



NATIONAL HYDROCARBONS CORPORATION



PORTFOLIO MANAGEMENT

STATUTORY AUDITOR'S REPORT

FINANCIAL STATEMENTS

YEAR ENDE DECEMBER 31st, 2019

To shareholders of the NATIONAL HYDROCARBONS CORPORATION

In our capacity as statutory auditor, we present below our report for the period ended December 31st, 2019 on:

- the accompanying financial statements of NATIONAL HYDROCARBONS CORPORATION (NHC) and,
- the specific procedures and disclosures prescribed by law.

1. FINANCIAL STATEMENTS AUDIT

1.1 OPINION

We have audited the annual financial statements of NATIONAL HYDROCARBONS CORPORATION which comprise the balance sheet, the income statement, the cash flow statement and the annexes notes for the year ended December 31st, 2019.

In our opinion, the financial statements of NHC present fairly, in all material respects, the financial position of the company at December 31st, 2019, and its financial performance and its cash flows for the year then ended in accordance with accounting principles prescribed by the OHADA Uniform Act on organization and harmonization of accounting systems of commercial companies in member states.

Audit de l'Etat de FCFA 200 000 000
N° DLA/ 983/B/904
Ag. n° TUEAL N° SEC 2
IHL: M. 821 0000403 R
C.N. N° 0229-601-A

Audit de l'Etat de FCFA 200 000 000
14 Rue de l'Hôpital
Quartier Bonanjo
B.P. 443 Douala
Tel. : 233 43 01 71 / 233 06 23 0 / 233 16 23 0
Fax : 233 43 01 71 / 233 06 23 0 / 233 16 23 0
E-mail : cacinternational@cac-international.com
Web : www.cac-international.com



1.2 BASIS FOR OPINION

We have audited the financial statements in accordance with International Professional standards (ISAs) and, accordingly, performed such auditing procedures as we considered necessary in the circumstances in compliance with OHADA Act.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants 'Code of Ethics for Professional Accountants (IESBA Code)' together with the ethical requirements that are relevant to our audit of the financial statements in Cameroon, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

1.3 KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1.4 RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE ANNUAL FINANCIAL STATEMENTS

The Board of Directors is responsible of the preparation of the financial statements.

The Board of Directors is responsible for the preparation and the fair presentation of the financial statements in accordance with rules and provisions as specified by the OHADA Uniform Act on organization and harmonization of accounting systems of commercial companies in member States, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Directors



either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

1.5 AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF ANNUAL FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error, and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

2. SPECIFIC AUDIT PROCEDURES AND DISCLOSURES

We have carried out specific audit procedures required by law in Cameroon.

We do not have any special point to rise as for the truth and fair view or the conformity of the information provided to the Board of Directors on the financial statements with the said financial statements.

The Statutory Auditor
CAMEROUN AUDIT CONSEIL

Jérôme MINLEND

April 2nd, 2019