by the FIRS as one of the foremost taxpayers contributing to the development of the nation.

Please see news reports on this below:

<https://www.thisdaylive.com/index.php/2022/05/17/firs-lauds-20-top-performing-tax-companies-nlpg-nnpc-mobil-producing-others/>

<https://www.premiumtimesng.com/news/top-news/530160-firs-lists-nigerias-top-taxpayers-for-2021.html>

As a leading multinational energy and infrastructure conglomerate, it is in our DNA to always conduct our businesses in an honest, ethical, and lawful manner. This is further highlighted in our Anti-Tax Evasion Policy that clearly promotes zero-tolerance to any act or business activities that directly or indirectly promote Tax Evasion in any taxing jurisdictions in which we have business dealing and operations.

Please see the Sahara Group Anti-Tax Evasion Policy below:

<https://www.sahara-group.com/wp-content/uploads/2022/06/SAHARA-GROUP-ANTI-TAX-EVASION-POLICY.pdf>

Sahara Group continues to align its operations to the highest global standards, leveraging the ideals of business integrity and transparency as advocated by the World Economic Forum's Partnering Against Corruption Initiative.

