



NATIONAL HYDROCARBONS CORPORATION



PORTFOLIO MANAGEMENT

AUDITOR'S REPORT TO THE BOARD OF DIRECTORS

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31ST, 2020

To the Board of Directors of the National Hydrocarbons Corporation

Dear Board Members,

In accordance with article 715 of the OHADA Uniform Act relating to the Commercial Companies and EIG (Economic Interest Groups), we hereby submit to you our audit report on the financial statements of the National Hydrocarbons Corporation for the year ended December 31st, 2020. The financial statements include the balance sheet, the income statement, the cash flow statement and the annexed notes. The Board of Directors is responsible for the preparation of the financial statements of the company. Our responsibility is to provide an opinion on the financial statements.

In accordance with the mission entrusted to us by the shareholder's meeting, we, as your statutory auditor, have carried the audit of the financial statements of the N.H.C., for the year ended December 31st, 2020.

Our audit was carried out according to International Standards on Auditing (ISA) and professional standards applicable in Cameroon. These standards require us to plan and perform our audit to obtain reasonable assurance whether the financial statements are free of material misstatement, in accordance with provisions of articles 710 to 717 of the OHADA Uniform Act relating to the Commercial Companies and EIG (Economic Interest Groups), and CEMAC Regulation N°11/01 UEAC-027-CM-07 of 5th December 2001.

Our audit engagement was carried out on the financial statements with the following characteristics:

Million of CFA Francs

	2020	2019
Total Balance Sheet	252 856	247 756
Shareholder's Equity (including the profit/loss for the period)	237 181	228 790
Net Income After Taxes	20 918	25 266

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Agrément UDEAC N° SEC 02
NIU : M 10820000403 R
CNPS N° 010-2295601-A

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1. CONFIRMATION OF INDEPENDENCE

We confirm that we are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements, specifically the IESBA Code of Ethics for professional accountants and local regulations governing the statutory audit of financial statements. We have fulfilled our other ethical responsibilities in accordance with these requirements.

2. CONCLUSIONS OF OUR ENGAGEMENT

2.1 REVIEW OF THE INTERNAL CONTROL PROCEDURES

In carrying out our mission as statutory auditors, we assessed the procedures and internal controls at the company's level to identify potential risk areas in the accounts and define the schedule and scope of the samples to be tested substantively in the accounts. This review did not necessarily highlight all the improvements that a specific and more detailed study could possibly reveal.

As far as the significant processes are concerned, some minor internal control weaknesses have been noticed during our audits. They were brought to the attention of the management.

2.2 EXAMINATION OF ACCOUNTS

We are not aware of any other significant matters that need to be brought to your attention.

2.3 NON-COMPLIANCE WITH LAWS AND REGULATIONS

Our investigations on the compliance with laws and regulations applicable to the Company were focused on the valuation and payment of taxes. We do not have specific information to communicate on that matter.

2.4 OPINION ON FINANCIAL STATEMENTS

If the annual financial statements as at December 31st, 2020 are not modified, we intend to render a unqualified opinion.

3. SPECIFIC VERIFICATIONS AND INFORMATION

3.1. REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDER'S MEETING

We have nothing to report on the draft report of the board of directors to the shareholder's meeting.

3.2. RELATED PARTY TRANSACTIONS

We have not been informed of any related party transactions during the period.



3.3. BOARD OF DIRECTOR'S RESOLUTIONS DRAFT OF THE ANNUAL SHAREHOLDER'S MEETING

We do not have significant observation to report on that matter.

In accordance with laws and regulations, it is the Board of Directors' responsibility to take due note of the present report relating to our audit of the financial statements of National Hydrocarbons Corporation, for the financial year ended December 31st, 2020.

The Statutory Auditor
CAMEROUN AUDIT CONSEIL

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Jerome MINLEND

April 7th, 2021

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N.H.C.
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