



MRS OIL NIGERIA PLC SECURITY TRADING POLICY

This Policy is issued pursuant to the Listing Rules of the Nigerian Stock Exchange and other laws relating to trading of Securities in the Company.

Review Frequency This document is reviewed every five (5) years.
Document Ref.: MRS STP
Version Number: V. No. 1
Document Author: Mrs. Oluwakemi Jafojo Designation: Company Secretary
Document Owner: Mrs. Oluwakemi Jafojo Designation: Company Secretary

Table of Contents

1. BACKGROUND.....	2
2. POLICY OBJECTIVES AND STATEMENT.....	2
3. PURPOSE.....	3
4. TRADING RULE INTERPRETATION	3
5. MATERIAL NON-PUBLIC INFORMATION OR PRICE SENSITIVE INFORMATION	6
6. POLICY GUIDELINES.....	7
7. HANDLING OF INFORMATION	7
8. TRADING IN THE COMPANY’S SECURITIES.....	8
9. CLOSED PERIOD.....	8
10. TRADING WINDOW PERIODS.....	9
11. RESPONSIBILITIES.....	9
12. DISCLOSURE	9
13. POLICY BREACH:.....	10
14. FURTHER INFORMATION/INQUIRIES	10
15. REVIEW OF POLICY	10

1. BACKGROUND

The Securities Trading Policy (“Policy”) of MRS Oil Nigeria Plc (“the Company”) provides information regarding insider trading provisions of the Listing Rules (“Listing Rules”) of the Nigerian Stock Exchange (“the Exchange”), the Amendments to the Listing Rules and the Consolidated Rules and Regulations of the Securities and Exchange Commission (“SEC”).

The Exchange prohibits the purchase or sale of the Company's Securities by anyone who is aware of any material information about the Company, which are yet to be made public. The Exchange also prohibits anyone who is aware of any material information that has not been made public, from disclosing the information to others who may trade with it.

This Policy sets out required standards for Directors, Principal Officers, Employees, persons discharging managerial responsibility, External Advisers (“Officials” or “Principal Officers”) of the Company and persons closely connected to them, to measure their conducts regarding Securities transactions in the Company.

2. POLICY OBJECTIVES AND STATEMENT

The primary objective of this Policy is to ensure that Officials (who become aware of, or are privy to any negotiations or agreements related to intended acquisitions or disposals, which are notifiable transactions or connected transactions under the Listing Rules or any insider information), refrains from dealing in the Company's Securities, as soon as they become aware of or are privy to the information, until such a time that the information has been made public.

Any unauthorized disclosure of such confidential information to any other person or the use of such information by Officials of the Company for their advantage or others is disallowed. Therefore, all dealings in which Officials of the Company are deemed to be interested in, must be conducted in accordance with this Policy. Officials of the Company who are desirous of dealing in the Securities in the Company must have regard to the provisions of the Investments and Securities Act (“ISA”) with respect to insider dealing and market misconduct.

The breach of this Policy will cause significant damage to the integrity, reputation and brand of the Company. Officials of the Company who fail to comply with the requirements of this Securities Trading Policy shall be subject to disciplinary actions, at the sole discretion of the Company, including dismissal.

3. PURPOSE

The purpose of this Policy is to:

- a. Explain the type of conducts when dealing in the Securities of the Company, that are prohibited under the Listing Rules;
- b. Establish an appropriate procedure for buying and selling Company's Securities that provides protection to members against the misuse of unpublished information, which could materially affect the value of Securities.

4. TRADING RULE INTERPRETATION

- i. **Board** means the Board of Directors of MRS Oil Nigeria Plc.
- ii. **Connected Persons** means persons connected to a Restricted Person, including but not limited to:
 - a. Any Person Closely Associated to a Restricted Person;
 - b. Agent or nominee, including an Investment Manager managing funds on behalf of the Restricted Person;
 - c. A person in partnership with the Restricted Person or any person connected to him/her;
 - d. A legal entity in which the Restricted Person or his/her connected person is a partner, or where a partner is a firm in which the Restricted Person or his/her connected person is a partner; or
 - e. A Company in which the Restricted Person or his/her connected person is interested in, at least 5% (in nominal value) of the Issued Shares (excluding Treasury Shares) of the Company.
- iii. **Company** means MRS Oil Nigeria Plc;
- iv. **Deal** or **Dealing** means directly or indirectly:
 - a. Acquiring, subscribing, exchanging, converting or disposing of, or agreeing to acquire, subscribe, exchange, convert or dispose of the Company's Securities;
 - b. Entering into a contract for the purpose of securing a profit or avoiding a loss by reference to fluctuations in the price of the Company's Securities;
 - c. Granting, accepting, acquiring, disposing, exercising or discharging of any option or warrant (or any other right) to acquire or dispose of any Company's Securities;
 - d. Entering into or exercising any equity swaps or transactions in or related to derivatives (including cash settled transactions) in respect of Company's Securities;

- e. Entering into, terminating, assigning or novating any stock lending or borrowing agreement in respect of the Company's Securities;
 - f. Using as security, or otherwise granting a charge, lien or other encumbrance over the Company's Securities;
 - g. Entering into or participating in any transaction, including a transfer for no consideration, or exercising any power or discretion, effecting a change of ownership of a beneficial interest in Company's Securities;
 - h. Dealing by a Restricted Person in the units of an authorized unit trust or authorized contractual scheme or in shares in an open-ended investment company;
 - i. Transactions executed by a third party under an individual portfolio or asset management mandate on behalf or for the benefit of Restricted Person; or
 - j. Exercising any other right or fulfilling any obligation, present or future, conditional or unconditional, to acquire or dispose of any Company's Securities.
- v. **Directors** means Executive, Non-Executive and Independent Directors of the Company;
- vi. **Insider** means an individual:-
- (a) Who is connected with the Company during the preceding six (6) months in one of the following capacities:
 - (i) As a director of the Company or a related Company.
 - (ii) As an officer of the Company or a related Company.
 - (iii) As an employee of the Company or a related Company.
 - (iv) As a shareholder of the Company with 5 percent or more of any class of securities or a persons deemed to have any relationship with the Company.
 - (v) As a person involved in a professional or business relationship with the Company.
 - (b) Who by virtue of having been connected with the Company as mentioned above, has obtained unpublished price sensitive information in relation to the Securities of the Company.
 - (c) Members of the Audit Committee.
- vii. **Securities** include shares, debentures and bonds of the Company;
- viii. **Securities Trading or Insider Trading** refers to the buying and selling of securities, in breach of a fiduciary duty or other relationship of trust and confidence, while in possession of material, non-public information about the Company's Securities.

- ix. **Closed Period** means a prohibited period during which Insiders and their Connected Persons are prohibited from dealing in the Company's Securities. Such period includes the following:
- a. Declaration of Financial results (quarterly, half-yearly and Full Year) and dividends (interim and final).
 - b. Issue of Securities by way of public offer, rights issues, bonus, etc.
 - c. Any major expansion plans or winning of bid or execution of new projects.
 - d. Amalgamation, mergers, takeovers and buy – back.
 - e. Disposal of the whole or a substantial part of the Undertaking.
 - f. Any changes in policies, plans or operations of the Company that is likely to materially affect the prices of the Securities of the Company.
 - g. Disruption of operations due to natural calamities.
 - h. Litigation/dispute with a material impact.
 - i. Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the Securities of the Company.
- x. **"Insider Information"** means information of any nature (including but not limited to price sensitive information) directly or indirectly related to the Company's Securities, which are precise, has not published, and the disclosure of which may have a substantial effect on the price of its listed or traded Securities or derivative instruments connected to those Securities. Examples of information likely to be Insider Information include the following:
- a. Significant changes in oil and gas reserves and resources;
 - b. Full Year, half-yearly and quarterly financial results;
 - c. Profit warnings;
 - d. Changes in the Company' expectations of performance;
 - e. Share dealings by Directors;
 - f. Significant changes in Management;
 - g. Appointments to and resignations from the Board of the Company;
 - h. Significant shifts in operating or financial circumstances, such as major write-off and changes in earnings projections;
 - i. Significant actual or potential litigation;
 - j. Borrowing of a significant amounts of funds;
 - k. Acquisitions of, or mergers with, other companies;
 - l. Significant new contracts or loss of business;
 - m. Major labours disputes or disputes with major contractor or suppliers;
 - n. Share issuances or repurchases or splits;
 - o. Dividend announcements;

- p. Changes in information previously disclosed to the market.
- xi. “**Officials**” includes any Directors, Principal Officer, Employees, persons discharging managerial responsibility, External Advisers of the Company and persons closely connected to them;
- xii. “**Principal Officers**” includes any Executive Directors, Company Secretary, Internal Auditor and other persons such as the Chief Executive Officer, Chief Finance Officer, Chief Compliance Officer and Chief Risk Officer; Associated parties of the Principal Officers are the immediate family (including a spouse or equivalent, dependent, family or holding company or trust) of each person in Senior Management.

5. MATERIAL NON-PUBLIC INFORMATION OR PRICE SENSITIVE INFORMATION

- 5.1 Material non-public information is any material information about the Company that has not yet become publicly available.
- 5.2 An Information is “material” if a reasonable investor would likely consider it important before an investment decision is taken. Any information that could reasonably be expected to affect the price of the Company’s security is material. The information may be positive or negative. Financial information is frequently material, even if it covers only part of a fiscal period or less than all the Company’s operations, since either of these may convey sufficient information of the Company’s consolidated results to be considered material information.
- 5.3 Material non-public or Price Sensitive Information includes but not limited to all information listed on the definition Section for Insider Information.
- 5.4 It is not possible to define all categories of material information; however, the public, the media and the courts may use hindsight in determining what information is material.
- 5.5 An information shall be “non-public” if it is not generally known or available to the public. An information may still be non-public even though it is widely known within the Company.
- 5.6 All information about the Company is considered non-public until it is disseminated in a manner calculated to reach the securities marketplace through recognized channels of distribution approved by the Exchange and public investors have had a reasonable period of time to react to the information. Recognized channels of distribution include annual, half-yearly or quarterly reports of the Company, prospectuses, press releases, marketing materials, other Regulatory filings, etc.
- 5.7 Non-public information shall be material if it might reasonably be expected to affect the market value of the securities and/or influence investors’ decision to buy, sell or hold securities.

- 5.8 If a person is in doubt as to whether an information is public or material, that person must wait until the information becomes public, or should contact the Company Secretary on inquiries@mrsholdings.com.
- 5.9 An information shall be considered available to the public only when it has been released broadly to the marketplace, through either a press release or a regulatory filing and the investing public has had time to evaluate the information.

6. POLICY GUIDELINES

- 6.1 This Securities Trading Policy shall apply to all Officials and Principal Officers of the Company and shall be circulated to all Officials and Principal Officers who may at any time possess any inside or material information about the Company. The Policy shall include the need to ensure confidentiality of External Advisers.
- 6.2 The Company shall circulate this Policy through its internal communications, on a regular basis, and shall upload same on its website.
- 6.3 The Company shall establish effective arrangements to deny access to insider information to persons other than those who require it to perform their duties within the Company.
- 6.4 All Directors, persons discharging managerial responsibility and persons closely connected to them as well as all insiders of the Company, shall notify the Company in writing through the Company Secretary of the occurrence of all transactions on their own account in the shares of the Company, on the day in which the transaction occurred. The Company shall maintain a record of such transactions and shall provide the record of the transaction to the Exchange within two (2) business days of making a request in that regard.
- 6.5 Directors and other Insiders shall notify Securities and Exchange Commission (SEC) of the sale of their shares in the Company or any purchase of shares in the Company not later than 48 hours after such activity.

7. HANDLING OF INFORMATION

- 7.1 The Company's records shall be treated as confidential at all times. Information such as annual, quarterly, interim financial statements, asset management or similar information are proprietary (that is, information pertaining to and used exclusively by the Company), and proprietary information shall not be disclosed or used for any purpose other than for the Company's business. All Company policies and procedures developed to preserve and protect confidential information must be strictly complied with at all times.

7.2 No Director, Officer or Employee of the Company shall at any time make any recommendation or express any opinion on the trading of the Company's Securities. All information about the Company acquired by other entities in a specific material business relationship with the Company, such as acquisition negotiations, shall be treated with utmost confidentiality and must not be given to third parties without proper authorization.

8. TRADING IN THE COMPANY'S SECURITIES

8.1 The period prior to declaration of a price sensitive information is particularly sensitive for transactions in the Company's Securities. The sensitivity is as a result of that the Directors, person discharging managerial responsibilities and Advisers of the Company and their connected persons will, during that period, often possess unpublished price sensitive information.

8.2 All Directors, Officers and Employees of the Company shall not transact in the Company's Securities if they possess material, non-public information about the Company.

8.3 The Company shall notify the Exchange whenever any unusual price movements which cannot be justified by ordinary market conditions occur in the prices or trading volumes of their securities.

8.4 The Company shall upon notification by its Registrars, notify the Exchange of any transaction that brings the beneficial ownership in the Company's shares to 5% or more not later than ten (10) business days after such transaction.

9. CLOSED PERIOD

9.1 No Director, person discharging managerial responsibility and Advisers of the Company and their connected persons shall deal in the Securities of the Company when the trading window is closed. A close period shall be effective from:

- a. the end of the financial period in review (quarterly, half-yearly, and full year); or
- b. 15 days prior to the date of any meeting of the Board of Directors proposed to be held, to consider any of the matters falling under Closed Period as defined above; or
- c. the date of circulation of agenda papers pertaining to any of such matters falling under Closed Period as defined above, up to twenty-four (24) hours after the price sensitive information is submitted to The Exchange via the Company's Portal on the Exchange.

Provided that the Company shall notify the Exchange in advance of the commencement date of each closed period.

10. TRADING WINDOW PERIODS

10.1 Any investment by the Company's Directors, Officer, or Employees shall be in line with extant laws, this Policy and during the Trading Window Period.

10.2 The prohibition on trading in the Company's Securities during the Closed Period is to prevent any inadvertent trading by Officials and Principal Officers of the Company, when the material financial information about the Company has not been publicly disclosed.

10.3 With the prior approval of The Exchange, trading may be permitted during a closed period only:

- (i) To execute transactions pursuant to statutory or regulatory obligations or court orders;
- (ii) To exercise stock options under a pre-existing employee stock option scheme; and
- (iii) To execute large volume trades or block divestments between Insiders only.

11. RESPONSIBILITIES

11.1 The Board shall have overall responsibility in ensuring that this Policy is implemented and strictly enforced, as well as reviewed regularly to remain compliant with extant laws;

11.2 All Employees, Official and Principal Officers of the Company shall be responsible for reading this Policy and adhering strictly to the Policy;

11.3 All Insiders shall be responsible for ensuring that their connected persons act in strict compliance with this Policy.

12. DISCLOSURE

12.1 The Company shall disclose in its Annual Report the details of Shareholders holding 5 % or more of the Company's shares.

12.2 In relation to Securities transactions by Directors, the Company shall disclose in its Corporate Governance Report contained in its Annual Report:

- a)** whether the Company has adopted a code of conduct regarding Securities transactions by its Directors;
- b)** whether its Directors have complied with, or whether there has been any noncompliance with, the required standards set out in the Listings Rules and in the Company's Security Trading Policy; and

c) in the event of any non-compliance with the required standards set out in the Listings Rules, the details of such non-compliance and an explanation of the remedial steps taken by the Company to address such non-compliance.

13. POLICY BREACH:

13.1 Any breach of this Policy will be treated seriously and for an employee, may lead to disciplinary action.

13.2 An Employee, Director may also be subject to penalties, and/or prosecution under the law for breach of this Policy.

14. FURTHER INFORMATION/INQUIRIES

For further information regarding this Policy, kindly contact the Investor Relations Advisor on inquires@mrsholdings.com

15. REVIEW OF POLICY

Policy shall be reviewed as deemed necessary but not later than every five years.

Approved by the Board of Directors

This 8 day of April 2021

CHAIRMAN

