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**PRESS RELEASE  
FOR IMMEDIATE RELEASE**

**NAMCOR PROGRESS UPDATE: A MILESTONE YEAR IN TRANSFORMING INTO A WORLD-CLASS ENERGY COMPANY**

The National Petroleum Corporation of Namibia; NAMCOR is pleased to provide a progress update on the significant strides made in its journey to becoming a world-class energy company. With a focused commitment to efficiency, growth, and accountability, NAMCOR continues to reform key areas of its operations, ensuring its competitive position both locally and globally.

This year, 2024, has marked a pivotal point in NAMCOR's transformation, as we address both internal and external challenges to build a stronger, more resilient company. From financial restructuring to operational realignment, we have taken major steps to turn around the company's performance, foster accountability, and create a culture of excellence.

**Key Highlights of NAMCOR's 2024 Progress:**

**Trading Company Turnaround Plan:** The development of NAMCOR's Trading Company Turnaround Plan represents a comprehensive roadmap aimed at improving performance and ensuring long-term sustainability. The plan includes refocusing efforts on Upstream opportunities, particularly with the recent offshore oil discoveries in Namibia.

**Financial Restructuring:** Following a NAD 1.2 billion sovereign guarantee, NAMCOR successfully settled significant financial obligations with key suppliers. Notably, a down payment of NAD 550 million was made to Gunvor, restoring NAMCOR's financial credibility and strengthening relationships with trading partners.

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**Operational Efficiencies:** NAMCOR has implemented several operational improvements, including the integration of the Sales and Marketing, Supply, and Logistics departments. This move has streamlined operations, reduced redundancies, and improved coordination across the business. Additionally, cost optimisation initiatives have saved NAD 22 million in 2024.

**Debt Restructuring and Strategic Pricing:** The renegotiation of key supplier contracts, including a revised Basic Fuel Price (BFP) agreement, has allowed NAMCOR to achieve economies of scale and increase its competitiveness. The renegotiated terms are projected to increase gross margins by NAD 15 million over the next 12 to 18 months.

**Enhanced Accountability and Governance:** NAMCOR has implemented rigorous consequence management measures to address internal misconduct. Legal proceedings have been initiated against former employees involved in misconduct, and several key positions have undergone disciplinary action. These actions demonstrate NAMCOR's commitment to integrity and governance.

**Upstream Partnerships:** NAMCOR has signed a farm-out agreement with Chevron, allowing Chevron to acquire an 80% operating working interest in PEL 82 for USD 5 million (NAD 90 million). This partnership further strengthens NAMCOR's upstream exploration capabilities, positioning the company for future growth in Namibia's energy sector.

### Looking Ahead:

NAMCOR remains committed to its mission of delivering excellence in the Namibian and Global energy sector. While progress has been significant, there is still much to be done. The company will continue focusing on its growth strategy, operational efficiency, and delivering value to shareholders, customers, and employees. NAMCOR is determined to transform itself into a global leader in the energy industry.

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