



The Debriefing

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BOARD GAMES

White Knights and Dark Strategies at Seplat Energy

How a governance pact designed to keep Seplat's powerful co-founders in check and the rivalry that erupted between them ultimately cleared the path for Tony Elumelu's stealth takeover of one of Africa's most valuable independent energy companies.

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How Seplat changed hands

- 2001–2003

Nigeria launches its marginal fields programme and awards two dozen stranded discoveries to indigenous companies. **Austin Avuru's** Platform Petroleum earns its spurs on Asuokpu and Umutu, inside Shell's OML 38.
- Dec 2009

Shebah, Platform and **Maurel & Prom** sign a shareholders' agreement. The French partner takes 45 per cent, funds \$193 million and holds a veto for as long as its loan is unpaid. Seplat's name is coined.
- Jul 2010

Seplat closes the \$340 million purchase of OMLs 4, 38 and 41 from Shell, Total and Eni, the first Shell onshore divestment to a Nigerian company. Gross output rises from 14,000 to more than 70,000 barrels a day within four years.
- 14 Apr 2014

ABC Orjiako strikes the gong in London. The dual listing raises about \$500 million at 210p. A Relationship Agreement replaces the founders' pact; the M&P loan is repaid and its veto retired.
- Nov 2019

The Dubai board meeting. Nine directors vote on Avuru's successor: five expatriates for **Roger Brown**, three Nigerians for **Effiong Okon**, one abstention. Seplat buys Eland Oil & Gas for £382 million the following month.
- Jul 2020

Avuru retires as chief executive; Brown takes over the next day. Okon is moved to a new-energy directorate. Avuru had, in March, taken an interest in Chappal Energies.
- Nov–Dec 2021

Zenith Bank secures a Mareva injunction over Orjiako's \$78.4 million personal guarantees; Xavier Rolet resigns two days later; Orjiako announces he will step down. In December the board removes Avuru as a director for breaching its conflict rules.
- Feb–May 2022

Seplat agrees to buy ExxonMobil's shallow-water business for \$1.28 billion plus up to \$300 million contingent on oil prices. Orjiako surrenders the chair at the May AGM after thirteen years; **Basil Omiyi**, Shell's first Nigerian managing director, becomes Seplat's first independent chairman.
- Mar–Jun 2023

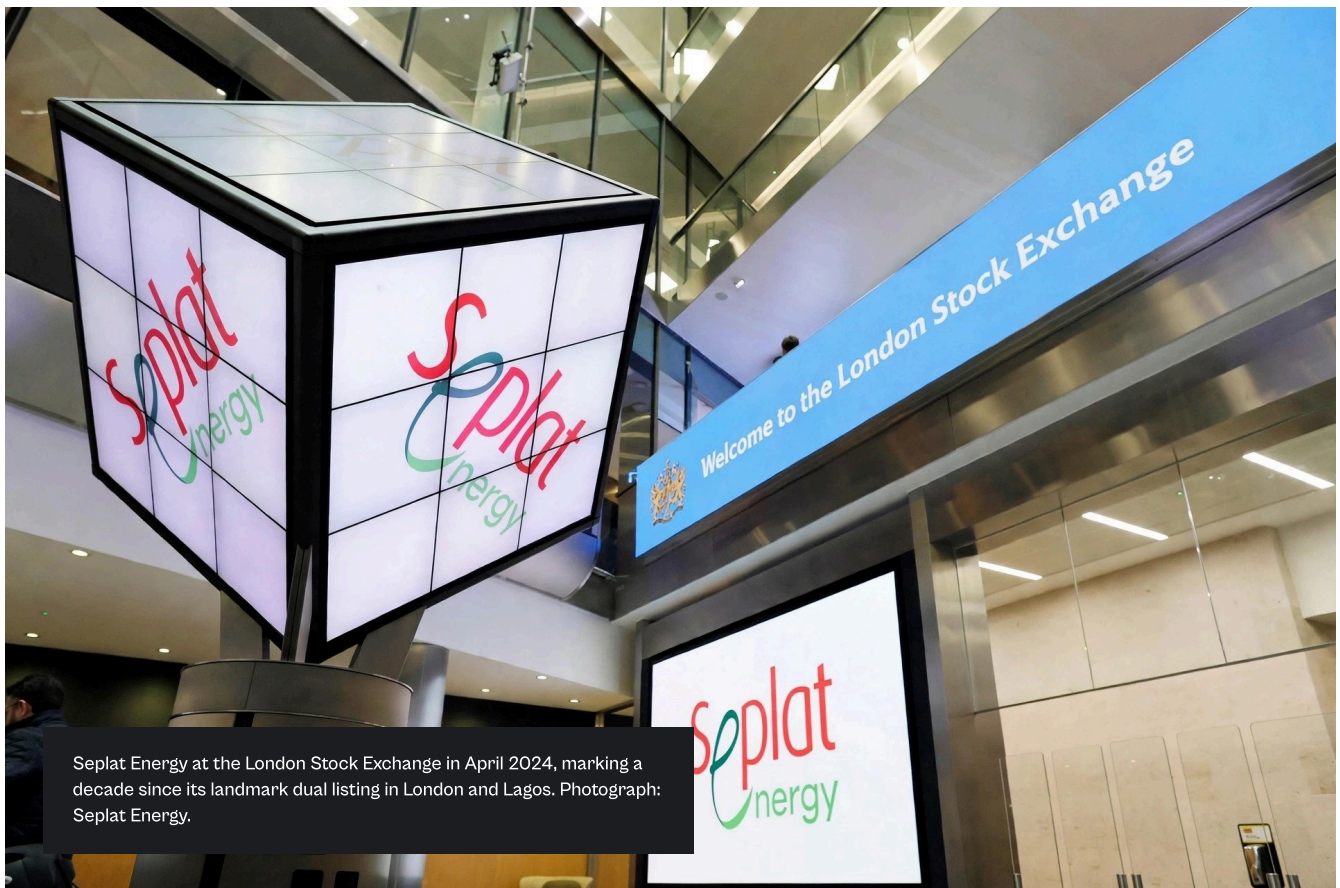
A petition from five shareholders holding 161 shares leads the Ministry of Interior to revoke Brown's work permit. Courts vacate the orders, the petitioners withdraw, and by June he is back at his desk. Seplat sues Orjiako over an unauthorised \$300 million letter to the petroleum minister.
- Dec 2024

The MPNU acquisition closes after almost three years in limbo, for \$800 million at completion after price adjustments back to 2021; a further \$326 million follows in 2025, taking the total to \$1.13 billion. Seplat's production rises almost 150 per cent.
- Mar–Oct 2025

Seplat prices a \$650 million bond inside the Nigerian sovereign. In October the BVI Commercial Court finds Orjiako's transfers of Seplat shares to be a deliberate and fraudulent attempt to put them beyond his creditors' reach.
- 30 Dec 2025

Tony Elumelu's Heirs Energies buys Maurel & Prom's entire stake, just over twenty per cent, for about \$496 million at 305p a share, financed by Afreximbank and the Africa Finance Corporation.
- Jan–Jun 2026

Okon brings the \$650 million ANOH gas plant to first gas in January. In June he is named incoming chief executive and the board elects Elumelu chairman with effect from 1 January 2027, setting aside the 2014 rule that no large shareholder's nominee could chair the board.



Seplat Energy at the London Stock Exchange in April 2024, marking a decade since its landmark dual listing in London and Lagos. Photograph: Seplat Energy.

The morning of the gong

On the morning of 14 April 2014, ABC Orjiako lifted a small mallet on the floor of the London Stock Exchange and struck the gong that opens the market. The sound it made was the sound of arrival.

The room at 10 Paternoster Square was designed for transaction, not theatre, but that morning it hosted both. Outside, the stone of St Paul's Cathedral stood framed by the atrium's glass, a visual reminder of the location's hallowed medieval roots when clergy muttered Our Lord's Prayer as they shuffled around the place of worship.

Inside, the room was a collision of two distinct corporate cultures: the stiff-upper-lip precision of British investment banking meeting the rambunctious, high-tempo energy of Nigerian capitalism.

On one side were the London intermediaries, the sell-side analysts, the emerging market fund managers, and the syndicate bankers who had spent months pricing the risk, wearing the uniform of the City: charcoal Savile Row suits, cut close, designed to blend in.

On the other side were the Nigerians who actually owned the assets. They brought an infectious, self-assured confidence to the clinical space, a presence that occupied twice the psychological volume of any Western banker. It was a confrontation of style and leverage: the dry, technical risk-mitigation of the City meeting the unapologetic, deal-hungry ambition of West African capital.

The numbers under debate were real. Seplat was executing a dual listing in London and Lagos, a first for a Nigerian corporate, seeking a valuation close to \$1.9 billion.

The London bookrunners had priced the float at 210 pence, toward the bottom of their target range, playing it safe. Lagos institutional money was even more defensive, sitting on its hands to see how the City reacted.

By the closing bell, the hedge funds had bid the stock up past 222 pence. It was a clean arbitrage of credibility: African oil assets, validated by London listing rules, marked up on day one.

All tallied, the listing raised approximately \$500 million in gross proceeds equivalent to about £300.9 million

Ordinarily, it was a listing made in heaven.

Among the arrangers of the historic flotation were the great and good of capital markets. **BNP Paribas** and **Standard Bank plc** acted as joint global co-ordinators and joint bookrunners, with **Renaissance Securities (Cyprus)**, **Citigroup Global Markets** and **RBC Capital Markets** acting as joint bookrunners alongside them. **Standard Bank (UK)** served as stabilising manager for the overallotment.

On the Nigerian side, **Renaissance Securities (Nigeria)** and **Stanbic IBTC Capital Limited** were appointed joint issuing houses for the Nigerian offering, and the Nigerian receiving agents were **Futureview**, **Vetiva Capital**, and **CSL Stockbrokers**.

On legal counsel, **Winston & Strawn**, a firm that has carved its name in gold for its work on IPOs and Special Purpose Acquisition Companies (SPACs), represented Seplat on the London listing.

Investor relations was entrusted to **FTI Communications**, a leading investor relations firm.

Not everyone in the market was buying the narrative. In Lagos, the financial publisher **Proshare** had already flagged Seplat's Pioneer Status, a massive tax holiday granted on fields **Shell** had paid taxes on, as a regulatory anomaly that the state might one day claw back. It was an uncomfortable objection raised at the exact moment the champagne was being poured.

At the end of the day, the objection was just noise. The tax status held, the retail buyers chased the momentum, and the stock cleared Proshare's own conservative target before the close of trade.

The LSE listing was a calculated piece of optics. Screen trading had replaced the physical floor decades earlier during the 1986 Big Bang, turning the

exchange into a quiet, servers-in-the-basement operation. But the physical ceremony remained because the markets still needed a stage.

The investors applauding Orjiako that morning believed they were buying a low-cost producer riding an onshore divestment wave. In reality, they were buying a temporary truce between two founders who did not trust each other, bound together by a single governance clause designed to keep them both away from the steering wheel.

The clause would keep the peace for eleven years. Eventually, it would become the most expensive piece of draftsmanship in the company's history.

The origin call

Every empire keeps an origin story, and Seplat's begins, fittingly, with a telephone. Yet, the call rang inside a larger context.

In 2001, Nigeria launched a marginal fields programme, carving off the small, stranded discoveries the majors were not bothered to develop and, in a contested round in 2003, handing two dozen of them to a clutch of indigenous companies. It was the country's first serious attempt to put its own oil in its own hands.

Most of the winners struggled, undone by the very weaknesses that would later stalk Seplat itself: thin funding, weak management, too little technical depth. A few thrived.

One was **Platform Petroleum**, run by a geologist named **Austin Avuru**, which had earned its spurs on the marginal fields of Asuokpu and Umutu, which happened to sit within an old Shell lease called **OML 38**.

The energy lawyer **NJ Ayuk**, who chronicles this rise in **Billions at Play**, counts Seplat among the indigenous operators the programme set loose to outgrow the majors. Seplat was no accident of nature. It was the most ambitious expression of a deliberate national project: Africans taking the wells the foreigners were leaving.

So when Shell put **OMLs 4, 38 and 41** up for sale, worn down by theft, spills and high-wire Nigerian politics, Avuru was at the right place at the right time. He had drilled in it.

The marginal-field operator he founded now reached for the whole block.

What he lacked was the one thing the major demanded: a counterparty who could speak the language of international finance and produce a letter of credit a supermajor would accept.

For that, he needed a partner.

The partner on offer was **Ambrosie Bryant Chukwueloka Orjiako**, a surgeon-turned-oilman who moved easily among banks.

“They were buying a temporary truce between two founders who did not trust each other, bound together by a single governance clause designed to keep them both away from the steering wheel.”

Avuru, by his own later account, approached him with something closer to suspicion than enthusiasm. He barely knew the man. He filed him, warily, among the high-flying operators he had once worked beneath, and made himself a private promise: he would not tie his fortunes to anyone who might one day swallow him. He wanted, in his own blunt word, *no wahala*.

They were, in their different ways, the same kind of man.

Each had been the cleverest boy in every room he had entered, and neither had quite stopped expecting to be. They were devout Roman Catholics.

At the medical school of the University of Calabar, Orjiako had broken records before he ever traded the operating theatre for the oilfield. Amiable, generous, a born networker, and incurable optimist, he lit up a room when he entered. He was also known to have the tenacity of a pitbull, and when necessary a ruthless streak that would make Machiavelli proud.

There is another quality he has, which has served him well in life: an ability to stay calm, even jocular in the midst of raging storms.

In colloquial Igbo, Orjiako's native language, there is a description that is often used to describe those who possess this trait. *Anu ana gba egbe o na ata chewing gum*, which translates to “the big game hunters shoot at, but remains unbothered while chewing gum”.

Avuru had gone to the University of Nigeria at Nsukka, taken the best result in geology in his year, carried off the star prizes in final year, and delivered the valedictory address at the university convocation in 1980.

During his school days Avuru was what was called a rounded student. He socialised and partied as hard as he studied. Those who know him attest to his

ability to have a good time. He is a man of culture and the world, enjoying good music, Chinua Achebe's novels, Fela's music, English poetry, religious meditation texts, and classical music in one sweep.

There is another side of him that drives him to this day. Call it the Stay Hungry mantra that pushes those who subscribe to it never to rest on their oars. At a dinner celebrated in a tony restaurant to mark Seplat crossing 50,000 bpd, he shared a story to remind those gathered that one must never lull himself to thinking he has arrived.

“When I was an undergraduate at the University of Nigeria, Nsukka, whenever I came home on holiday, my mother would point out a man or the other and say, ‘Look, during the year God blessed him.’ He made some money and bought a car or built a house. She did that to encourage me to work hard. But what I noticed was that a year or two later, that man would be out of a job or have lost his business, and I would see him sitting outside playing draughts. That taught me a lesson about the need to sustain wealth. Today, we are celebrating 50,000 barrels, but I want us to think about tomorrow. Seplat has to outlive all of us. We all, as members of the leadership team, must begin our succession planning today. I do not want us to be like those men in my village.”

Avuru delivered that caution in March 2023. Not much has changed about him since. Despite a net worth that tops several hundred million dollars, he retains a modesty unusual among Nigeria's ultra-wealthy. On Sports Day at his son's school, he arrives quietly, a discreet bodyguard in tow, preferring to blend into the background with other parents, and cheering his son's house team. Just another proud dad.

Neither Avuru nor Orjiako had success served on a silver platter. They paid their dues.

These two men used to winning, each privately certain he was the sharper, were about to fold their fortunes into a single company.

French connection

The partnership that became Seplat was not founded in trust. It was founded in carefully managed wariness.

For Avuru, his decision to stay *en garde* owed to warnings he had received from some of those who had once held shares in Orjiako's Shebah Petroleum Development Company before falling out with him. They opted to cash out. Two of them sent word to warn Avuru that he did not know what he was walking into.

The first meeting did nothing to calm him. He arrived early at Orjiako Ikoyi office for a two o'clock appointment, waited, prompted the receptionist at a quarter past, and at half past rose and drove back to his own office, leaving the meeting to be reconvened another day with the chairman absent. A proud man remembers being kept waiting by the partner he already half distrusted.

Consequently, Avuru built the deal as a hedge against the man he was joining.

Still, he needed Orjiako and knew it, for without the orthopaedic surgeon's relationship with foreign banks there would have been no deal to fortify.

Even the name was a negotiation. Avuru proposed fusing the two houses into a single word, Shebah's vehicle welded to Platform, his own, to make **Seplat**. A corporate marriage rendered in syllables. It was apt branding, because almost everything that later went awry did so along the seam between them.

Then came the money, or the raising of it.

Shell wanted a counterparty fluent in global finance and a payment guarantee it could rely on. Orjiako produced the banker for it: BNP Paribas, his French bank. When BNP asked three million dollars merely to facilitate the introduction, Avuru, the operator who counted every barrel and every dollar, went up in flames at the idea of paying millions for a handshake.

Orjiako, the financier, told him to be calm. His experience calming orthopaedic trauma patients switched on. To win him over, he offered to pay the three

million himself if it came to that. Orjiako grasped that the amount was really an institutional derisking premium, and that BNP Paribas was putting its name on the line.

What they were buying, he understood, was not a service. It was access, a bank with the standing to bring Shell back to the table. Their whole partnership lived in that exchange over a fee: the engineer who saw an extortionate fee, and the dealmaker who saw what a relationship was worth.

Avuru was not wrong that three million dollars was real money. He was wrong about what it was getting them. Set against the transaction it would unlock, an acquisition and financing package that ran into the hundreds of millions, the fee was well under one per cent, the sort of number a Wall Street adviser charges for a morning's work and a call to the right person.

What looked to the operator like extortion looked, to anyone fluent in the grammar of deals, like a bargain.

BNP Paribas was the right choice for a litany of reasons. The French bank had a long, particular history of backing audacious Nigerians whom the rest of the market would not touch.

Years earlier, it had bankrolled Mike Adenuga's charge into oil exploration and telecoms, providing the financing that helped birth **Globacom**.

After Adenuga's **Consolidated Oil** won a drilling and exploration license in 1990, he was pressed to raise the funds to commence operations. For obvious reasons, local banks were reluctant to bear the risk on OPL 113, the Oil Prospecting License awarded to the US-educated billionaire. He found solace in Banque Nationale de Paris, the pre-merger predecessor of BNP Paribas. The French bank provided critical financing to help the fledgling wildcatter to strike its first oil in commercial quantities in the shallow waters of Ondo State in 1991.

The milestone made Conoil the first indigenous company to hit oil in commercial quantities in Nigeria, henceforth cementing a deep level of mutual trust between Adenuga and the Paris-based bank.

Exactly a decade later, he turned to BNP, which had merged with Paribas, a leading investment bank, the previous year to create a French champion. This time, he came seeking funds to pay for a license in the high-stakes GSM auction.



THE SURGEON

The founder who chaired

From the precision of the orthopaedic operating theatre to the commanding heights of Nigeria's energy sector, Dr ABC Orjiako engineered one of the most remarkable corporate pivots in modern African business. As the co-founder of Seplat Energy, he built an indigenous oil and gas powerhouse, though the formidable manoeuvring that fuelled his ascent would ultimately foreshadow the fierce boardroom turbulence and complex legal headwinds that defined the twilight of his tenure.



THE GEOLOGIST

The founder who ran the wells

Long before Seplat was conceived, Austin Avuru had made his name as one of the most outstanding petroleum geologists that Nigeria has produced. As the driving operational force and founding CEO of Seplat Energy, he steered the company to a historic dual listing in London and Lagos, though the uncompromising drive that built a national champion would eventually collide with other egos, sparking a bitter boardroom fracture that shadowed his exit from the firm.

The amount in view was \$265 million.

Following protracted tooth-pulling negotiations, he won the bank's commitment, backed by cash flows from Conoil Producing, to fund the licensing fees and the subsequent network equipment rollout.

Ultimately, Adenuga's original vehicle, **Communications Investments Ltd (CIL)**, had its provisional license cancelled by the **Nigerian Communications Commission (NCC)**.

BNP Paribas was not taken unawares. Its risk management team had flagged that the frequency allocated to CIL was embroiled in an active lawsuit and chose

"Each had been the cleverest boy in every room he had entered, and neither had quite stopped expecting to be."

to make a conditional payment to safeguard the capital.

Evidence of the depth of trust they had in him was confirmed in August 2022, when BNP Paribas returned to back him with \$200 million for his triumphant bid for a Second National Operator (SNO) license under the Globacom (Glo) flag. In what must have been a nerve-wracking moment, the final \$180 million was remitted via a wire transfer to the Central Bank of Nigeria's account just 35 minutes before the strict 5:00 PM deadline on August 30, 2002.

The bank was instrumental in transforming **Sahara Energy**, a company founded by **Ade Odunsi**, **Tope Shonubi** and **Tonye Cole**, from marginal oil brokers operating from makeshift offices to a diversified energy group present in over 42 countries across Africa, Asia, Europe, and the Middle East with businesses spanning transactional trading, upstream assets, power infrastructure, downstream distribution, and bunkering operations.

When Sahara started in 1996, its core business was trading excess fuel oil from the Port Harcourt and Warri refineries. In that era, international banks flatly refused to entertain indigenous Nigerian startups, and local banks lacked the capacity

or understanding of the mechanics of international oil trading.

By sheer chance, a vast percentage of the Letters of Credit (LCs) issued by the **Pipelines and Product Marketing Company (PPMC)** were routed through BNP. When the French bankers noticed the steady flow of trade and revenues originating from Sahara's deals, their ears pricked up. In Paris, they decided to investigate further. Having met the Sahara founders, Paris wasted no time backing them. In a breakthrough for the trio, BNP opened Sahara's first direct Letter of Credit in its own name, thus transforming it from a middleman to a direct trader.

LC in hand, Sahara clawed its way up to the big league. They could now finance the entire downstream and midstream supply chain themselves: purchasing directly from refineries, chartering their own shipping vessels, managing product transit, and delivering straight to end-users across West Africa. For instance, when Sahara expanded into Ghana to supply crude oil to the **Tema Oil**

Refinery, the transactions were funded and executed using structured letters of credit backed directly by BNP Paribas.

BNP Paribas has also been an active participant in federal government transactions. It played a major hands-on role as a lead financier in the NLNG Plus project comprising Train 3, 4, and 5 expansions. The bank acted as one of the primary Global Mandated Lead Arrangers (MLAs), spearheading a group of nineteen international banks, including **Citigroup**, **Credit Lyonnais**, and **WestLB**, to close a massive \$1.06 billion syndicated loan facility secured by US and European Export Credit Agencies (ECAs).

This background provides context for Orjiako's stance that BNP Paribas was the bank to talk to, given the fee it demanded. It was not just a bank; it was a gatekeeper to networks and pools of adjacent capital. Avuru came to appreciate this later.

Orjiako was, in effect, hiring an institution that commanded the respect to make a supermajor return a Nigerian businessman's call. Four years later, the same bank would help walk Seplat onto the floor of the London exchange.

From Bordeaux to the Congo

The wager paid off in a way neither could have scripted. BNP knew of a French company, **Etablissements Maurel & Prom S.A.**, freshly flush with cash after selling a massive portion of its Congolese portfolio, including a dominant 48.6 per cent operating stake in the flagship M'Boundi field and a 66 per cent stake in Kouakouala A, to the Italian energy giant Eni for \$1.43 billion in cash.

M&P were on the hunt for a new African story. The introduction was made.

Maurel et Prom liked what it saw and agreed not just to take forty-five per cent of the new company but to bankroll it with an initial one hundred and ninety-three million dollars and to help finance the Nigerians' share. In Avuru's telling, the founders secured their assets while laying out almost none of their own cash.

The cap table showed ownership was split as follows:

Shebah Petroleum Development Company, controlled by Orjiako, held 33 per cent; Platform Petroleum Joint Ventures of Avuru held 22 per cent; and Maurel & Prom through **Jean-François Hénin** held 45 per cent.

On the surface, it was altruistic, but scratch a little and the strategic rationale becomes clear. Maurel et Prom wanted the remaining shares to stay in Nigerian hands because that ownership would retain Seplat's status under Nigeria's local content laws, as an indigenous company.

Maurel & Prom's history could serve as the backdrop for a Jeffrey Archer novel. Born in Bordeaux in 1831 as a shipping and trading house, it expanded by opening posts along the old French West African coast in Senegal, Guinea, the Gambia, Mali, and the Ivory Coast. For a century and a half, it moved goods in and out of colonial Africa.

But by the early 1990s, it was in retreat. Enter Hénin. He was a brilliant financier possessed of an intuitive ability to manage corporate treasuries and engineer highly complex financial maneuvers. Recognised for his financial wizardry, he was also seen as tainted with the regulator's brush.

The affair centred on his role as chief executive of **Altus Finance**, a subsidiary of Crédit Lyonnais, when he had arranged a scheme to circumvent US banking laws by using secret agreements to illegally acquire the junk bonds of a bankrupt

California-based company, **Executive Life Insurance Company**. When the deal went rotten as the bonds collapsed, Crédit Lyonnais had to be bailed out by the French Treasury to the tune of over \$35 billion.

The French business press called Hénin the Mozart of finance. He was a prodigy who had come up entirely outside the establishment, with no grande école degree, unashamed adopter of the unconventional ideas on leverage evangelised by **Michael Milken** at **Drexel Burnham**, which the French derisively called "obligations pourries" (rotten obligations).

His gift was for buying what everyone else hesitated over. He was a risk taker, an unapologetic contrarian, and oozed a certainty about his positions that many mistook for arrogance; but even his enemies would not call him reckless.

A 1992 profile in **Les Echos**, the French equivalent of Wall Street Journal, described his approach to opportunity. "By the time the rest of the world arrives in the market, it's time for us to get on the move. We sell. The opportunity has already passed."

It was the same instinct that took a tired permit in Congo and drilled beneath the salt, and the same instinct that now reached for the blocks Shell was fleeing in the delta. He made a career of buying what other people had trouble extracting value from, and more often than not, fortune took his side.

In time he would leave the markets for the clay soil of Châteauneuf-du-Pape, to make wine from the Mourvèdre his agronomist father had taught him to love.

His path to becoming CEO of M&P was executed through a number of deft moves. In 1994, he became chairman and CEO of a listed French investment and holding firm called **Électricité et Eaux de Madagascar**. EEM was simply a vehicle.

His plan was to use it in targeting undervalued French companies with deep historical assets that could be asset-stripped, restructured, or entirely repurposed. This was the standard playbook perfected by private equity barons in America, whom he was modelling against.

A year later, in 1995, Hénin moved aggressively to acquire a 76 per cent controlling stake in Maurel et Prom. Over the coming years, he tightened his grip on management before initiating a radical transformation of the company from a centuries-old trading firm into a pure-play independent oil and gas exploration operator.



THE FINANCIER

The man who bought the swing vote

Jean-François Hénin, the visionary French financier, provided the crucial early capital and international credibility through Maurel & Prom that helped establish Seplat Energy as Nigeria's premier indigenous powerhouse.



THE BANKERS

Siege of the talent spotters

BNP Paribas' head office at 16 Boulevard des Italiens, in Paris has been a necessary stopover for founders of many iconic African businesses seeking capital and connections to fund their grand ambitions.

“He made a career of buying what other people had trouble extracting value from, and more often than not, fortune took his side.”

Under Hénin’s direction, the company won bids for high-yield oil blocks in Central Africa, where it made major discoveries in the Republic of Congo in 1998 and later in the Onal discovery in Gabon.

In 2007, Maurel & Prom sold its stake in the Congolese field to Italy’s **Eni** for around \$1.5 billion in cash. This was the war chest it carried into Seplat: a colonial trading house reborn as a petro-financier, looking for its next African story and, this time, willing to let two Nigerians run the wells.

The money came together in its own way. M&P asked its banking pool to fund the entire purchase. There its demand was met with pushback by a consortium that included **Natixis**, **Société Générale**, and **Calyon**, since rebranded as **Crédit Agricole Corporate and Investment Bank**.

Because it held the fields through Seplat, the French company could not carry the Nigerian reserves on its own balance sheet, the very collateral its lenders were built around.

One bank with a long track record of seeing the big picture had no qualms signing up. BNP issued the letter of support that moved the deal. Shell, for its part, was content with a standard payment guarantee. The introduction fee that so offended Avuru had bought the one house that would act while the others studied the structure.

And so, seated next to Orjiako’s banker, was the discreet Maurel & Prom, representative.

Impossible to tell at the time, its block would become the sword of Damocles, held by only a thin thread, dangling over Seplat’s board. When the split between Orjiako and Avuru became irreconcilable, M&P became the kingmaker. At the pivotal moment, its shares would make **Tony Elumelu**, the king of Seplat.

Look no further than the cap table

In the beginning, Orjiako’s Shebah held thirty-three per cent. Avuru’s Platform held twenty-two. Maurel et Prom held forty-five. Set those numbers side by side, and the company’s entire future falls out of them. None of the Nigerian founders held enough shares in the

company to decide its fate without forming an alliance.

A board built on that arithmetic is stable for exactly as long as the two founders want the same thing. The day they want different things, the foreigner casts the deciding vote.

For five years they wanted the same thing.

The results followed in quick succession. Seplat closed the Shell purchase in July 2010 and set about doing what indigenous operators were supposed to be unable to do.

Seplat took blocks the oil major had written off as too troublesome and, over the next four years, lifted its gross output from fourteen thousand barrels a day to more than seventy thousand, past the best the major itself had ever managed on those same fields.

The scrappy company had proved beyond the shadow of doubt that Nigerian hands could run assets the foreigners were fleeing.

It was also a test case that became the rule. Of all Shell’s onshore divestments, Seplat’s was the one that actually closed, ahead of the wave that followed, carrying **First Hydrocarbon Nigeria**, **Elcrest**, **Heritage**, and **Neconde**. They would follow it out of the same retreat. By 2014 it had a story clean enough to take to London.

Seplat was in the right place at the right time. **Mutiu Sunmonu**, who led Shell Petroleum Development Company of Nigeria from 2008 to 2015 and double dutied as the Country Chair of Shell Companies needed a credible indigenous buyer to satisfy the **Nigerian National Petroleum Corporation** and the **Ministry of Petroleum Resources** local content requirements.

Seplat offered something no previous bidder had: a Nigerian company with an actual balance sheet, actual engineers, and a French partner that could reassure Shell’s risk committee.

When the deal closed in July 2010, after six months of regulatory theatre, it became the first time a Nigerian indigenous company had acquired and operated producing assets from the Shell joint venture.

The significance was immediate.

"These divestments mark another step in the strategy to re-focus the SPDC portfolio," Sunmonu said. But what he did not say was equally important. Shell had found a way to exit the onshore mess without the political embarrassment of abandoning Nigeria entirely. Seplat was the proof of concept. And like all proof of concepts they morphed to spawn many offspring.

It did not take long.

First Hydrocarbon Nigeria (FHN) was the first to follow. But unlike Seplat, which was founded by two Nigerian entrepreneurs with a French backer, FHN was created in June 2009 by Afren Plc, the UK-listed explorer, as a bespoke vehicle for Nigerian upstream acquisitions.

Afren held 70 per cent. The Nigerian side, institutions and private investors, held the remainder, with **Alhaji Magaji Muhammed Inuwa** serving as a director representing indigenous interests. **Femi Bajomo**, a seasoned oil and gas executive, was appointed managing director.

In April 2010, FHN closed on OML 26, acquiring the same 45 per cent **Shell-Total-Eni** stake for \$148 million. **FCMB Capital Markets** served as global coordinator, with FCMB and Stanbic IBTC as mandated lead arrangers. **African Capital Alliance**, Nigeria's most formidable private equity firm, bought in to support the acquisition. **Kingdom Zephyr Africa Management**, backed by Saudi billionaire **Prince Alwaleed bin Talal's** Kingdom Holding Company provided \$50 million in mezzanine finance.

The structure was almost identical to Seplat's: a Nigerian vehicle, a foreign technical partner, local bank financing, and a Shell divestment. But the ownership was inverted. The foreigner held the majority, not the minority.

Then came **Neconde**, incorporated in November 2010 as a special-purpose vehicle for exactly one transaction: the acquisition of OML 42. In January 2011, Neconde emerged successful in the bidding

with a \$585 million offer for the 45 per cent stake.

The consortium was led by **Ernest Azudialu-Obiejesi**, a self-made magnate from Okija in Anambra State who had started as a trader in 1983 with Obijackson West Africa Limited before building Nestoil into Nigeria's foremost indigenous engineering, procurement and construction company.

Azudialu-Obiejesi was joined by his wife, **Nnenna Obiejesi**, a lawyer with an LL.M. from the London School of Economics, who served as a group executive director. The foreign muscle came from **Kulczyk Oil Ventures**, the Polish-Canadian independent, which took a

"When the split between Orjiako and Avuru became irreconcilable, M&P became the kingmaker. At the pivotal moment, its shares would make Tony Elumelu the king of Seplat."

20 per cent stake in Neconde for \$162.5 million.

Other consortium members included **Aries Energy & Petroleum** and **VP Global**. The deal gave Neconde operatorship by 2015, making it one of the first indigenous companies to actually operate a former Shell asset rather than merely hold a passive interest.

But the most revealing transaction was **Heritage Oil and Shoreline Natural Resources'** acquisition of OML 30 in June 2012. At \$850 million, it was the largest of the early wave. **Shoreline Power**, the Nigerian energy company led by **Kola Karim**, partnered with Heritage Oil, the London-listed explorer run by **Tony Buckingham**.

Karim, a polo aficionado who has played chukkers with Prince William and holds the Ibadan traditional title of **Agbaoye** (an elder of distinction) was always destined for the big leagues. **Buckingham**, his British partner, was something else entirely: a former North Sea oil diver who had founded Heritage in 1992 after working as a "security adviser to various governments", a euphemism for his role in founding **Executive Outcomes** and **Sandline International**, the private military companies that had operated in Angola and Sierra Leone.

The financing was institutional: J.P. Morgan and Standard Bank provided bridge facilities totalling \$765 million, with Standard Bank later arranging a \$600 million senior secured revolving reserve-based lending facility. **Banwo & Ighodalo**, which had advised Seplat, now advised Shoreline on the acquisition and financing. The deal demonstrated that Nigerian divestments had graduated from development-finance territory into the world of global investment banking.

By the end of 2012, Shell had completed six onshore lease assignments since 2010.

The Seplat template did not just unlock Shell's portfolio. It changed how the entire industry thought about Nigerian upstream assets.

There was more to come.

A deal like no other

In December 2012, **Wale Tinubu** did something that would have been unthinkable a few years prior. He announced that Oando Energy Resources, the upstream subsidiary of **Oando PLC**, would acquire the entire Nigerian business of **ConocoPhillips** for approximately \$1.79 billion in cash, plus customary adjustments.

If *Barbarians at the Gate*, the definitive post mortem of 1980s dealmaking written by Bryan Burrough and John Helyar had a sequel, this would be it.

The ConocoPhillips deal was not merely large. It was audacious to the point of being quixotic. A dissection of the mechanics of the transaction confirmed a widely held impression about the clean-shaven lawyer behind Oando: that he was really an investment banker at heart, playing at being an oilman.

When the deal was announced, Oando's upstream subsidiary had been listed on the **Toronto Stock Exchange** for just five months. Its production was approximately 3,300 barrels per day from the Abo field in **OML 125**, and a further 1,500 barrels per day from the Ebendo field in **OML 56**. The latter had been disrupted and was going to become available only after a damaged export pipeline was repaired or replaced, which the company expected in early 2013.

So the company was flowing 3,300 barrels a day only.

Zoom in to what it was preparing to swallow. The ConocoPhillips onshore assets produced approximately 43,000 boe/d, based on average production

between January and October 2012. In a country where regulatory consent could drag on for years with unpredictable outcomes, and militant attacks were a real risk, Oando was proposing to increase its production more than tenfold in a single transaction.

What ConocoPhillips put on the block came through four corporate vehicles: two onshore and two offshore. OER would purchase all of the issued share capital of each. The effective date of the acquisition, upon closing, would be 1 January 2012.

Phillips Oil Company Nigeria Limited held a 20 per cent non-operating interest in Oil Mining Leases 60, 61, 62 and 63, through the Nigerian Agip Oil Company joint venture, alongside the Nigerian National Petroleum Corporation at 60 per cent and **NAOC**, the operator, at 20 per cent.

Phillips Brass Limited held a 17 per cent shareholding in **Brass LNG**, a greenfield two-train project in Bayelsa State designed for 10 million tonnes a year, alongside NNPC at 49 per cent and Eni and Total at 17 per cent each. **Conoco Exploration and Production Nigeria Limited** held a 95 per cent operating interest in deepwater OML 131, with Medal Oil holding the remaining 5 per cent. **Phillips Deepwater Exploration Nigeria Limited** held 20 per cent of OPL 214, alongside ExxonMobil as operator, Chevron and **Svenska** at 20 per cent each, the **Nigerian Petroleum Development Company** at 15 per cent and **Sasol** at 5 per cent.

The NAOC joint venture was the prize. Forty discovered oil and gas fields, roughly forty identified prospects and leads, twelve production stations, the **Brass River Oil Terminal** with storage capacity of 3.6 million barrels, gas processing facilities able to handle up to 125,000 barrels of oil and over a billion cubic feet of gas a day, and the **Kwale-Okpai combined cycle power plant**, 480 megawatts accounting for roughly 15 per cent of Nigeria's available national generating capacity.

The joint venture supplied about a fifth of the feedgas used by the **Nigeria LNG** plant. The crude was light and sweet, 29 to 47 degrees API with sulphur content between 0.05 and 0.3 per cent, and traded at a premium to Brent crude. Drilling success over the previous fifteen years had run at 89 per cent.

These were not marginal assets. For the year ended 31 December 2011, ConocoPhillips reported revenue of US\$1.0 billion on the NAOC joint venture, profit after tax of US\$157.5 million, and cash flow from operations of US\$327.1 million.

"Upon closing, we expect that this will be a transformational transaction for OER," Tinubu said, "as the company has only been listed on the TSX for about 5 months and now has an opportunity to execute its strategy and materially increase its production and reserves base."

He was right about the transformation. What he just could not have predicted was the drunken walk the deal would take as it staggered to the finish line.

At the announcement, OER had only preliminary reserve estimates. Petrenel, the company's independent reserves evaluator, had prepared figures with an effective date of 31 December 2011, covering the onshore assets alone: approximately 213 MMboe of proved plus probable reserves, 198 MMboe of best estimate contingent resources, and approximately 110 MMboe of risked prospective resources. The full independent report was expected during the first quarter of 2013. No offshore reserves or contingent resources were quantified at all.

Against the announced price, 213 MMboe of proved plus probable reserves worked out at roughly \$8.40 a barrel. By any reserve-based lending metric, that is cheap. But there was a catch. The contingent resources, nearly as large again as the reserves, were contingent for good reasons.

Having said that, in the beginning, not very much consideration was given to the conditions under which the deal could go awry. The company's advisers were there to structure the deal from a technical standpoint and collect fees, not to don the toga of Cassandra. It was one of those moments that business circles in Lagos love to celebrate as "the Nigerians have arrived." The people behind the deal were emblematic of a particular generation of Nigerian corporate ambition.

What made the story more intriguing was that Wale Tinubu was not an engineer. He read law at the University of Liverpool, took an LLM at the London School of Economics, and was called to the Nigerian bar in 1990. In 1994, with **Jite Okoloko** and **Mofe Boyo**, he co-founded **Ocean & Oil Limited**, acquired a shipping boat called **The Carolina** with a microfinance loan at 10 per cent interest per month, and began building what would become Nigeria's most ambitious integrated energy group.

Pade Durotoye, OER's chief executive, was the operational counterweight. A petroleum engineer and nineteen-year veteran of **Schlumberger Oilfield Services**, Durotoye had spent his early career managing drilling and production operations across the West

African oil patch before joining Ocean & Oil Holdings, the precursor to Oando, as managing director in 2006.

Upon execution of the sale and purchase agreements (SPA), OER paid a cash deposit of \$435 million, roughly a quarter of the purchase price. Where that money came from is the most revealing thing about the transaction.

Oando PLC, the parent company, which owned 94.6 per cent of its subsidiary, lent OER \$345 million with a maturity of 120 days and an annual interest rate of LIBOR plus 10.5 per cent, both subject to extension or increase in certain circumstances. A further \$90 million came from secured bridge loans provided by local Nigerian banks, each of them guaranteed by Oando PLC.

The parent company's loan was also convertible, at Oando's option.

For the remaining \$1.355 billion, OER expected to raise funds through equity and debt, including private placements of equity-linked securities and a follow-on offering of OER shares, plus \$800 million of senior secured loans from a syndicate of international and Nigerian banks. According to the company, the transaction would be financed by an approximately fifty-fifty debt-to-equity ratio.

"Our management team is familiar with the assets contained in this proposed transaction and, we believe, possesses the regional experience and technical expertise necessary to capture and unlock their future value for our shareholders," he said.

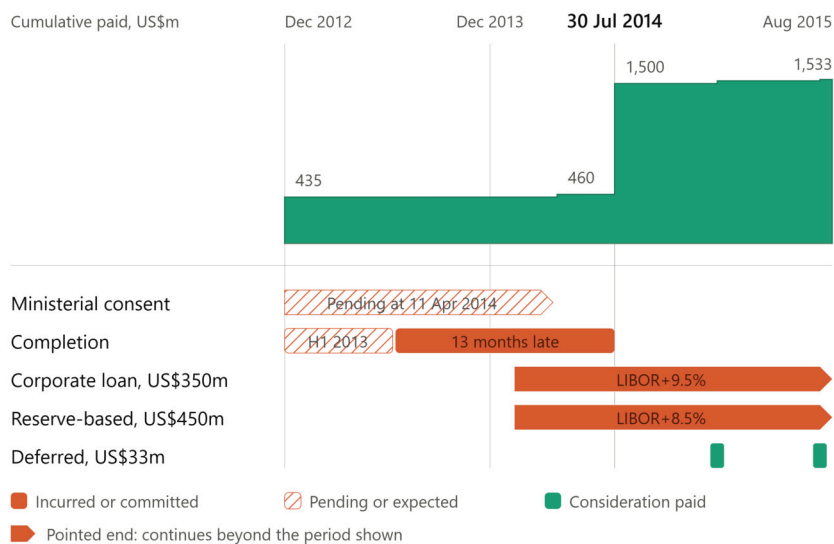
But familiarity with the assets was never the problem. Over the next two years, the deal came to within an inch of its life. Delays in ministerial approval. Falling oil prices. That it survived what **Donald Rumsfeld** described as "known unknowns and unknown unknowns" was due to the sheer tenacity of Tinubu and Boyo.

Then, in March 2015, came the deal that dwarfed them all: **Aiteo Eastern E&P**, led by **Benedict Peters**, paid Shell \$1.7 billion for OML 29 and the **Nembe Creek Trunk Line**. The total transaction value, including working capital, was reported at \$2.7 billion.

Peters is an extremely private tycoon. Born in Abakaliki, Ebonyi State, he studied geography and urban planning at the University of Benin before starting his career at Ocean and Oil Services, the precursor to Oando, and then serving as managing director of **MRS Oil and Gas**.

Anatomy of the ConocoPhillips purchase

How a company producing 3,300 barrels a day paid \$1.79 billion for assets producing 43,000, and what it took to get there.



OER before

3,300 boe/d
producing, Dec 2012
1,500 boe/d shut in
C\$180m market cap
94.6% parent-owned
TSX-listed 30 Jul 2012

Acquired at completion, Jul 2014

36,494 boe/d in 2013
39,266 boe/d H1 2014
40 fields, 24 producing
12 production stations
1,490 km of pipelines
Three gas plants
Brass River terminal
Kwale-Okpai, 480 MW
OMLs 60–63, 20%
OML 131, 95%; OML 145

OER market capitalisation, Dec 2012	C\$180m
Announced price to market capitalisation	9.9x
OER shares traded, Aug–Dec 2012	C\$3.8m
OER production, H1 2014	44,512 boe/d
Acquired reserves and contingent	710.2 MMboe
Implied cost per barrel acquired	US\$2.11
Onshore cash from operations, 2011	US\$327m
Onshore cash from operations, 2013	US\$178m

boe/d: barrels of oil equivalent per day

OER: Oando Energy Resources

OML: Oil Mining Lease

TSX: Toronto Stock Exchange

Deposit of US\$435m treated as credited against the US\$1,500m cash consideration

Deposit increased by US\$25m on 17 Apr 2014 after consent was not received by 11 Apr

Deferred consideration: half due six months after closing, half at twelve months

Reserves effective 31 Dec 2013 per Petrenee independent reserves report

Onshore financials per ConocoPhillips (2011) and OER (2013) disclosures

Market capitalisation and trading at 31 Dec 2012 per TSX; C\$ near parity with US\$

Sources: OER announcements 20 Dec 2012, 31 Jan 2014, 30 Jul 2014; TSX new issuer data

MMboe: million barrels of oil equivalent

OPL: Oil Prospecting Licence

MW: megawatts

NAOC: Nigerian Agip Oil Company

The Oando–ConocoPhillips transaction: payment timeline, assets acquired at completion, and deal metrics. Source: OER and ConocoPhillips disclosures.

In 1999, at age 33, he founded **Sigmund Communecci**, a downstream petroleum trading company that he rebranded as Aiteo Group in 2008. By 2014, he was ready for upstream.

The consortium structure was telling. Aiteo Group held 85 per cent. **Tempo Energy Resources** held 10 per cent. And **Taleveras**, the trading company founded by **Igho Charles Sanomi**, a 39-year-old geologist from Delta State, held 5 per cent. Sanomi had built **Taleveras** from nothing into a \$2 billion-revenue commodities trader with offices in Dubai, Abuja, Geneva and London.

The financing was audacious: Aiteo reportedly borrowed \$2 billion from a consortium of lenders that included Shell itself, which put up roughly a quarter of the debt. The major was not just selling the asset; it was lending the buyer the money to buy it.

This was the logical endpoint of the Seplat revolution. The majors were no longer merely divesting; they were willing to finance their own exit.

The Times They Are A-Changin'

So why did these deals matter? And what made Seplat so significant?

Let's start with the arithmetic of Nigerian oil. For decades, the NNPC-Shell joint venture had dominated onshore production. The structure was rigid: NNPC held 55 per cent, Shell 30 per cent, Total 10 per cent, Eni 5 per cent.

The majors operated; NNPC collected its share and complained about underinvestment. By the late 2000s, Shell was facing a rebellion it could not suppress, not just from militants in the creeks but from Nigerian regulators and politicians who had passed the **Nigerian Oil and Gas Industry Content Development Act** in 2010, mandating indigenous participation.

Seplat solved a political problem for Shell. It provided an indigenous buyer that could actually close, operate, and produce. Once Seplat proved that Nigerian hands could run assets the majors were fleeing, Shell had cover to sell everything else. The other deals followed the same choreography: a Nigerian vehicle, a foreign technical or financial partner to satisfy bank due diligence, a local bank or international bridge financing, and a 45 per cent stake, leaving NNPC/NPDC with 55 per cent.

But a darker pattern lay beneath the triumphalism.

Many of the acquiring companies were special-purpose vehicles with limited operating history.

Aiteo was a downstream trading company when it bought OML 29. Neconde was incorporated specifically to bid for OML 42. FHN was created by Afren as an acquisition vehicle. Elcrest, a consortium of **Sir Emeka Ofor's Starcrest Nigeria Energy** and Eland Oil & Gas, paid \$102 million for OML 40, a block that has been shut since 2006 due to militant activity. These were not ExxonMobil or Chevron. Importantly, they were not Oando.

They were bespoke entities created to absorb assets that the majors no longer wanted, often with financing structures that left them dangerously leveraged.

The environmental and governance implications were profound. **SOMO**, the Centre for Research on Multinational Corporations, based in Amsterdam, would later document how Shell sold the Nembe Creek Trunk Line to Aiteo, a pipeline it knew was leaking and vulnerable to tampering, without requiring decommissioning funding.

The **Bayelsa State Oil and Environmental Commission** would note that a 2014 DPR document already showed Aiteo as the owner before the bid process had formally closed, raising questions about the integrity of the sale process under Petroleum Minister **Diezani Alison-Madueke**, herself a former Shell Nigeria employee.

Left unanswered was the question of what happened after the deals closed. FHN's **Afren** backing collapsed when Afren itself went into administration in 2015. Heritage Oil's Tony Buckingham would later become embroiled in disputes over asset valuations.

Aiteo would default on its debts by 2019 and become locked in litigation with Shell, claiming fraudulent misrepresentation about the condition of the NCTL.

The \$9 billion lawsuit Aiteo filed against Shell in 2021 was, in its own way, the final act of a drama that began when Nigerian entrepreneurs, surgeons from Anambra, geologists from Delta, traders from Ebonyi and lawyers from Lagos, could raise international finance, satisfy Nigerian regulators, and out-produce Shell on Shell's own fields.

The Seplat deal was the Original Sin because it was so successful. It created a playbook that every subsequent deal followed: the foreign technical partner, the bridge financing, the SPV structure, the 45/55 split. Everything was copied almost verbatim from Seplat's historic \$340 million purchase in 2010.



THE LAWYER

The tireless dealmaker with nine lives

Adewale Tinubu, group managing director of Oando Plc, orchestrated one of the most audacious corporate transformations in African energy, steering Oando from an agile downstream retailer into a formidable indigenous upstream heavyweight. Starting as a scrappy supplier delivering fuels to upstream service providers, Tinubu aggressively consolidated the downstream market by swallowing legacy assets like Unipetrol and Agip Nigeria. Dissatisfied with being a big fish in a small pond, and recognising that the true fulcrum of economic power lay in exploration and production, he engineered a relentless pivot into the high-stakes upstream sector. This ambitious transition has been fraught with existential crises, but each time, the English-trained lawyer has come out on top.



THE BUYER

The private man with the biggest block

Benedict Peters, the reclusive billionaire behind Aiteo Group's sprawling energy empire, built one of Africa's foremost independent indigenous oil producers while actively shunning the public eye. The sheer scale of Aiteo is best defined by its 2014 crown jewel: a \$2.56 billion acquisition of the OML 29 block from Shell, a prolific asset holding an estimated 2.2 billion barrels of oil. Today, with operations stretching across more than a dozen African nations and a personal net worth estimated between \$2.7 billion and \$7 billion, Peters commands one of the continent's most powerful hydrocarbons and mining portfolios from his closely guarded base, a stone's throw from Jubilee House, the presidential palace in Accra, Ghana.

Orjiako and Avuru proved that indigenous ownership was not just politically desirable but commercially viable. It showed that a Nigerian company could take over a major's assets, multiply their output and pay its debts.

But the deal also created a litany of fictions, among them the fiction that Nigerian companies were ready to absorb the environmental, operational, and social liabilities of decades of major oil company neglect. The fiction was that a company created in 2009 could safely operate infrastructure built in the 1970s. The fiction was that Shell could wash its hands of the Niger Delta by selling to locals.

For the bankers and lawyers who structured these transactions, the deals were a bonanza: BNP Paribas, **White & Case** and **Olaniwun Ajayi** on Seplat's acquisition; **J.P. Morgan** and **Standard Bank** on OML 30; FCMB and Stanbic on OML 26.

For Nigeria's political class, they were a victory for local content. For the majors, they were an elegant exit.

But for the Niger Delta itself, the legacy is more complicated. Production from some of these assets has collapsed. Debt burdens have crippled operators. Environmental liabilities have been passed from companies with deep pockets to companies with shallow ones.

Seplat closed the Shell purchase in July 2010 and set about doing what indigenous operators were supposed to be unable to do. It was also a test case that became the rule.

By 2014 it had a story clean enough to take to London.

But the story it told was only half the story. The other half was written in the creeks, in the courtrooms, and in the balance sheets of the companies that followed it through the same retreat. They would learn, as Seplat eventually did, that buying the asset is the easy part. Living with it is something else entirely.

A listing aimed at its own owners

Then came 2019.

The divergence of interests between Orjiako and Avuru could no longer be papered over. The

"The major was not just selling the asset; it was lending the buyer the money to buy it."

co-founders wanted different things. For proper context, it helps to go back to the IPO.

The London listing was not, in any real sense, a fundraising for operational purposes. Yes, it was a welcome liquidity moment for the foundational shareholders, but as a company, Seplat did not have to tap public markets.

Seplat had revenue and a clear runway; it did not need the money the press releases implied it was chasing. The listing was a corporate governance pressure valve.

According to Avuru, Seplat listed in London to be saved from its own founders.

His reasoning had strong historical validity. Nigerian partnerships, he explained, rarely break when the money is short. They become brittle when it arrives, when the partners stop building and start staring at the pile, and begin, in his own phrase, to "steal it from themselves."

London, with its disclosure and its independent directors and its unblinking scrutiny, was the discipline he chose to impose on a weakness he could already see coming.

So he reached for the discipline of a public market: audited accounts that make it impossible to put lipstick on turnover as profit, a board answerable to outsiders, and above all a structure in which no single owner, however large, could run the company as a private estate.

The financial costs and board attention load of admission to the London Stock Exchange were not trivial. The UK Financial Services Authority had recently tightened its rules for exactly this category of company, the emerging market operator seeking a City imprimatur, after two high-profile disasters had left their mark. **ENRC of Kazakhstan** and **Bumi of Indonesia** had each been waved through despite poor governance records and then went badly wrong, prompting a reckoning that made the gatekeepers considerably more demanding.

Seplat arrived in their wake, and the extensive architecture it signed up to – the Relationship Agreement, the independent bench, the related party controls – was not merely Avuru’s idea of a cage. It was also London’s idea of the minimum.

At the float, the founders bound themselves in writing. Alongside the prospectus, they signed a Relationship Agreement, a legally binding pact between Shebah, Platform, the French vehicle, and the two men personally, committing Seplat to operate at arm’s length from its owners, to police every related party deal, and to keep a slate of independent directors and a senior independent director in London.

“The Seplat deal was the Original Sin because it was so successful. It created a playbook that every subsequent deal followed.”

This pact replaced an older constitution. The shareholders’ agreement the founders had signed in December 2009 had effectively handed M&P a veto over every major decision for as long as its loan to Seplat went unpaid.

At the float, that pre-listing pact was torn up, the loan settled out of the proceeds, and the veto retired. One constitutional order was dissolved and another raised in its place.

Each founder received the right to nominate directors in proportion to his stake.

So long as Shebah and Platform each held 17.5 per cent or more, each could nominate two directors. At the minimum threshold of 7.5 per cent, each could nominate one. MPI, at 22.16 per cent immediately following admission, held equivalent rights at higher thresholds. The agreement’s stated purpose was to ensure the company could operate independently of its founders. In practice, it entrenched them.

Orjiako did not need a clause granting him the chairmanship. He already occupied it. The prospectus listed him as Chairman while disclosing that he held 15.60 per cent of the issued shares through Shebah Petroleum, his siblings,

and related entities including **Vazon Investments** and **Hautguard Limited**.

Avuru held 13.49 per cent through Platform Petroleum, **Professional Support Limited**, and **Abtrust Integrated Services**. Together, the three founding blocks controlled 51.25 per cent of the company.

The prospectus warned, in the plainest possible language, that these shareholders would be able to exercise a high degree of influence over matters requiring shareholder approval, including the election of directors and significant corporate transactions, and that their interests could conflict with those of other shareholders.

Folded into the same document was the architecture to prevent abuse. It was the related-party countermeasures that Avuru believed would prevent either founder from treating Seplat as a private estate.

Every transaction with a founder-linked entity had to be disclosed, reviewed, and priced at arm’s length. Avuru had, in effect, struck a deal against his own partners and talked

them into signing it in the glow of the listing. The conflict clause would one day be turned on him.

The prospectus disclosed the first evidence of what that machinery would have to handle. **Cardinal Drilling Services**, the vehicle created to guarantee Seplat rig availability, was owned 60 per cent by Shebah and Platform together and 40 per cent by MPI. Seplat paid Cardinal \$20 million for the exclusive use of two drilling rigs over five years. **Nerine Support Services** was named alongside Cardinal as a related party supplier.

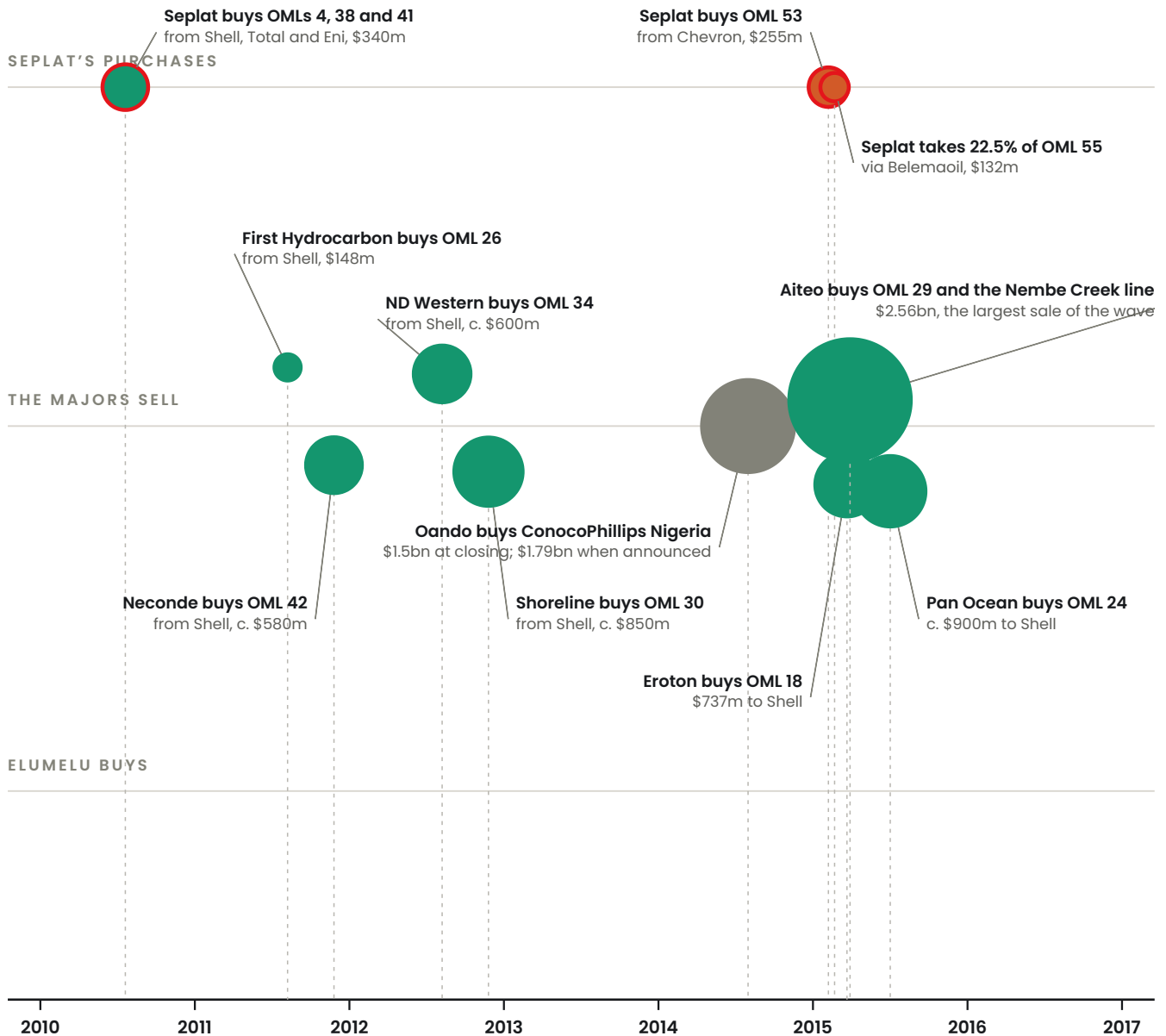
These disclosures were presented as proof that the system worked: the deals were visible, approved by the joint venture partner NPDC, and conducted on standard commercial terms.

What the prospectus did not foresee was the scale.

A Bloomberg investigation – **Nigeria’s Seplat Spent \$450 Million With Firms Tied to Founders** by William Clowes – published in September 2022, would later find that between 2010 and 2021, Seplat paid \$450.5 million to companies in which Orjiako, Avuru, or their relatives held stakes. Nearly two-thirds of that, \$283 million, was paid after the 2014 listing, when the Relationship Agreement and the independent directors were supposed to police exactly such flows.

How the majors sold the Delta

Every significant sale of an onshore or shallow-water interest by an international oil company in Nigeria since Seplat's founding deal, drawn to scale. The area of each circle is proportional to the price. Seplat's own purchases are ringed in red; Tony Elumelu's in dark green.



RUNNING TOTAL PAID BY NIGERIAN BUYERS, US\$ BILLION



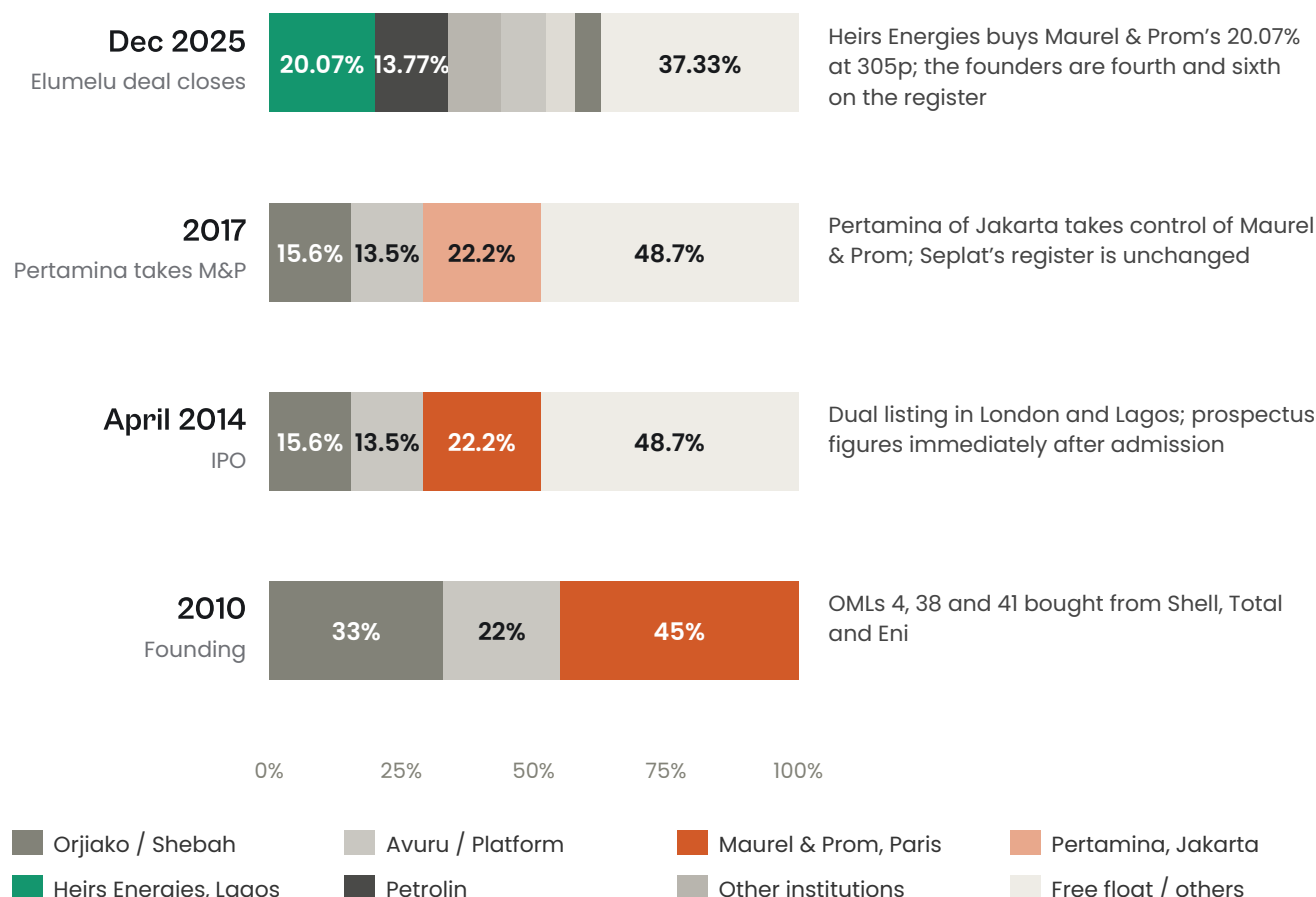
● Sold by Shell, with Total and Eni
 ● Chevron
 ● ConocoPhillips
 ● ExxonMobil
 ● Eni
 ● Equinor
 ● TotalEnergies
● Bought by Elumelu
○ Bought by Seplat
○ Agreed, blocked or undisclosed



Prices are as announced by the parties at completion, in US dollars, before adjustments unless stated. Where only the seller's share was disclosed the label says so; the Aiteo figure is for the full 45 per cent interest bought from Shell, Total and Eni. The Oando purchase from ConocoPhillips was announced at \$1.79 billion and closed at \$1.5 billion. Seplat's MPNU purchase was agreed at \$1.28 billion plus up to \$300 million contingent in February 2022; after adjustments back to the 1 January 2021 effective date it completed for \$800 million in December 2024, and a further \$326 million paid in 2025 took the total consideration to \$1.13 billion, which is the figure used in the running total. The running total counts completed purchases by Nigerian buyers only. Sources: company announcements to the London and Nigerian exchanges; Shell, Chevron, Eni, Equinor and TotalEnergies press releases; Seplat announcement of 25 February 2022, prospectus of December 2024 and audited results for 2025; Fitch Ratings, 19 December 2024; Maurel & Prom, 30 December 2025.

The swing vote: from Paris to Jakarta to Lagos

Seplat Energy shareholding at key moments, 2010 to 2025. The deciding bloc changed nationality twice.



2014 figures are the prospectus holdings immediately after admission; the founders and Maurel & Prom together held 51.25

Seplat's register at four moments. The 2010 split and the 2014 prospectus figures are as stated in the essay; the 2025 register is as reported in the closing section. Percentages of issued shares.

“The agreement’s stated purpose was to ensure the company could operate independently of its founders. In practice, it entrenched them.”

The two largest beneficiaries were Cardinal Drilling Services (\$137.2 million) and Nerine Support Services (\$121.5 million), both co-owned by the founders’ vehicles. Because those two companies were jointly owned, they appeared in both Orjiako’s attributed total (\$410 million) and Avuru’s attributed total (\$299 million).

Adding those two attributed figures would reach \$709 million, overstating the actual eleven-year total by \$258.5 million. The arithmetic was as tangled as the ownership.

On paper, the governance architecture was world-class. The independent benches Seplat assembled to satisfy its own rulebook were stocked with names that would be right at home on a FTSE board.

Lord Malloch-Brown, a former deputy secretary-general of the United Nations. **Ifueko Omoigui-Okauru**, who had spent eight years as the first female Executive Chairman of the Federal Inland Revenue Service, the official who rewrote Nigeria’s national tax policy and chaired Seplat’s own Corporate Governance Committee from its first day of listing. **Michael Alexander**, the former chief executive of British Energy, served as Senior Independent Non-Executive Director. **Charles Okeahalam**, co-founder of AGH Capital Group, and **Basil Omiyi**, a forty-year veteran of Royal Dutch Shell who had run **Shell Petroleum Development Company of Nigeria** and had also served as country Chairman of Shell Nigeria, rounded out the independent bench.

To anyone reading the prospectus, this looked like the safest governance in the Nigerian market. This visual reassurance was not as robust as it appeared.

Buried in its risk sections of the IPO prospectus, in the careful boilerplate that City lawyers require and most investors never read, the document disclosed exactly what would one day go wrong.

The three founding shareholders, it warned, would collectively control more than fifty per cent of the company and could exercise a high degree of influence over director elections and significant corporate transactions, and their interests could conflict with those of other shareholders.

It noted further that the group’s new governance controls, including policies on related party transactions, had not applied to the business’s historical operations, were less developed than those of longer-established companies, and that there was no assurance they would function as designed.

The prospectus also warned that Seplat depended on the direction and leadership of its existing Chairman and CEO, and that the unexpected departure of either could have a material adverse effect.

Finally, it admitted, in a line that received scant attention, that the admission was to a Standard Listing, affording investors a lower level of regulatory protection than a Premium Listing on the Official List.

The Dubai split

The treaty held for five years. It broke in a single afternoon in 2019.

Avuru was due to retire the following year, and since 2016 the succession had been quietly engineered around **Effiong Okon**, a Nigerian petroleum engineer poached from Shell.

He was installed as operations director precisely so that he could be groomed for the top. Okon was the orderly substitute. The co-founder’s man, and in many ways, a logical replacement, and uncrowned CEO-in-waiting.

Then the board, under Orjiako, declined the orderly answer. This would not be a handover. It would be a contest, and the other name on the table was Roger Brown, the British chief financial officer who had come up through the City.

It came to a head in Dubai. Orjiako called a special board meeting there for November 11, 2019, to settle the succession. An external consultant was invited to assess the two candidates.

The verdict was a warning.

Both candidates were strong, the consultant said, but choosing either, given the feeling already in the room, would split the company.

The safer course, the consultant suggested, might be to bring in a neutral outsider from one of the multinationals. Orjiako set the warning aside and called the vote.

When the vote came, nine of the twelve directors cast their votes, the chairman holding his own back in case he was needed to break a tie.

It was split along a line nobody on that board wanted spoken aloud. Five expatriate directors backed Brown. Three Nigerian directors backed Okon. One abstained.

This division shattered something in Avuru. He would later write that he had never felt so deep a betrayal from a partner. He felt that in nine years the board had never been so divided.

Hurt, Avuru went back to his room that night, resolved to resign. Only his wife's coaxing talked him out of making such a fateful decision while upset. He decided to stay despite feeling scorned. But things would never be the same again.

On July 31, 2020, Avuru retired as chief executive. The following day, Brown resumed in the position.

Okon, once the obvious successor, was shunted into a new-energy directorate, the consolation prize of the passed-over. There were whispers that the new role was to frustrate him enough to leave the company.

His ego assailed, Avuru took up his pen.

His memoir, *My Entrepreneurship Journey*, was published in 2022. The book was briefly injunctioned by a court before it could reach the shops.

In the press, a column accused Avuru of speaking with both sides of the mouth, and the book of being sour grapes in prose.

Without intending it, the delay was a welcome marketing campaign because it heightened public interest in what the author had to say.

When it finally came out, the pages were brutally frank. Some said it was scathing. Others went further and labelled it vindictive. Avuru, they gasped, had broken ranks.

In his own words, he described what many Nigerian founders stoically bore to the grave. If they told, it

was only to a close set of trusted listeners who understood that it was not meant for public consumption.

Laid bare on the pages, he confessed that he had never wholly trusted his partner, that he had pushed the London listing as a cage for both of them, and that the governance Seplat advertised had been very intentionally designed to protect the company from the very men whose names sat at the very top of its share register.

Readers lapped it up.

Grey areas

For all his condemnation of the conflicted interests of others, Avuru did not heed the caution urged in John 8:7.

In March 2020, while still Seplat's chief executive, he took an interest in an oil company called **Chappal Energies**, then went on to chair it.

Chappal was not passive holding. It was a competitor, and before long it was bidding for the very ExxonMobil assets Seplat itself wanted. The architect of the arm's-length rulebook was now sitting on both sides of the table, and he had not disclosed it.

Seplat's response, when it came, used the weapon Avuru developed for a situation like this. In December 2021, the board terminated his appointment as a non-executive director, a position he had held since his retirement on July 31, 2020. The company cited breaches of its own conflict and fiduciary rules as just cause.

His lawyers called the move grossly mischievous and malicious. The company retorted that its decision was corporate governance at its finest.

Both, in their way, were right.

Between 2010 and 2021, Seplat paid more than four hundred and fifty million dollars covering everything from drilling rigs to gift hamper baskets to companies tied to its two co-founders.

The payments peaked in 2014, the same year of the London listing, at almost a hundred and six million dollars, more than a tenth of revenue.

While Avuru was being measured against his own rulebook, the other founder was being measured against a creditor's ledger.



THE BOARD

Farewell to the Patron des Patrons

Seplat directors gathered at the London Stock Exchange in June 2022 to honour Dr. ABC Orjiako as part of events to mark his retirement as chairman of its board. L-R: Roger Brown, CEO, Seplat Energy, Arunma Oteh, Independent Non-Executive Director, Dr. Orjiako, Xavier Rolet, KBE, Independent Non-Executive Director, and Basil Omiyi, his successor to lead the board.



THE DISCREET MONEY

The shareholder who keeps his counsel

The discreet power behind the throne: Samuel Dossou-Aworet holds 13.5 per cent to 13.87 per cent of Seplat shares. He is the chairman of ND Western Limited, a major Nigerian oil and gas exploration and production company, and founder of the Petrolin Group.

Rewind six months before the LSE gong chimed.

In October 2013, Orjiako stood before a PwC conference in Accra and presented Seplat to the continent as the model independent, its success resting on solid corporate governance, an experienced board, and high ethical standards.

The talented surgeon-turned-oil-magnate won the audience over.

Orjiako was held up as a business leader who could tread on water. Then the cracks appeared.

Orjiako's troubles had a long fuse. Years earlier, his Shebah Exploration had borrowed around a hundred and fifty million dollars from a syndicate that included African Export-Import Bank (Afreximbank), then led by Benedict Oramah, an unflappable and cerebral economist.

The loan fell into default in 2013. An English court gave judgment against him in 2016. Then, in a landmark BVI Commercial Court ruling delivered on 1 October 2025, Justice Abbas Mithani stated that "the sequence of events clearly demonstrates a deliberate, systematic and fraudulent attempt to put the shares beyond the reach of the claimant and Orjiako's other creditors."

The court found that Orjiako constructed a complex network of offshore companies and share transfers, purportedly to his wife, which were deliberate, systematic, and fraudulent, designed to put valuable Seplat holdings beyond the reach of the creditors.

Access Bank's claim ran past two hundred and twenty million dollars. Separately, Zenith Bank secured a Mareva injunction in a Lagos Federal High Court in November 2021 over a \$78.4 million debt tied to personal guarantees he had signed. That world-wide freezing order, which restrained Orjiako and related parties from dealing with Seplat's assets.

Days later, **Xavier Rolet**, the former London Stock Exchange chief who had joined Seplat's board in October 2020, stepped down as an independent non-executive director. The timing was inconvenient.

Through all of it, Seplat repeated a single sentence like a charm: these are personal matters, with no bearing on the operations of the company.

This defensive posture was structurally correct, but optically smudged.

Rolet's departure signalled his refusal to be part of any governance altercations at the company. The Frenchman had spent eight years (2009-17) positioning the London Stock Exchange as the world's most attractive bourse. He had taken a parochial British equities venue worth around eight hundred million pounds and built it into a fourteen-billion-pound colossus of global finance, assembling the world's largest index business in the FTSE Russell, buying the clearing house LCH, and very nearly merging the whole edifice with Deutsche Börse before Brussels blocked it.

The Harvard Business Review named him one of the hundred best chief executives alive.

"Five expatriate directors backed Brown. Three Nigerian directors backed Okon. One abstained."

He was exactly the sort of director that a company head-hunts to assuage investor concerns. There was an irony in the hire that no one dwelt on at the time. Rolet had built the very exchange on whose floor Orjiako struck the gong in 2014, and he had left it, in the end, not over performance but in a bruising boardroom fight over who controlled the board.

Having been the target of Sir Chris Hohn's **The Children's Investment (TCI)**, which actively campaigned for his departure from LSE in 2017, he knew, better than most, what it looks like when ownership and governance are not aligned.

He lasted thirteen months. Rolet resigned on 11 November 2021, two days after the Zenith freezing order landed on the chairman.

Arunma Oteh, another star director, once Nigeria's top markets regulator, was gone by the end of 2022. The first Nigerian woman admitted to the MBA program at Harvard Business School, where she graduated in 1990, she had arrived at Seplat with an impeccable reputation. Having served as the director-general of the Securities and Exchange Commission from 2010 to 2015, where she had faced overwhelming resistance from vested interests, she did her utmost to avoid being seen as biased toward any faction on the board.

Her decision to step down as an independent non-executive director arrived at a time of severe regulatory and political turbulence for Seplat. While corporate filings politely framed the exit as a voluntary retirement, the underlying reality was far more fraught. It coincided with an intense campaign of legal and political pushback from Abuja.

At the heart of the crisis was Seplat's highly publicised, \$1.28 billion bid to acquire ExxonMobil's shallow water business in Nigeria. The transaction, which promised to reshape indigenous ownership in the Niger Delta, had triggered a bitter dispute with the state-backed Nigerian National Petroleum Company (NNPC) and regulatory authorities, stalling the company's flagship expansion strategy.

Against this backdrop of heightened regulatory headwinds and broader institutional overhaul, the exit of a high-profile international figure like Oteh underscored the mounting friction between Seplat's aggressive commercial ambitions and the nationalistic posture of Nigerian energy regulators.

Rolet and Oteh's departures were different in kind from the retirement of **Omoigui-Okauru** and **Michael Alexander**, who had left in orderly succession in January 2021, before the worst of it, their eight years complete and the rotation clean.

Orjiako announced his own departure in late 2021, in the wake of Rolet's exit, and surrendered the chair at the annual meeting of May 2022, after thirteen years.

The seat passed to a run of genuine independents, and the 2014 rulebook did precisely what it had been written to do.

The first of them was **Basil Omiyi**, and the choice carried a quiet irony that the board's architects could not have planned. Omiyi had joined Shell in 1970 as a wellsite engineer, fresh from the University of Ibadan, and spent four decades rising through its Nigerian and European operations until, in 2004, he became the first Nigerian ever to serve as Managing Director of Shell Petroleum Development Company of Nigeria.

He ran Shell Nigeria until 2009, the years when the onshore divestment decisions that gave birth to Seplat were taking shape. He sat, in other words, on the selling side of the transaction that created the company he would later chair. Shell's first indigenous

"Through all of it, Seplat repeated a single sentence like a charm: these are personal matters, with no bearing on the operations of the company."

chief executive became Seplat's first independent chairman, and the continuity between the two institutions was written into the man himself.

The second was **Udoma Udo Udoma**, and if Omiyi carried the weight of the industry, Udoma carried the weight of the law. He had read jurisprudence at St Catherine's College, Oxford, founded one of Nigeria's largest commercial law firms in 1983, and served as the chairman of the **Corporate Affairs Commission** and then as chairman of the **Securities and Exchange Commission**. He was also a two-term senator and a minister under Buhari.

Behind all of that stood his father, **Egbert Udo Udoma**, one of the first black Africans to earn a doctorate in law from Oxford, Chief Justice of Uganda, Supreme Court judge for thirteen years, and a member of the 1977 Constituent Assembly that gave Nigeria its constitutional framework a decade of military rule. His grandmother had played a prominent part in the 1929 Women's War over plans to introduce the taxation of women by colonial authorities. She was murdered in the ensuing *mêlée*.

He arrived at Seplat's chair carrying the institutional memory of a man whose father had helped interpret the rules the company was now being asked to honour.

Among his close friends were **Atedo Peterside**, who had founded **Investment Banking and Trust Corporation**, the forebear of Stanbic IBTC, and **Keem Belo-Osagie**. They were all old boys of King's College, an elite secondary school in Lagos.

Belo-Osagie rose to fame in the nineties after engineering the purchase of a 51 per cent controlling stake in UBA for \$15 million during the first phase of bank privatisations under the Nigerian government. His youth, education, and audacity won him both admiration and envy in equal measure.

Leaving the chair did not end Seplat's entanglement with Orjiako. It merely changed its legal form.

The oil giant had retained him as a consultant after his exit, through a company called **Amaze**, paying it about one and a half million dollars in 2022 for help with stakeholder relations.

It must be stressed that there was nothing unethical about this. Companies often enter such arrangements with valuable board members when their tenures elapse.

By early 2023, that arrangement had soured, and the company did something almost unheard of between a public company and its own founder. It suspended the contract, terminated it, and then sued him.

In papers filed at the Federal High Court in Abuja, Seplat accused Orjiako of deceit and false representation, of making commitments on its own letterhead without the board's knowledge, including, it alleged, an offer worth three hundred million dollars to the Minister of State for Petroleum in a letter dated days before Christmas 2022. Seplat sought "a declaration that the first defendant's action of issuing the unauthorised letter dated December 22, 2022 and making far-reaching commitments therein is a usurpation of the board of directors of the plaintiff and, therefore, offends the provisions of section 87(1) of the CAMA Act, 2020, and the articles and regulations of the plaintiff".

Seplat also demanded five billion naira in damages.

In an incredible twist of fate, the co-founder had become a defendant.

The war did not end in the dignified precincts of the courts. It blew open in the opinion pages too. As late as 2024, one newspaper feature was still saluting Orjiako as a patient visionary whose Seplat stake was quietly peaking, while a rejoinder fired back that he was the defeated opposition, living on the residual yield of a company run by the very board he had fought, even as his creditors stripped his assets. His close associates who knew how much he had laboured to build the company winced in pain.

Messy as it had gotten, the conflict did not preclude private reconciliations. In 2022, a respected industry elder, **Layi Fatona**, brokered a tentative peace deal between Avuru and Orjiako, a private truce between founders that ran alongside, not instead of, the company's claims against its former chairman.

The state as a cudgel

If the founders' wars were fought with lawyers and hack writers, the next battle was fought with the machinery of the Nigerian state. This time the battleground shifted to Roger Brown, chief executive.

In early 2023, a petition reached the Ministry of the Interior accusing the former managing director of Oil and Gas EMEA for Standard Bank Group of racism and favouritism. It was brought by five self-described minority shareholders, **Moses Igbrude**, **Sarat Kudaisi**, **Kenneth Nnabike**, **Ajani Abidoye**, and **Robert Ibekwe**, who between them held one hundred and sixty-one shares of the five hundred and eighty-nine million in issue.

The Nigerian government's response was startling in its speed. On March 3, 2023, the Ministry of Interior revoked Brown's residency card and work permit.

A criminal charge followed, built on an immigration technicality, alongside a civil suit. For a few weeks, the chief executive of one of Africa's largest indigenous oil companies was effectively locked out of the country where its main operations were.

A Federal High Court vacated the *ex-parte* orders in April; by May, the petitioners withdrew, the suit was struck out, and the judge ordered them to pay Brown a million naira in costs.

It had all happened like a bad dream.

Then, just as suddenly as it appeared, on April 20, the criminal charges against Brown were quietly withdrawn by the federal government. Nigerian officialdom had once again lived up to its reputation for "the more you look, the less you understand".

By June, Brown was back at his desk, his residence and work permits fully restored.

In the company's half-year results that summer, he allowed himself a single dry line, calling it the "distraction of frivolous legal actions, now receding," before turning the page back to the gas plant and the barrels.

This episode belongs in the record not as a verdict on how Brown ran the company, which it never was, but as a measure of how high-stakes boardroom guerrilla warfare is conducted in the trenches of corporate Nigeria.

A tiny holding of one hundred and sixty-one shares had been leveraged to set a federal ministry in motion against the chief executive of a London-listed giant.

In the theatre of Nigerian corporate power, thin equity holdings have often served as the tip of much larger institutional spears.

Seplat was not the first Nigerian oil company to discover that the state is a weapon lying on the boardroom table, available to whichever side reaches for it first. Its founders had merely joined a tradition.

The precedent everyone in Lagos knew was Oando. In 2012, when Wale Tinubu and Mofe Boyo needed money to buy ConocoPhillips' Nigerian assets, they took about seven hundred million dollars from **Gabriele Volpi**, the Italian-Nigerian owner of the ports concessionaire **Intels**, through a vehicle in the British Virgin Islands that held 55.96 per cent of Oando. Volpi took 61.9 per cent of the vehicle; the founders kept 38.1.

When the oil price collapsed and they could not repay him, Volpi did not go to the annual general meeting. He went to the Securities and Exchange Commission, together with the Katsina businessman **Dahiru Mangal**, and petitioned for the founders' removal. The Commission ordered a forensic audit. Oando sued to stop it, then withdrew.

In the middle of the audit the Commission's director-general was suspended by the finance minister, and said afterwards that it was because he had refused to halt it; she denied it. A London arbitration tribunal found the founders' companies owed Volpi six hundred and eighty million dollars.

On 31 May 2019 the Commission barred Tinubu and Boyo from the boards of public companies for five years, fined the company and its directors, and ordered an extraordinary general meeting that would have handed Oando to Volpi. Two weeks earlier the Nigerian Ports Authority had cancelled Intels' pilotage contract over a hundred and forty-five million dollars it said had not been paid into the Treasury Single Account.

Each side, it would appear, had an arm of the state around the other's neck. Oando obtained a court order setting the directive aside and, by 2021, had settled with the regulator and with Volpi. Shareholding decided nothing. The state decided everything, and then changed its mind.

There is a subtler use of the state than winning the case. It is to have the other side arrested, materially handicapped in running the business, for example, by a well publicised takeover of the business premises, or reputationally

damned before the case is decided by the courts.

Once an investigation or a detention is set in motion against one party to a commercial quarrel and not the other, that party negotiates from a cell, a police station or a bail bond, and the party that petitioned negotiates from an office.

Whether the state has taken sides, or has simply done its duty at one side's prompting, is usually still before its own courts by the time the commercial damage has been done.

Consider Duport. In 2023 a quarrel over condensate supply between **Akintoye Akindele's Duport Midstream** and the family of the late Moshood Abiola, in which each side claimed the other owed it several million dollars and both had already gone to court, arrived at police headquarters as a petition from the Abiolas. What followed was not a hearing on who owed whom.

Akindele was arrested, charged with offering officers a fifty million naira bribe, and released on five hundred million naira bail. He denies all of it, and no court has yet ruled on either the debt or the charge.

His lawyer's complaint was the plainest statement of the practice that anyone has put on the record: in Nigeria, he said, some influential people prefer to criminalise civil matters, believing they can use the instrumentality of the police to achieve their motives speedily. Whether or not that is what happened, it is what it looked like, and in a shareholder dispute appearances move markets and settlement terms before judgments do.

Nestoil shows the second method.

On 22 October 2025 a judge of the Federal High Court in Lagos, on an application heard without the other side present, froze the accounts and shares of Nestoil, its sister company Neconde and their promoters, Ernest and Nnenna Azudialu-Obiejesi, across more than twenty banks, appointed a receiver over both companies and over Neconde's 45 per cent of OML 42, and directed the police, the Navy and the State Security Service to help him take possession.

Six days later armed policemen sealed the group's headquarters on Akin Adesola Street in front of the cameras, and the receiver was given leave to announce the receivership in the national press. The lenders, led by FBNQuest and First Trustees, said they were owed more than a billion dollars and four hundred and thirty billion naira.

Nestoil contested the basis and the scale of the claim.

What followed was eight months in which the courts contradicted one another. The case was reassigned amid allegations of bias; the new judge revoked the enforcement order in November; the Court of Appeal reinstated it nine days later on another ex-parte application, then disqualified the company's chosen lawyers on the ground that the receiver had suspended the founder's authority to instruct them.

On 1 June 2026 the Supreme Court set the appellate orders aside, holding that the Court of Appeal had exceeded its jurisdiction and misused the judicial process.

"A tiny holding of one hundred and sixty-one shares had been leveraged to set a federal ministry in motion against the chief executive of a London-listed giant."

It said nothing about whether the money was owed.

By then the receiver had run the company for close to eight months under orders a superior court found had no lawful basis, and the first substantial repayment, sixty million dollars in August, came not through any judgment but through a schedule agreed at a meeting chaired by the head of the Economic and Financial Crimes Commission. The debt may be every naira the banks say it is.

What the sequence shows is that a company can be taken from its owners, in public and with armed policemen at the door, on the strength of a claim no court had yet tested, and be handed back with the claim still untested.

Chappal Energies, the company that bought Equinor's Nigerian business for one point two billion dollars, is the sharper illustration, and the courts are still writing it. Its founder, **Ufoma Immanuel**, holds 34.5 per cent through a company called Intermediate Investment Holdings.

Adebisi Adebutu's R28 put one and a half million dollars into that company in 2022 and 2023 on terms that, according to the Economic and Financial Crimes Commission, promised him a refund, a development fee of two and a quarter

million dollars and 22.41 per cent of the shares.

The commission says the money was never refunded, the promises were false, and the term sheet recording them was forged; it has charged Immanuel with obtaining by false pretence and forgery, and its witnesses have told a Lagos court that he did not honour the agreement. He has pleaded not guilty. That is the case as the prosecution puts it, and it may yet prevail.

What gives the affair its shape is the order in which the state's institutions moved. Two courts had looked at the quarrel and seen a civil matter: the Abuja High Court restrained the commission in September 2025, and when the commission declared Immanuel

wanted regardless, the Federal High Court in Lagos found the declaration a flagrant disobedience of a subsisting order and awarded him damages.

The commission then obtained a bench warrant in Abuja, and in March 2026 he was arraigned in Lagos. Bail, for a bailable offence, was refused.

While he sat in Kirikiri, the remaining shareholders voted a

hundred-million-dollar rights issue under which R28 would take up to 85 per cent of the company, and it took the Supreme Court of Mauritius, where Chappal is registered, to halt it and send the parties to arbitration in London.

In that same Mauritian court, Adebutu is asking for his 22.4 per cent to be recognised on the strength of the term sheet the commission says is a forgery.

His family's petition to the President says Immanuel was found handcuffed to a hospital bed and was told he would die in prison unless he gave up his shares; the family says it does not present that as fact, and Adebutu has not answered it. No verdict has been given on the one and a half million dollars.

But before any has, one shareholder has been in custody for six months and the other has come within a court order of owning 85 per cent of a company worth two billion. A state that has not decided anything has, rightly or not, already been seen to choose.

The oldest precedent is **Pan Ocean**, and it shows how patient the cudgel can be. The company was owned entirely, through two American vehicles, by an Italian, **Vittorio Fabbri**, who held all two thousand five hundred of its issued shares.

Festus Fadeyi was its salaried managing director and owned none.

In 1987, during a dispute with the government over crude lifting, the director sent from abroad to replace Fadeyi was detained without charge for months and never returned; the international tribunal that later examined the episode could not connect the arrest to the boardroom, and neither can this essay. What transferred the company was slower and entirely lawful on its face. Fabbri died in 1998.

Fadeyi refused to recognise his heirs, replaced the board with his own associates, and went to the Federal High Court, which in three orders between 2004 and 2006 confirmed the foreigners' shares, let him convene a board on the ground that the absent directors could not be found, and ratified the allotment of the remaining seven thousand five hundred shares to himself and his friends.

A man with no shares now held three-quarters of the only indigenous company with a Shell-style joint venture with NNPC. The heirs took Nigeria to arbitration and lost in 2020: the tribunal found no proof that the state and Fadeyi had acted in concert, only that the state had failed to intervene when it could and perhaps should have. Then the state came for Fadeyi.

In June 2020 the same Federal High Court granted the Asset Management Corporation an ex-parte order over two hundred and forty billion naira of debt, seized his three oil blocks and his houses, and directed the Inspector-General of Police to assist. The principal block went to the state oil company.

Against that record, a petition from five shareholders holding a hundred and sixty-one shares, and a work permit revoked on the strength of it, was not an aberration. It was the custom of the country. What was new at Seplat was only that the target was a Scot in a London-listed company, and that the London rules held long enough for the courts to catch up.

All is never what it seems.

The great onshore retreat

The opportunity did not fall from the sky. The retreat that had begun with a few Shell cast-offs in 2010. In the space of a decade, it became a stampede.

The backstory behind the march to exits deserves telling. In January 1993, after some three hundred

thousand Ogoni marched against it, Shell announced it would withdraw its staff from Ogoniland, the corner of the delta that Ken Saro-Wiwa, a pugnacious writer, environmentalist, and businessman, had made the conscience of the industry.

Thirty-four months later, in November 1995, Saro-Wiwa and eight of his colleagues were hanged by the Abacha regime after a tribunal, whose verdict was condemned around the world, sentenced them to death.

J. Timothy Hunt's account of the Wiwa family's ordeal, **The Politics of Bones**, preserves this chapter of Nigeria's murky oil sector.

Although Shell stopped producing in Ogoniland, the reputational millstone of the onshore delta violence, oil spills, production sabotage, litigation in The Hague and London, and protests dragged on for years.

Everything the majors did in the delta afterwards was, in one way or another, a management of the fallout of the execution of Saro-Wiwa and the Ogoni Nine.

By the 2020s the arithmetic of staying had turned openly punitive. Between 2009 and 2020, by the count of Nigeria Extractive Industries Transparency Initiative (NEITI), Nigeria lost some six hundred and twenty million barrels of crude to theft and vandalism, worth around forty-six billion dollars. The state spent close to half a trillion naira simply repairing sabotaged pipelines.

It would be helpful to look at the economics that put the majors between a rock and a hard place. Lifting a barrel onshore cost between twenty-five and forty-eight dollars, against two to nine dollars in Saudi Arabia, and an operator seeking approval for almost anything might navigate as many as twenty overlapping federal agencies to obtain it. The wonder is not that the majors left. It is that they stayed so long.

In March 2025, Shell agreed to sell its entire Nigerian onshore subsidiary to the Renaissance consortium for two and four-tenths billion dollars for a total consideration estimated at \$2.4 billion. The previous year Eni had sold its onshore arm, Nigerian Agip Oil Company, to Oando for \$783 million, a deal that received regulatory approval in August 2024.

TotalEnergies moved to exit its stake in the same Shell venture, a transaction worth five hundred and ten million, approved in 2025. Equinor ended three decades in the country by selling to Chappal.

“The wonder is not that the majors left. It is that they stayed so long.”

Each of them retreated to the same destination: the deepwater offshore where the theft, the community agitation, lawsuits, and the decades of accumulated environmental liability could not follow.

The onshore Niger Delta, troublesome, looted, and heavily litigated, was being handed back to Nigerians faster than anyone had predicted. By the upstream regulator's own count, some twenty-one billion dollars of assets changed hands this way, even as upstream capital expenditure fell to roughly a fifth of what it had been a decade earlier.

What turned their exit into an indigenous opportunity, rather than a fire sale into a void, was a piece of legislation two decades in the making. **The Petroleum Industry Act of 2021** did not merely reorganise the sector; it quietly re-priced it for Nigerian buyers.

The old **Petroleum Profit Tax** had taken up to eighty-five per cent off the top, a burden only a supermajor's balance sheet could carry. The Act dismantled it, substituting a hydrocarbon tax and standard company tax that brought the combined take for onshore and shallow-water operators down to between forty-five and sixty per cent, and at a stroke the same troubled assets began to support the debt an African bank could lend against.

The Act also unbundled the referee from the players. The Nigerian National Petroleum Company (NNPC), Nigeria's national oil company, had spent decades as operator, policy-maker and regulator in a single body. The PIA split oversight between a new upstream commission, the NUPRC, and a separate midstream and downstream authority, and converted NNPC itself into a limited company expected to behave commercially.

Divestment consent, once a matter of ministerial mood swings and the caprices of bureaucrats, acquired a statutory predictability.

Two further provisions mattered to any buyer inheriting half a century of grievance.

The Act obliges every upstream operator to pay three per cent of its annual operating expenditure into a development trust for its host communities,

and it attaches that obligation to the licence itself, so that an acquirer inherits a legal framework for community peace rather than a legacy feud.

Then it addressed the question of who pays to close the wells down.

Licensees must now fund decommissioning and abandonment in advance, and under the regulator's divestment framework a departing major cannot hand a local buyer a toxic clean-up bill on its way out.

On the Seplat transaction alone, the NUPRC secured more than four hundred million dollars in decommissioning liabilities before approving the transfer. The state, in effect, had learnt to de-risk its own retreat.

There were early signs that the transfer was working on its own terms. By the regulator's count, daily crude theft, which had run above a hundred thousand barrels in 2021, had fallen by roughly ninety per cent four years later, as local owners proved better than absentee majors at policing their own pipes.

Into that gap stepped Seplat, reaching for the largest prize on offer.

If the whole wave had a crown jewel, it was the shallow-water portfolio of Mobil Producing Nigeria Unlimited (MPNU), the local arm of ExxonMobil. Seplat wanted it.

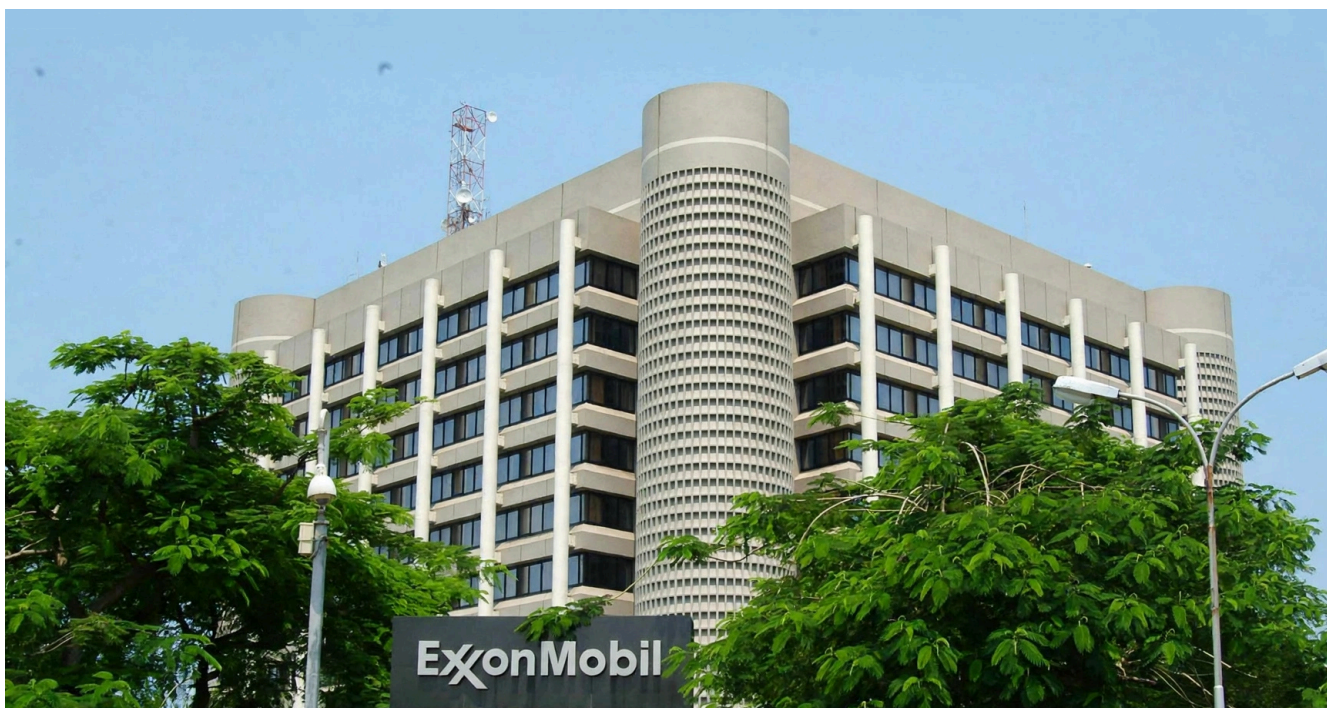
Seplat sensed that Mobil would offload the assets at some point. When the American company decided to let go, Seplat was ready as the best suitor.

Underneath all the litigation, the company kept doing the one thing that made the boardroom fist-cuffs worth it: Seplat got bigger and bigger.

By the tenth anniversary of the listing, in April 2024, Seplat had returned some five hundred and seventy-five million dollars to shareholders, and paid more than two billion in royalties, taxes, and levies to the Nigerian state.

Within the same timeframe, it had ploughed over one and a half billion dollars back into the ground, and more than doubled its reserves to four hundred and seventy-eight million barrels of oil equivalent.

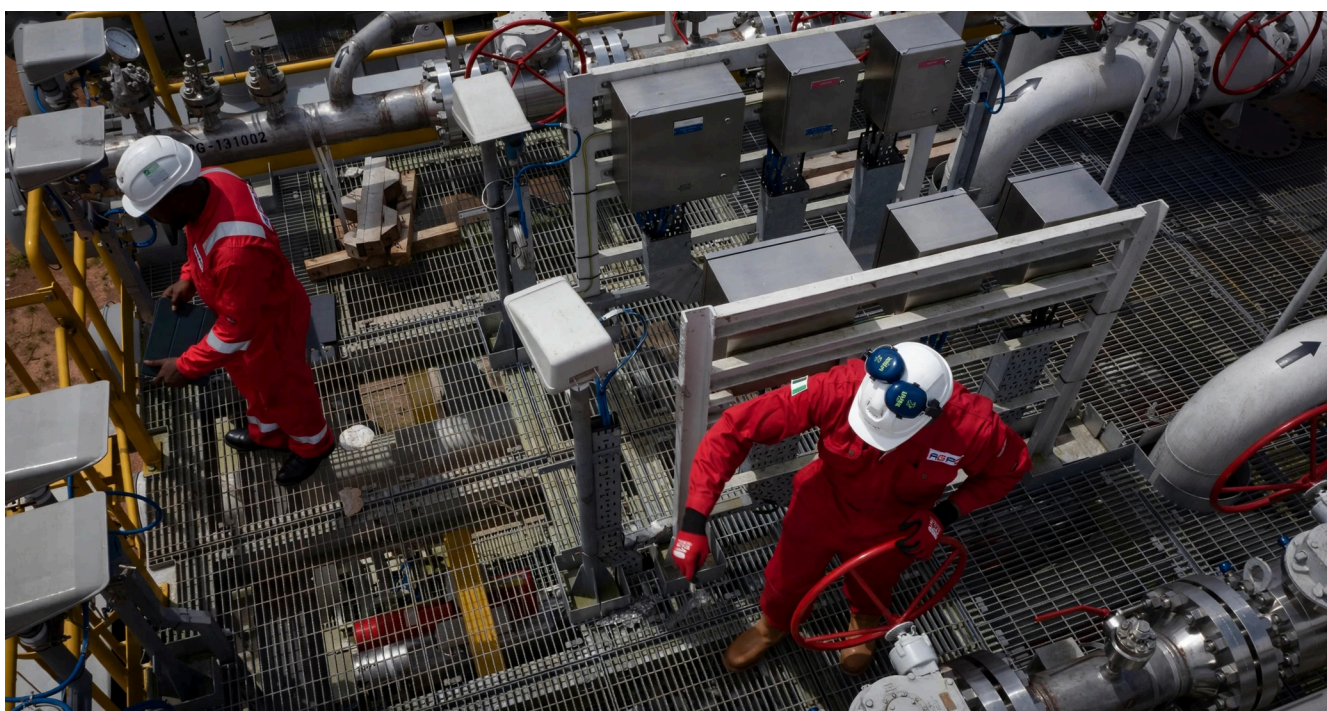
Whatever noise was coming from the top floor, the music of its money-making machinery never stopped playing. While directors bickered, the business compounded.



THE PRIZE

The fortress on Ozumba Mbadiwe

Since it was opened in 1991, the iconic Mobil House has stood as a fortress on Ozumba Mbadiwe Street, Victoria Island. Designed by James Cubitt & Partners, 12-storey, square-shaped tower, has been renamed Seplat House.



THE NEXT CHAPTER

Where the money goes next

Operations team at ANOH Gas Processing Company (AGPC), a Seplat Energy / NNPC JV, overseeing maintenance at one of Nigeria's most strategic gas infrastructure assets.

While directors bickered, the business compounded

Share price indexed to Seplat IPO · 14 April 2014 = 100

+145%

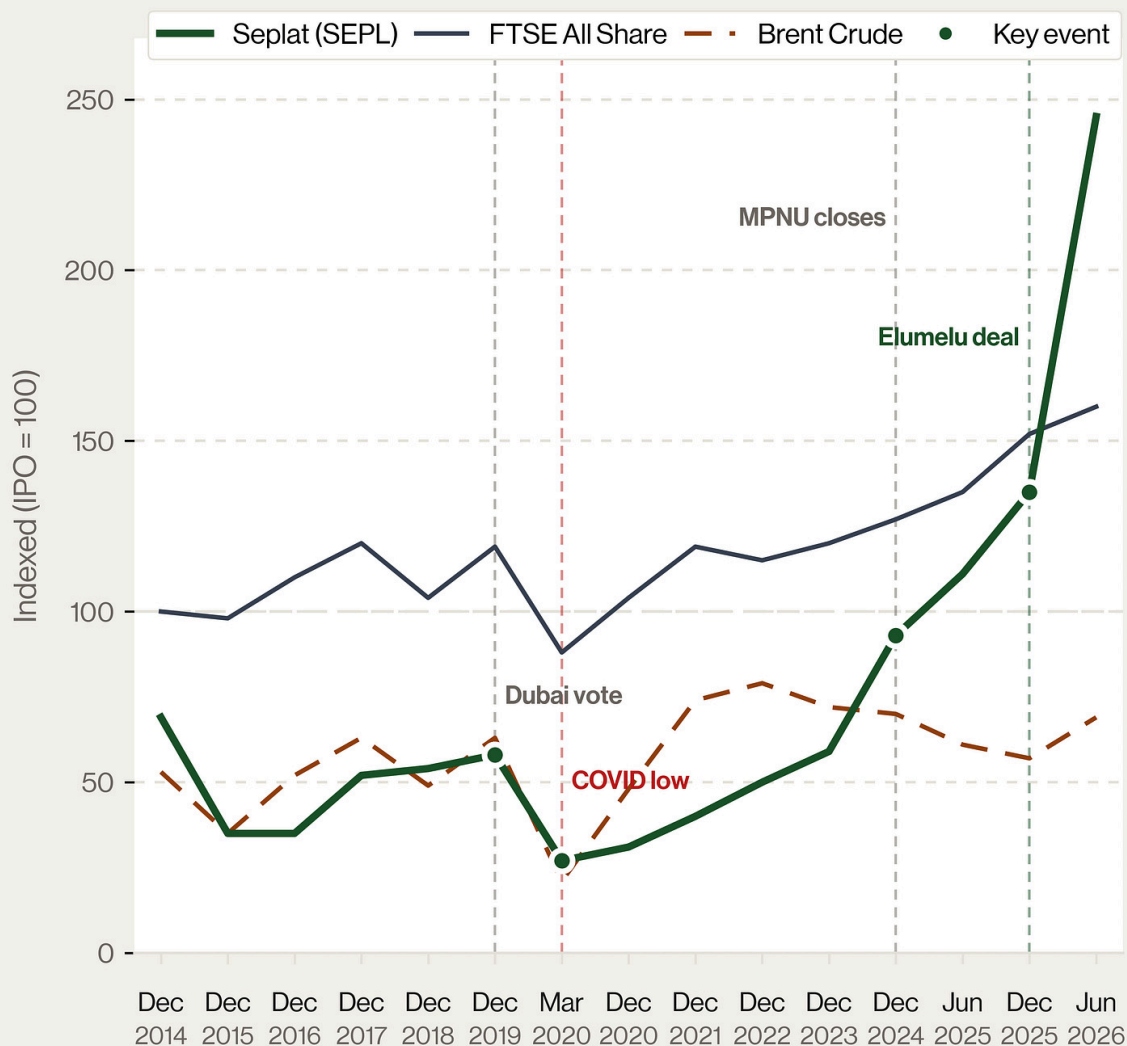
Seplat price return

+60%

FTSE All Share

-31%

Brent Crude



Seplat: actual year-end closes, LSE (OHLCV data). IPO offer price 210p, 14 Apr 2014 = 100.

FTSE All Share: year-end closes derived from FTSE 100. Brent Crude: approximate year-end /bbl, inc
FTSE and Brent approximate. Jun 2026 = 30 Jun 2026: Seplat 515p confirmed; FTSE All Share 5,635;

Source: London Stock Exchange. All series indexed to Seplat IPO, April 2014 = 100. FTSE All Share and Brent Crude approximate.
For illustration only.

The proof did not tarry in coming

The Dubai succession vote happened in November 2019. The following month, Seplat completed the acquisition of Eland Oil & Gas, an Aberdeen-headquartered independent whose crown jewel was OML 40, a prolific Niger Delta block. Eland, which started operating in Nigeria in 2012, had taken the block from three thousand barrels a day in 2014 to a peak of more than thirty-one thousand by 2018.

The price was three hundred and eighty-two million pounds, paid in cash, at a twenty-eight per cent premium to the market.

This transaction marked the first time a Nigerian company had acquired a London-listed business outright.

In February 2022, Seplat agreed to buy MPNU, ExxonMobil's shallow-water business in the country, for an initial price of \$1.28 billion. The target pumped close to 100,000 barrels of oil equivalent per day in its own right.

For a company producing barely fifty thousand, this was not an acquisition; it was a transformation. In a single stroke, Seplat tripled in size, vaulting to the front rank of African independents.

Of course, big business in Nigeria is not for the faint-hearted. The deal spent close to three years in limbo while the powerful interests laboured in the shadows to throw a spanner in its wheels. In a telling example, President Buhari approved it, then reversed himself days later. Clearly, there were political associates of the president and oil industry insiders who allied with NNPC to abort the deal. In NNPC's case, it insisted that a prize that size should not pass to a private operator without a fight.

Not until December 2024 did the transaction finally close. Subject to adjustments over the long interim period, the consideration was pared down from the initial one and a quarter billion dollars to a final cash payment of approximately eight hundred million. This extended delay became a parable of how hard it is, in Nigeria, to complete the very indigenisation the country says it wants.

When it did close, the scale of the prize was gargantuan. Seplat's production for 2025 averaged around a hundred and thirty-one thousand barrels of oil equivalent a day, up almost a hundred and fifty

per cent on the year before. Revenue cleared two and a half billion dollars.

Net debt sat at a comfortable half a turn of earnings. In March 2025, the company raised a six-hundred-and-fifty-million-dollar bond and priced it inside Nigeria's own sovereign, a quiet signal that the market now trusted Seplat's balance sheet more than the country's.

The petroleum engineering skills beneath the financial engineering wizardry were even more impressive. A programme to revive idle, long-abandoned wells added close to fifty thousand barrels a day of gross output for a fraction of the cost of drilling new ones. Proven and

"The state, in effect, had learnt to de-risk its own retreat."

probable reserves passed a billion barrels of oil equivalent.

In the league of big players, Seplat was no longer a stripling with a few onshore blocks under its belt. It was a genuine independent operating at scale, the largest energy company on the Nigerian exchange.

This is exactly why it presented a tempting opportunity for a takeover by the grandmaster of stealth acquisitions.

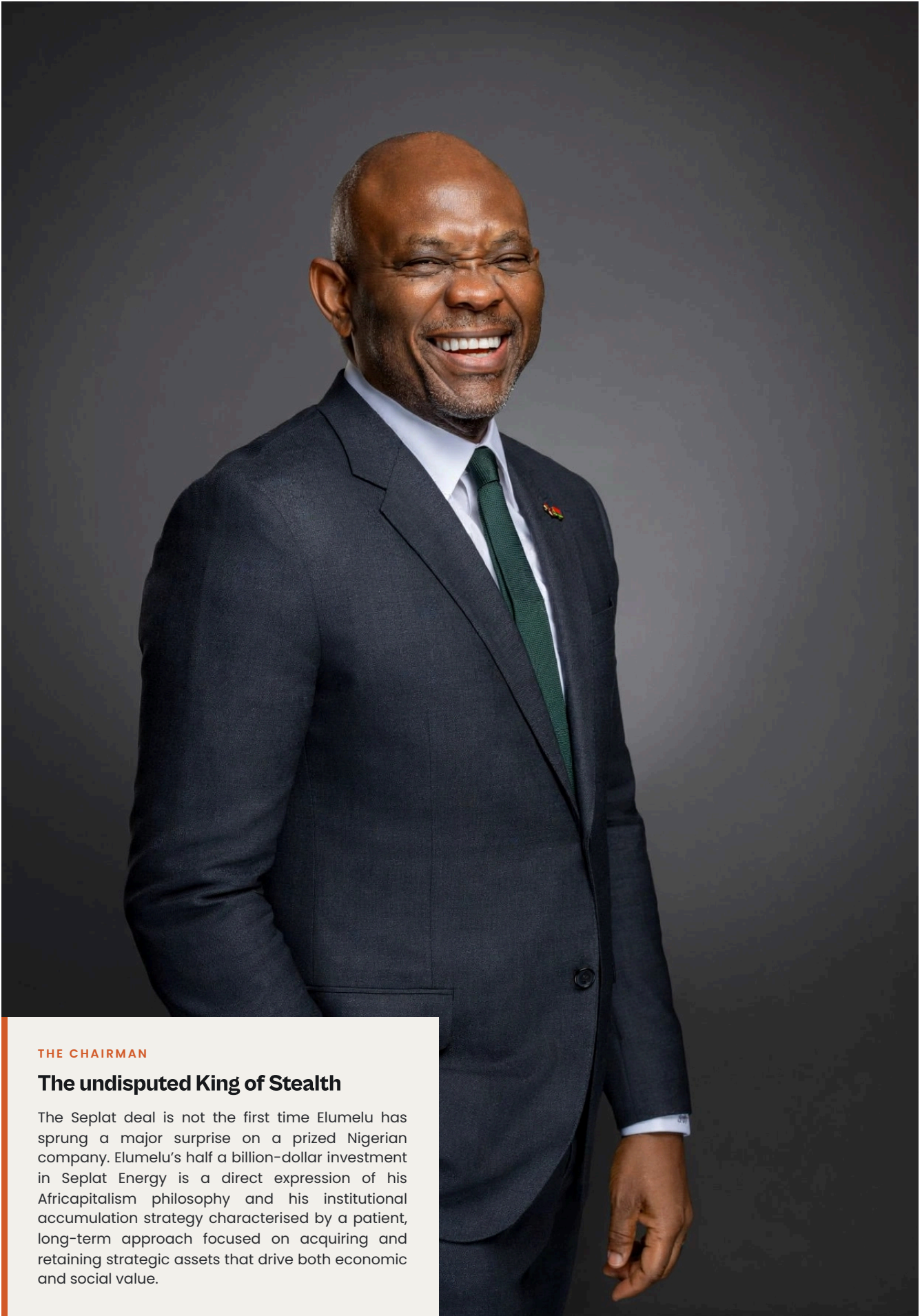
His name, Tony Elumelu.

The cardinal becomes pope

On 30 December 2025, after the market had closed and the year had all but run out, Elumelu unveiled the plan he had been working.

Heirs Energies, his oil and gas vehicle, agreed to buy Maurel et Prom's entire holding for roughly four hundred and ninety-six million dollars at three hundred and five pence a share. Of this amount, \$248m was paid upfront, the rest within 30 days under an irrevocable letter of credit, with \$10m more riding on Seplat's shares.

On the share register, this came to 120.4 million shares, just over twenty per cent of Seplat.



THE CHAIRMAN

The undisputed King of Stealth

The Seplat deal is not the first time Elumelu has sprung a major surprise on a prized Nigerian company. Elumelu's half a billion-dollar investment in Seplat Energy is a direct expression of his Africapitalism philosophy and his institutional accumulation strategy characterised by a patient, long-term approach focused on acquiring and retaining strategic assets that drive both economic and social value.



FORBES AFRICA, JUNE 2012

On a mission to multiply

Fourteen years before he took Seplat, Elumelu told Forbes Africa what he intended to do with the fortune he had made at UBA.

"Upon my retirement from UBA it was a question of 'beyond business'. I tell people I was born in Africa, bred in Africa, schooled in Africa, worked in Africa, still work in Africa, and achieved some level of financial and economic comfort in Africa, from Africa to—so you ask yourself, what's next?"

What's next for me is: I'd like to create more Tony Elumelus. If, due to our entrepreneurial drive we've been able to create 25,000 jobs, if we had 10 or 100 people like me, multiply 25,000 jobs by 100, it's more impact. To me those are more sustainable and impactful ways of helping society than just donating money."

Embarking on such a journey, he looked to the example of Warren Buffett.

"I decided, okay, it's time to build a holding company that will monitor our investments in companies we've invested in. What we do here at Heirs is slightly patterned after Berkshire Hathaway. Buffett is a very astute and serial investor. I like his business sense. When it's time to give back to society, he'll give, but time for business is business; they are two different things."

"I like to make people understand that there is no glass ceiling, that you are who you want to be; that if I can, you too can... I was not the most brilliant in school, and I also did not have all the resources growing up, to have everything I wanted. But I had a determination, I had a purpose, nothing in my life happened by chance... and I think people can become what they aspire to be."

Extract from Forbes Africa, June 2012

The financing stood on African foundations, backed by **Afreximbank** and the **Africa Finance Corporation**, and it followed a seven-hundred-and-fifty-million-dollar facility Heirs had already arranged with the former.

The French shareholder, which had been acquired by Pertamina, Indonesia's state oil company, in August 2016, and had anchored Seplat since its birth took its leave. Elumelu was, at a stroke, the largest owner of the company.

In the space of two decades, Elumelu had scored a hat-trick when no one else was looking. First came the merger between Standard Trust Bank and UBA in 2004, followed by the takeover of Transnational Corporation (Transcorp) in 2011, and in 2025, Seplat, the crowning glory came to fruition. The scale of ambition required to achieve all three, not to mention the watertight secrecy to avoid leaks, is mind-boggling.

The yoga-practicing business now had his tentacles spread across the crown jewels of the economy: banking, fintech, power, energy, hospitality, insurance, health maintenance, health services, real estate, digital transformation and technology services.

Within weeks, the stake was showing a paper gain north of a hundred million dollars, the market's verdict delivered almost before the ink had dried.

Elumelu did not inherit his method; he built it out of almost nothing. He was not, by his own cheerful admission, the brightest boy in his school, nor did he come from a moneyed home.

He started as a salesman, selling photocopiers door to door in Lagos, a young economics graduate with little but aching hunger in his belly, monastic discipline in his heart, a burning conviction in his mind that there was no glass ceiling.

An impeccable dresser, recognisable by his sharp suits and cardinal red socks, T.O.E., as many call him, has always been a strong believer in the power of agency. His view is that nothing in life is predetermined, and that when something happens, it is the result of work put in by someone.

The same philosophy would inspire Africapitalism, a homegrown development concept he developed. Essentially, Africapitalism is a call to entrepreneurs and businesses in Africa to take actions that will increase economic and social wealth, and promote development in the communities and nations in which they operate.

T.O.E's golden portfolio of investments

What the man who will chair Seplat from January did with the three businesses he took control of before it.

UBA Standard Trust merged into UBA, 2005. Chief executive 2005–2010; chairman 2014 to 21 August 2026	
Starting point, 1997	Crystal Bank, a distressed lender, taken over by Elumelu at 34 and renamed Standard Trust Bank; Nigeria's fifth-largest bank by 2004
The 2005 merger	Standard Trust absorbed the larger UBA, then Nigeria's third-largest bank, in what was described at the time as the biggest banking merger in the country's history
Total assets	Crossed ₦10 trillion in 2022 (₦10.9 trillion); ₦33.2 trillion at December 2025
2025 results	Gross earnings ₦3.08 trillion; profit before tax ₦423.4 billion, down from ₦803.7 billion in 2024
Customer deposits; shareholders' equity, 2025	₦27.2 trillion; ₦4.25 trillion
Footprint at his departure	20 African countries plus the UK, France, the United States and the UAE; more than 45 million customers

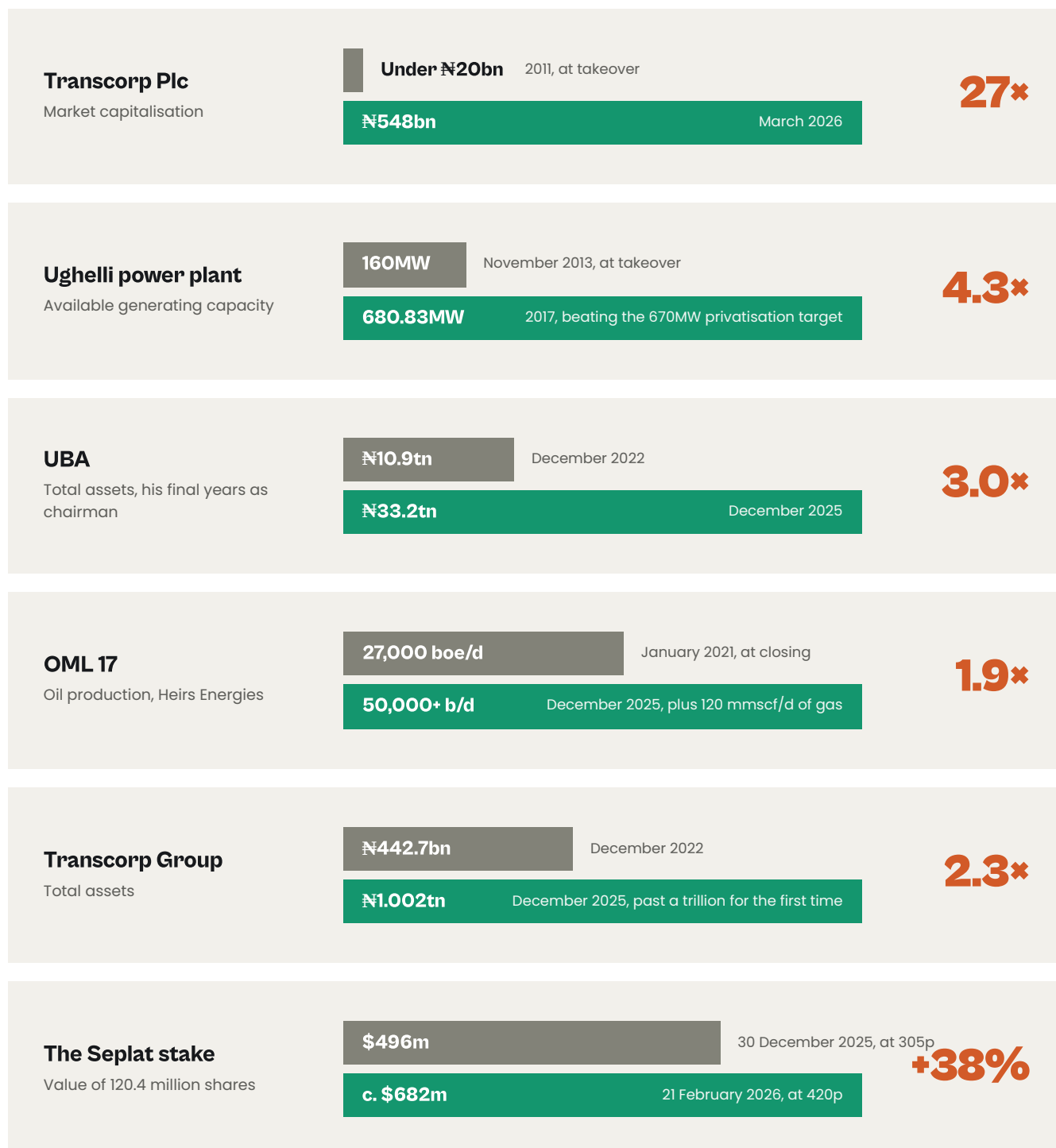
Transcorp Heirs Holdings began buying in April 2011; chairman since September 2011	
Market capitalisation at takeover, 2011	Under ₦20 billion, by Elumelu's own account to shareholders
Ughelli power plant, acquired 1 November 2013 for about \$300 million	Available capacity raised from 160MW to 680.83MW in four years, beating the privatisation target of 670MW; 625MW available in 2025
Afam power plant, acquired November 2020	966MW installed, bought for ₦105.3 billion (about \$300 million); peak generation tripled to 270MW in 2025
Installed generating capacity, group	About 2,000MW, roughly 15.5 per cent of Nigeria's total
Audited 2025 results	Revenue ₦544 billion, up 33 per cent; profit before tax ₦179.5 billion; total assets past ₦1 trillion for the first time
Market value, 2026	Transcorp Plc about ₦548 billion; ₦4.78 trillion (\$3.54 billion) for its listed companies combined, by the company's count. Transcorp Hotels alone reached ₦2 trillion in December 2025
Elumelu family stake	About 36 per cent, after buying back control from Femi Otedola in 2023

Heirs Energies Operating since 2021; the vehicle that now holds the Seplat stake	
OML 17, acquired January 2021	45 per cent from Shell, Total and Eni with \$1.1 billion of financing; 27,000 boe/d at closing, 2P reserves of 1.2 billion boe by its own estimate
Who lent	Afreximbank, Absa, Africa Finance Corporation, Union Bank, Hybrid Capital and Amundi, with Standard Chartered as global coordinator
OML 17 by December 2025	More than 50,000 barrels of oil a day and 120 million cubic feet of gas; reserves put at 1.5 billion barrels and 2.5 tcf
December 2025 refinancing	\$750 million five-year reserve-based facility from Afreximbank, intended to take output towards 100,000 barrels a day
The Seplat stake, agreed 30 December 2025	120.4 million shares, 20.07 per cent, at 305p: \$496 million, half paid upfront, plus up to \$10 million contingent on the share price
Paper gain by 21 February 2026	About \$186 million, with Seplat at 420p

Sources: UBA audited results and annual report for 2025 and results for 2022; Transcorp audited results for 2025 and disclosures to the Nigerian Exchange, 2020 and 2023; Bureau of Public Enterprises; Forbes, November 2013; Premium Times, June 2023; Proshare, March 2026; Heirs Holdings statement, January 2021; Maurel & Prom regulatory announcement, 30 December 2025; Afreximbank, December 2025. Figures marked as the companies' own are as stated by them.

Before and after Elumelu

Six measures of what happened to the businesses he took control of, on the same scale. Each pair of bars is drawn in proportion.



■ At takeover, or start of period ■ Latest reported

Bars within each row are scaled to the larger figure; rows are not comparable with one another. Transcorp's 2011 capitalisation is Elumelu's own figure to shareholders; the UBA comparison covers only the last three of his twelve years as chairman, since earlier figures were not verified for this issue. The Seplat figure is a paper gain at the prevailing London price. Sources as on the preceding page.

He invited them to come up with solutions that do not require extraordinary means to bring to market, then carve out a market niche. The rest will take care of itself. At its core, it advocates that if Africans want to see a better continent, then the onus is on them to build it by themselves.

Elumelu has never pretended to be the smartest in the room. What he had was a longer horizon than anyone else at the table, and the patience to wait it out.

Elumelu once gave a group of young entrepreneurs an inkling of his delayed-gratification ethos and its payoff.

"You know, even deciding not to buy a car as a young man, and instead saving the money to acquire property. I didn't have a car for a long time. So today, this is the fourth private jet I'm flying. But I didn't have a car growing up."

Since 1997, when he took over Crystal Bank, that sense of manifest destiny has never dimmed. In 1997, at thirty-three, he led a group of investors to acquire the shuttered lender, renamed it Standard Trust, and bet that a country of a hundred million people with almost no bank accounts was not a poor market but one on the cusp of exploding.

In 2005, he merged that bank into the older, and far larger but sedate United Bank for Africa. Within two years, it was the first Nigerian bank past a trillion naira, a pan-African institution in twenty countries.

When a regulator forced him out at forty-seven, too young to stop, he began again. This time, he built Heirs Holdings in the image of Warren Buffett's Berkshire Hathaway. In the process, he remade himself from the image of a man who runs banks into the node who owns the things banks finance.

Elumelu ran the same move through Transcorp in 2010.

The pattern never varies: take a commanding position in a company with significant potential upside, invest in expansion and innovation, install management that delivers results, and reshape the board until ownership and control are aligned.

His Seplat move fit the playbook to a T. But the acquisition of control was yet to congeal.

The delay was because control of Seplat still had a lock on it: the 2014 clause.

"For a company producing barely fifty thousand, this was not an acquisition; it was a transformation."

Last man standing

The whole story now came down to a single sentence written eleven years earlier, the one that said no big shareholder's man could chair the board.

Tony Elumelu did not get to where he stood in life without stretching, but never breaking, the rules to his will. More than once, he had proven the high elasticity of man-made restrictions. There was never any harm in trying.

Once more, he showed himself to be an archmage in business manoeuvres. Let others bend before the rules; for him, the rules nodded in quiet recognition.

By the stipulations of the founders' rulebook, the one seat a large shareholder could not take was the chairman's seat: the one his entire playbook took as an article of faith, where ownership and control became inseparable.

The board caved: it let the rule fall.

On 9 June 2026, Seplat issued a statement that the board had elected Mr Tony O. Elumelu, CFR, as Chairman with effect from 1 January 2027.

In his place, he said that "I am honoured to assume the role of Chairman in January 2027 and to support Seplat's next phase of growth. I look forward to building on the strong foundations laid by Senator Udoma and Roger Brown."

Years ago, when asked whether he would ever go into government, he waved the thought away: he was content, he said, to make the powerful rather than to be made, certain that the man behind the throne is the stronger of the two.

He who once avowed his satisfaction being a cardinal has plotted to become pope himself.

After the last presidential elections, a video of Asiwaju Bola Ahmed Tinubu, then the president-elect, visiting his home circulated widely on social media. In it, Elumelu effusively hailed the successful candidate as "the last man standing."

Turns out that among his peers, he is indeed the last one prancing with virility in the arena to the cheering of spectators. All the CEOs of his cohort from the nineties until 2010, when he stepped down, have retreated to quiet retirement to manage family offices, charitable foundations, and sit quietly on corporate boards.

Elumelu, who stepped down as the chairman of UBA on August 21, is tying his shoelaces for his next marathon.

“The pattern never varies: take a commanding position in a company with significant potential upside, invest in expansion and innovation, install management that delivers results, and reshape the board until ownership and control are aligned.”

The cap table at the end

The story of Seplat as a tale of success and web of intrigues will be studied for decades. The achievements of Orjiako and Avuru, regardless of their falling out along the way, cannot be diminished. These men took a dream, brought it to life, created thousands of direct and indirect jobs, and generated billions in value for shareholders and the Nigerian government.

They no longer hold sway at the company they co-founded but their footprint lingers.

How does the share register look today?

Heirs Energies holds just over twenty per cent.

Petrolin, the vehicle of the Beninois oilman **Samuel Dossou-Aworet**, holds 13.77 per cent, a block that has sat quietly near the top of the register for more than a decade while the founders warred above it.

Sustainable Capital, a frontier-markets fund manager out of Mauritius, holds close to ten. Then come the co-founders, or what remains of them.

Austin Avuru's interest, about eight and a half per cent, is held entirely through a company called Professional Support Limited.

Orjiako's residual stake is held through the Shebah vehicles the British Virgin Islands court dissected. His stake had slipped below the five per cent disclosure line by 2022, and much of it now sits under freezing orders, collateral in his creditors' hands.

The South African asset manager **Allan Gray** rounds out the list at around five and a half.

Set the two registers separated by time side-by-side, and the arc completes itself.

In 2010, three founders held everything: 33, 22 and 45.

Sixteen years later, the foreign anchor has been replaced by a Nigerian, the operating founder survives only through a holding company, the founding chairman survives mostly as a line item fighting litigation, and a good chunk of the balance is held by African institutional money.

Whatever else the eleven years accomplished, they transferred the company from men to institutions.

The question Elumelu's chairmanship poses is whether it is now travelling back.

The patience and the payoff

When Effiong Okon was announced as the incoming CEO in June, it was proof that patience pays.

A petroleum reservoir engineer from Akwa Ibom who had spent more than three decades at Shell, he joined Seplat in 2018 as Executive Director/Operations Director. From the very beginning, he was groomed as Avuru's heir.

His twenty-six-year career at Shell included the management of Nigeria's deepwater production operations and direct involvement in two of the industry's most technically demanding mega-projects: Shell's Bonga field in Nigerian deepwater and the Pearl Gas-to-Liquids facility in Qatar.

In Dubai, in 2019, the board chose otherwise. Roger Brown won the beauty contest.

But Effiong did not resign in a fit. He accepted the new-energy directorate that some read as a departure lounge for the passed-over executive.

He was handed ANOH, the vast gas-processing venture on which Seplat had staked much of its future, run through the ANOH Gas Processing Company, a 50:50 joint venture between Seplat and the Nigerian Gas Infrastructure Company, a subsidiary of the NNPC.

This 650-million-dollar development in Imo State was designed to process 300 million standard cubic feet of gas per day, turning wet gas into lean gas, LPG and condensate for Nigeria LNG, the strategic OB3 pipeline, and heavy industrial anchors like the Indorama petrochemical plant in Eleme, Rivers State.

In January 2026, Okon brought it to first gas, with early output stabilising at 50 to 70 million standard cubic feet per day as the plant worked up towards its design capacity.

ANOH was not merely an infrastructure project; it was the structural centrepiece of the country's domestic **"Decade of Gas"** industrialisation transition, making Okon's operational execution the ultimate rebuke to those who had questioned his leadership.

Seven years after the board passed him over, the engineer has been vindicated. The chief executive's chair, taken from him in a Dubai conference room, was handed back to him in Lagos.

His patience has proven his loyalty to the company.

Will they live happily ever after?

It is a telling pairing. Okon is an engineer through and through, the kind of operator who knows what drilling a deepwater well costs and why it fails.

On paper, he and Elumelu read like the perfect yin and yang: Elumelu, the money man, on one side, and Okon, the engineer, on the other, each complementing the other.

The story does not end there. In fact, this may be the beginning of a new exciting chapter in Seplat's story.

Elumelu's Transcorp owns a fleet of power plants that burn the very commodity Seplat's ANOH gas business produces. Elumelu's logical endgame could be hidden in plain sight: a vertically integrated gas-to-power value chain that captures the full margin from wellhead to national grid within

a single corporate framework may be his grand vision.

It is the Africapitalism thesis made flesh.

Elumelu inherits a paradox. The operating company is a genuine success, bigger and stronger than at any point in its life. The governance side of the equation is a more delicate bequest. He brings to it an unmatched record as a builder of African institutions, and a concentration of ownership and command that the founding rules pushed by Avuru were drafted to restrict.

Beneath the elegance is a hard commercial logic. For all its operational successes, Seplat spent a decade trading at an undeserved discount.

He is, in effect, betting he can close that gap by collapsing ownership and control into one disciplined hand, then turn a governance discount into a governance premium.

The real question is not whether the financier's playbook can capture an oil company, which it already has, but whether it can master the physics of sustaining its engineering prowess.

Seplat's talent was always operational. The company has assembled a corps of the best engineers and specialists in this part of the world. On the downside, its foundational governance structure was its weakest link, in spite of gathering what was, on paper, a pantheon of world-class directors.

Elumelu is strongest exactly where the company was exposed. Whether he will sustain its legacy strengths is another matter.

How things play out now depends on Elumelu's vision for the "Jewel in the African crown of Maurel & Prom" as industry insiders called it when PT Pertamina acquired a controlling stake in M&P a decade ago.

The hand Elumelu has not yet played

On a cold morning in January 2021, legal teams in Lagos and London finalised the transfer of a forty-five per cent working interest in OML 17 from Shell, Total and ENI to Heirs Holdings Oil and Gas, a vehicle created specifically for the purpose. The total financing package was \$1.1 billion.

Production at closing was approximately twenty-seven thousand barrels per day.



THE ENGINEER

The prince that bided his time

After a 26-year ascent mastering the technical complexities of Shell's global portfolio, from Qatar's Pearl GTL to the deepwater basins of the Niger Delta, Engr. Effiong Okon joined Seplat Energy at a time the co-founders were thinking of its next phase of leadership. As the dual-listed E&P company readies for the Elumelu era, the veteran petroleum engineer and seasoned executive will drive the acceleration of its strategy, and possibly take it in new directions.

“The chief executive’s chair, taken from him in a Dubai conference room, was handed back to him in Lagos.”

Proven and probable reserves, by Elumelu’s own account, stood at one point two billion barrels, with a further billion barrels of exploration upside beyond the two-P figure, industry parlance for proved-plus-probable reserves. The infrastructure on the block, built across the 1960s and 1970s, had once delivered one hundred thousand barrels per day.

So did the oil. What had been absent, for three decades of supermajor under-investment and ownership distraction, was an operator with the capital, the patience and the Nigerian relationships to rehabilitate both.

When **The Africa Report** covered the acquisition in May 2021, the framing was competitive: OML 17, the analysis argued, would allow Elumelu’s Heirs group to take on Seplat, then producing around fifty thousand barrels per day from its original Shell-inherited blocks. The reasoning was sound.

Under this scenario, having two serious indigenous operators competing for the same NNPC relationships and the same export infrastructure would redraw the hierarchy of Nigerian private oil in ways not seen since the marginal fields programme opened the door to indigenous operators two decades earlier.

As things have played out, that framing missed the destination by exactly one historic transaction.

Elumelu did not take on Seplat. He took it over. That is the signature of a man who does two things: he likes to play the long game, and he plays it where no one is looking.

The scale of the prize

The combination that is now structurally possible but not yet executed would be the most significant consolidation in the history of Nigerian indigenous oil.

Seplat’s post-MPNU proven and probable reserves stand at approximately one billion barrels of oil equivalent. OML 17’s two-P reserves, independently assessed, are 1.2 billion.

A combined entity approaches two point two billion barrels of proven and probable reserves, a figure

that places it above the category of Nigerian onshore operators. If it saw the light of day, the combination would rank beside the mid-sized international companies competing for West African deepwater licences and project-finance mandates from lenders that do not currently take Nigerian indigenous operators’ calls.

Seplat’s post-MPNU run rate is one hundred and thirty-one thousand barrels per day. A rehabilitated OML 17, operating at half its historical infrastructure peak, adds sixty thousand.

The combined platform, at one hundred and ninety thousand barrels per day, would dwarf the production capacity of every other indigenous upstream operator in Nigeria and reach the threshold at which a deepwater final investment decision becomes financeable without an IOC as the anchor.

NNPC’s negotiating posture, the pricing of export terminal access, the terms international lenders put to Nigerian borrowers: all of it shifts at that scale.

The industrial logic is not the question. The method of achieving it is where the devil lays his head.

Three paths are available.

First is the option of running Seplat and Heirs Energies as separate entities indefinitely. Off the bat, it is the most stultifying because of the weight of safeguards that must be put in place, and its ceiling on shareholder value creation. It may be defensible for a passive financial investor holding a minority stake. It is not defensible for the man who controls Seplat’s board agenda, chairs its meetings from January 2027, and simultaneously owns the producing licence that most obviously belongs inside Seplat’s portfolio.

A twenty per cent stake purchased for five hundred million dollars is not a portfolio position. It is a controlling interest in a company that is the natural home for his other energy assets.

The governance consequences of sustained parallel operation are not theoretical. Every capital allocation decision between the two entities places Elumelu on both sides of the table at once: which company drills the next well, which one bids for the next divestment block, which one bears the infrastructure costs of shared pipeline access along the Trans-Forcados corridor.

The UK's **Financial Conduct Authority's** related-party transaction rules require disclosure and independent shareholder approval above material thresholds. Those thresholds, in the context of two companies of this scale operating adjacent licences under common control, will be crossed repeatedly. The independent directors Elumelu installs in 2027 and 2028 will determine whether those rules operate as a genuine constraint or a formality. History suggests the market will price the uncertainty regardless.

The most instructive historical cautionary is not a fraud or a scandal but a governance structure that worked exactly as designed for ninety-eight years before it failed. During this period, Royal Dutch Shell operated a dual-listed arrangement between Royal Dutch Petroleum and Shell Transport and Trading under a joint sixty-forty agreement from 1907 to 2005.

The arrangement survived two world wars and the nationalisation wave that ended the colonial oil economy. A 2004 discovery that the group had overstated its reserves by twenty per cent across multiple accounting

periods laid it to rest. The joint board structure, with accountability diffused between two sets of directors in two jurisdictions, had made the misstatement easier to sustain.

Complexity in the ownership layer does not generate fraud *per se*; the risk lies in the room for complexity and opacity it creates. And in London, where institutional investors have lived through the ENRC and Bumi experiences, opacity is priced as a discount. Better safe than sorry is the word.

A second is an asset injection, the more probable near-term path, most likely executable in the 2028 to 2030 window. It is contingent on two preconditions that do not currently exist but are structurally feasible.

The first precondition is balance sheet preparation. OML 17's acquisition debt, raised through a 2021 consortium that included Afrexim, the Africa Finance Corporation, ABSA and other institutions, must be substantially reduced before it lands on Seplat's consolidated balance sheet. Seplat's seven-hundred-million-dollar bond, priced inside Nigeria's sovereign curve in March 2025, was evidence of the investment-grade discipline the post-MPNU balance sheet had earned through several years of careful

capital management. Importing OML 17's acquisition debt untreated would surrender that pricing power in a single transaction, at a cost to Seplat's minority shareholders.

The second precondition is NNPC's consent. The national oil company retained a fifty-five per cent participating interest in OML 17 at the time of the 2021 acquisition and carries consent rights over any subsequent transfer of the working interest. The MPNU precedent is the only available benchmark for what NNPC's engagement looks like when a major asset is changing hands between private parties. Since Elumelu's political relationships in Abuja are deeper than those of his predecessors at Seplat, they may

"Elumelu did not take on Seplat. He took it over. That is the signature of a man who likes to play the long game, and plays it where no one is looking."

soften the resistance. Whether they are deep enough to compress a process that has historically expanded rather than contracted under pressure is the central variable in the transaction's timing.

Finally, there is the full business combination: folding Heirs Energies entirely into Seplat through a scheme of arrangement. It is a tantalising option. It would fold Heirs' 1.5 billion barrels of oil and 2.5 tcf of gas into Seplat's 2.5 billion boe resource base of 2P reserves and 2C resources, eliminating the holding-company discount and creating the only indigenous balance sheet capable of anchoring a \$3 billion deepwater final investment decision (FID). The logic is inexorable.

If Elumelu opts for this route, then there is a lot of work ahead, closer to a decade of getting regulators and investors onside. A private company being merged into a London premium-listed vehicle requires FCA-standard due diligence of a kind that no privately held Nigerian oil company has historically been required to undergo, co-investor pre-emption rights in OML 17 must be navigated, lender consents obtained across multiple facilities, and NNPC consulted at a level of complexity that makes the asset injection look straightforward by comparison.

The full combination is not the primary objective in the medium term. Rather, it is the architecture that becomes available once the asset injection has been cleanly executed, Heirs Energies' assets have been partially subjected to the transparency disciplines of a London listing, and the combined management team has demonstrated it can run a portfolio at this scale.

Everything written here is conjecture. There are many moving parts that will shape how the future would unfold at Seplat. What is not in doubt is that if Elumelu's expansionist precedents at Transcorp and UBA are anything to go by, Seplat's flag will become the preeminent non-state indigenous energy company on the continent within the next ten years.

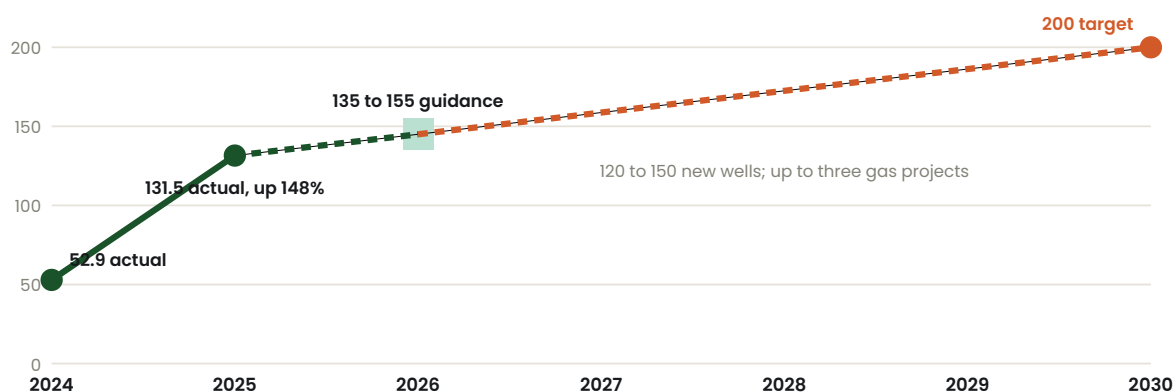
Do not say I did not tell you.

*The writer, **Obiora Tabansi Onyeaso**, is the managing director of Podhium, a reputation ratings institution for structurally opaque markets based in Lagos. He can be reached at obiora.onyeaso@podhium.com*

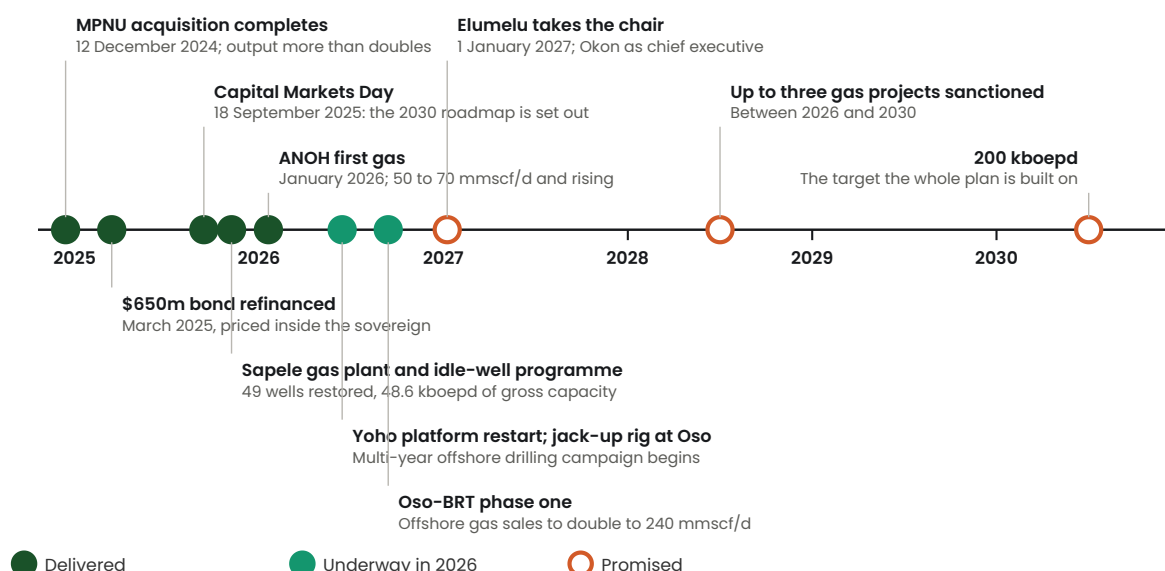
Seplat's road to 2030

The five-year strategy the board set out at its Capital Markets Day in September 2025, what has been delivered since, and what remains to be done under a new chairman.

WORKING-INTEREST PRODUCTION, THOUSAND BARRELS OF OIL EQUIVALENT A DAY



MILESTONES: DELIVERED, UNDERWAY, PROMISED



THE 2026 TO 2030 TARGETS, AS SET OUT ON 18 SEPTEMBER 2025

\$2.5bn to \$3bn

capital expenditure over five years, about half of operating cash flow

\$5bn to \$6bn

cumulative cash flow from operations, 2.5 to 3 times the previous five years

\$1bn

in dividends, 40 to 50 per cent of free cash flow, with a floor of \$120m a year

\$10 a barrel

operating cost target by 2030, from \$12.50 in the first half of 2025

1.04bn boe

proven and probable reserves after the revised report; 2.3bn boe with contingent resources

0.5x to 1.5x

net leverage to be kept within this range while Brent averages above \$50

Sources: Seplat Energy Capital Markets Day announcement, 18 September 2025; audited results for 2025, 26 February 2026; results for the first half of 2025. Production is working-interest; 2026 is company guidance; 2030 is the company's target.

THE NUMBERS DON'T LIE

METRIC	FOUNDING (2010)	2025
Gross production from the original Shell blocks (OMLs 4, 38 and 41)	14,000 b/d	70,000+ b/d by 2014
Group production, annual average	—	c. 131,000 boe/d
Proven and probable reserves	—	1 billion boe+
Revenue	—	\$2.5 billion+
Acquisition price of the Shell blocks	\$340 million	—
Gross proceeds, London and Lagos IPO, April 2014	—	c. \$500 million
Returned to shareholders in the first decade as a listed company	—	c. \$575 million
Royalties, taxes and levies paid to the Nigerian state	—	\$2 billion+
Paid to founder-linked companies, 2010–2021 (Bloomberg)	—	\$450.5 million
Largest shareholder	Maurel & Prom, 45%	Heirs Energies, 20%+
Founders' combined stake	55%	c. 8.5% (Avuru); under 5% (Orjiako)
Chief executive	Austin Avuru	Roger Brown; Effiong Okon incoming
Chairman	ABC Orjiako	Udoma Udo Udoma; Tony Elumelu from 1 January 2027
Figures as reported in the accompanying article. Production, reserves and revenue as disclosed by the company for 2025; ownership and board positions as at September 2026; percentages approximate.		

ABOUT THE AUTHOR



Obiora Tabansi Onyeaso

Founder and Managing Director, Podhium

Obiora Tabansi Onyeaso has spent over two decades at the intersection where corporate governance, market reputation and capital allocation meet in Africa: the point at which decisions are made on who should be trusted, in which domains, and at what price.

As Founder and Managing Director of Lagos-based Podhium, he builds the evaluation infrastructure that decision-makers rely on in structurally opaque markets: environments where disclosure is thin, signals are performed as often as they are earned, and high-stakes judgements about people, institutions and capital must be made on fragments.

His work ranges across ratings architecture and reputation intelligence, always in service of the same conviction: that in markets where information is scarce, **verified reputation is the scarcest capital of all.**

Obi earned a degree in Combined Social Sciences (Political Science and Philosophy) from the University of Nigeria, Nsukka.

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Board Games: White Knights and Dark Strategies at Seplat Energy

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