8 June 2023

Savannah Energy PLC
("Savannah" or "the Company"")

FY 2022 Audited Annual Results

Notice of AGM and Posting of the 2022 Annual Report

Savannah Energy PLC, the British independent energy company focused around the delivery of ***Projects that Matter***, is pleased to announce its audited results for the year ended 31 December 2022. The Notice of the Annual General Meeting ("AGM" or "Meeting") is available to download from the Company's website (www.savannah-energy.com). A copy of the 2022 Annual Report and Accounts ("Annual Report") will be available to download from the Company's website later today. The Notice of the AGM has been posted to those shareholders who have elected to receive postal copies.

Andrew Knott, CEO of Savannah Energy, said:

"2022 was another year of significant progress and growth for our company. Our Total Revenues[1] grew by 26% to US$290m, our Adjusted EBITDA[2] rose by 27% to US$222m. To put these numbers into context, since the announcement of our decision to acquire our Nigerian business in 2017, it has delivered six consecutive years of Total Revenues[1] growth at a compound annual growth rate of 21%. This growth has seen us more than double the number of customers the business serves and increase the share of Nigeria's thermal power generation capacity that it supplies from 10% to 24%. Our performance against key industry sustainability metrics relating to HSE performance, carbon intensity, senior management gender diversity and local employee ratios remain industry leading.

Looking forward to the rest of 2023, I am confident in where we are as a business. Key projects we are focused on completing include: (1) the closing of our proposed acquisition of PETRONAS' assets in South Sudan in Q3; (2) at least one further hydrocarbon asset deal; (3) reaching our target of having up to 1GW+ of renewable energy projects in motion by end of year; (4) the flow testing of our R3 East development in Q4; and (5) the refinancing our Nigerian debt.

I would urge shareholders to spend time reading through my CEO Letter to Shareholders and the "Why we do what we do" section of the Annual Report which discuss our corporate purpose and associated core beliefs which serve to underpin our hydrocarbons AND renewables strategy and business model. They are essential reading for anyone trying to understand what Savannah is, where we are going and why.

I would like to express my gratitude to all of those who contributed to our success in 2022 – my incredibly dedicated and passionate colleagues, our host governments, communities, local authorities and regulators, our shareholders and lenders, and our customers, suppliers and partners. Thank you all."

Key FY 2022 Financial Highlights

- FY 2022 Total Revenues[1] of US$290.4m (+26% on FY 2021 Total Revenues[1] of US$230.5m). This is ahead of the Company's previously issued FY 2022 guidance of 'Total Revenues[1] of greater than US$215.0m';
- Adjusted EBITDA[2] of US$222.4m (+27% on FY 2021 Adjusted EBITDA[2] of US$175.0m);
- Adjusted EBITDA[2] margin remained broadly unchanged at 77%;
- Average realised sales price for 2022 of US$4.14/Mscfe (-6% on the 2021 average realised price of US$4.42/Mscfe and driven by the broader mix of gas customers);
- Operating expenses plus administrative expenses[3] of US$66.2m (FY 2022 guidance of up to US$75.0m);
- Depreciation, Depletion and Amortisation[4] of US$39.0m (FY 2022 guidance of US$41.9m based on the actual produced volumes);
- Capital Expenditure for the year of US$23.6m (FY 2022 guidance of up to US$35.0m);
- Group cash balance[5] of US$240.9m as at 31 December 2022 (+56% versus FY 2021 year-end Group cash balance[5] of US$154.3m);
- Group net debt[6] of US$404.9m as at 31 December 2022 (+9% versus FY 2021 year-end Group net debt[6] of US$370.0m);

- Leverage[7] was 1.8x (2021 leverage[7] of 2.1x) and an interest cover ratio[8] of 3.4x (FY 2021 ratio of 2.8x); and
- Total Group assets amounted to US$1,760m at year-end (2021: US$1,349m).

Key FY 2022 Operational Highlights

- FY 2022 average gross daily production from the Nigerian operations was 26.8 Kboepd, a 20% increase from the average gross daily production of 22.3 Kboepd in FY 2021;
- Of the FY 2022 total average Nigerian gross daily production of 26.8 Kboepd, 90% was gas, including a 23% increase in gas production from the Uquo gas field, from 118 MMscfpd (19.7 Kboepd) in FY 2021 to 145 MMscfpd (24.2 Kboepd) in FY 2022;
- Four new gas sales agreements ("GSAs") announced during the year:
    - GSA announced with Central Horizon Gas Company Limited on 21 February 2022 to supply up to 5 MMscfpd of gas;
    - GSA announced with Trans Afam Power Limited on 6 June 2022 to supply up to 35 MMscfpd of gas;
    - GSA announced with Notore Chemical Industries PLC on 16 August 2022 to supply up to 10 MMscfpd of gas; and
    - Interim GSA signed with Shell Petroleum Development Company on 26 October 2022 to supply up to 3 MMscfpd.
- Contract extension announced on 22 April 2022 for the GSA with First Independent Power Limited, increasing the quantity of gas supplied from up to 35 MMscfpd to up to 65 MMscfpd and extending supply to cover three of its power plants, FIPL Afam, Eleme and Trans Amadi;
- In March 2022, Savannah announced its inaugural renewable energy project, the up to 250 MW Parc Eolien de la Tarka wind farm project in Niger. This is targeted to increase the country's on-grid electricity supply by up to 40% with project sanction expected in 2024.

Post-year End Operational Update

- Following the signing of two new renewable energy agreements post-year end, Savannah currently has up to 525 MW of hydroelectric, solar photovoltaic and wind projects in motion in Cameroon and Niger:
    - On 20 April 2023, Savannah announced the signing of an agreement for the development of the 75 MW Bini a Warak Hydroelectric Project located in the northern Adamawa Region of Cameroon. Project sanction is expected in 2024 and first power targeted in the 2027 to 2028 window.
    - On 11 May 2023, Savannah announced the signing of an agreement with the Government of Niger for the development of two proposed solar photovoltaic power plants, with the combined installed power generation capacity of up to 200 MW. The project is expected to receive project sanction in 2024, with first power targeted in the 2025 to 2026 window.
- Following Savannah's acquisition of a 41.06% indirect equity interest in the Cameroon Oil Transportation Company ("COTCo") from ExxonMobil on 9 December 2022, post-year end on 20 April 2023 Savannah's wholly owned subsidiary, Savannah Midstream Investment Limited ("SMIL"), signed a share purchase agreement with the national oil company of Cameroon, Société Nationale Des Hydrocarbures ("SNH"), relating to the sale by SMIL and purchase by SNH of 10% of the issued share capital in COTCo.
- For the five months to end May 2023, COTCo transported an average of 136.9 Kbopd of crude oil with a total of 21 liftings conducted on behalf of its customers. Each lifting saw the safe and successful transfer of approximately 1 MMbbls of crude oil from the FSO to ocean going vessels by COTCo on behalf of its customers.

Sustainability Highlights

- 0.34 Lost Time Injury Rate (2021: zero) and a 0.68 Total Recordable Incident Rate in 2022 (2020: 0.34);
- Low carbon intensity metric maintained of 9.7 kg CO_2e/boe (2021: 11.2 kg CO_2e/boe), 48% lower than the industry average of 18.7 kg CO_2e/boe;
- Senior management female gender diversity of 32% (2021: 35%);
- Total Contributions[9] to host nations Nigeria and Niger increased by 3% to US$56.9m (2021: US$55.1m);
- Investment in social impact projects in Nigeria and Niger increased by 23% to US$304,000 in 2022 (2021: US$246,000);
- The number of transport related incidents remained exceptionally low with one in 2022 covering over 1.3 million transport kilometres travelled (2021: two incidents);
- Road Traffic Accident Rate metric reported for the first time which was 0.14;
- Establishment of a multimillion-dollar, world class training scheme across the business for 2022-2023, resulting in a 74% increase in training hours per employee and a 109% increase in total working hours of training in 2022, respectively;
- Zero hydrocarbon spills recorded (defined as not greater than one barrel reaching the environment) (2021: zero);
- Freshwater usage reduced to approximately 11,314m^3 of freshwater from boreholes and mains supply (2021: 11,645m^3, restated figures); and
- Minimised our negative impacts on biodiversity by establishing Biodiversity Action Plans at our four operational sites.

Chair Statement from the Annual Report

Ready for the next phase of growth

Dear fellow shareholders,
2022 was another year of substantial achievements for our company as we continued to develop and invest in *Projects that Matter* in Africa. Our Nigerian business recorded yet another year of double-digit revenue growth, our Niger R3 East project benefited from the strong progress made towards the construction of the Niger-Benin pipeline and our Renewable Energy division established a pipeline of utility projects which we hope to develop through to first power over the course of the coming years. We also announced our intended acquisition of PETRONAS' assets in South Sudan, which produced an average gross 153.2 Kbopd in 2021. You will be able to read about all of this and much more in this year's Annual Report.

As we have grown, our commitment to the highest governance standards has remained a priority. In this regard, we continue to use the 2018 Quoted Companies Alliance Corporate Governance Code (the "QCA Code") as the basis of the Group's governance framework and the Corporate Governance Report on page 108 of the 2022 Annual Report explains how we applied the principles of the QCA Code in 2022.

In June 2022, I announced my decision to step down from my role as Chair of the Board at the 2023 AGM, while remaining a Non-Executive Director of the Company. It has been an honour to Chair the Board from Savannah's initial listing to today. I would like to welcome our new Chair Designate, Joseph Pagop Noupoué, who was announced as my successor in April 2023. I believe Joseph's leadership skills, deep knowledge of the African business environment and extensive business, financial and legal expertise will serve Savannah well over the course of his Chairmanship. Aside from Joseph, we have announced the appointment of three new Non-Executive Directors over the course of the past 18 months - Sarah Clark, Dr. Djamila Ferdjani and Sylvie Rucar - who collectively bring a wealth of talent and experience to the Board. Nick Beattie was also appointed Savannah's permanent Chief Financial Officer in June 2022, having served in an interim capacity for the previous 10-month period. I would also like to take this opportunity to thank David Jamison, who retired from the Board in June 2022, for his dedicated service to the Company over the previous eight years. We are delighted that David agreed to assume the role of Honorary President of Savannah, ensuring we continue to benefit from his considerable wisdom and experience.

The Board continues to place great emphasis on engagement with all our stakeholder groups and more information on this is provided in Section 172 Statement on page 40 of the 2022 Annual Report.

Outlook
Savannah has the ambition and focus to be the leading African Energy company. As I pass on the role of Chair to Joseph, I believe that we are exceptionally well-positioned to achieve this and that we should all look forward to the future with great confidence.

Steve Jenkins
Chair of the Board, Savannah
7 June 2022

CEO Letter to Shareholders from the Annual Report

Championing the African energy transition

Dear fellow shareholders
I would like to welcome you to our ninth Annual Report as a listed company. This year's letter follows a similar format to those of recent years. The first section discusses our Company's continued industry-leading financial, operational and sustainability performance. The second discusses our key focus areas for 2022 and 2023. The third discusses the "how" and the "why" we see the African energy transition evolving and discusses the relevance of our hydrocarbon AND renewables business model.

Before turning to the first section, I would like to draw your attention to three key articles in this year's Annual Report. The first article describes "Why we do what we do", where we discuss our corporate purpose and the associated core beliefs which serve to underpin our strategy and business model. I really believe that this section is essential reading for anyone seeking to understand our Company. The second, authored by Dr. Richard Norris, a global energy policy specialist and a Fellow of the Canadian Global Affairs Institute, discusses the equity of the global energy transition and the importance of poverty alleviation. The third article, from NJ Ayuk, Executive Chairman of the African Energy Chamber, focuses on the critical role the private sector will be required to play in the African energy transition. We are extremely grateful to our guest authors for their contributions.

2022 in review
For the first time in almost 40 years[10] the rich world faced the challenges of operating in a high inflation, rising interest rate environment with, for example, the IMF's advanced economy average consumer price index rising 9% year-on-year, a level 2.5x the 10-year average[11], and benchmark US$ interest rates rising to 5.5% at year end, a level 4.4x the 10-year average[12]. The supply chain impacts of the Russia-Ukraine war, particularly in the energy and food sectors, were the principal drivers, with, for example, oil, Liquified Natural Gas and European electricity prices rising 42%[13], 64%[14] and 53%[15] respectively and food an estimated 14%[16], year-on-year. However, rich world interest and inflation rates remained much lower than those of Sub-Saharan Africa which ended the year at 12.0%[17] and 17.7%[18] respectively.

Boosted by the strength of the macro energy complex, the seven energy supermajors reported a record US$200 billion of profit in 2022 (+100% year-on-year), despite a 1.3% aggregate reduction in production volumes. Savannah too performed strongly, but for very different reasons. Our Total Revenues[1] rose by 26% year-on-year to US$290 million with our Adjusted EBITDA[2] rising by 27% to US$222 million. At the Nigerian business unit level, we recorded Adjusted EBITDA[2] of US$244 million. Our 20% production volume growth in Nigeria (versus the supermajors' -1.3% noted above) was primarily driven by the operationalisation of four new gas sales agreements ("GSAs"). 89% of our 2022 revenue stream was derived from fixed price GSAs with no cyclical exposure to oil or international gas prices.

Our Nigerian business has now delivered six consecutive years of Total Revenues[1] growth at a compound annual growth rate ("CAGR") of 21%. This Total Revenues[1] growth compares favourably to the long-term trend CAGR of the wider UK stock market constituents of 3.1%[19,20.] Further, since the announcement of our decision to acquire our Nigerian business in 2017, we have more than doubled the number of customers. We are now contracted to supply gas to 24% of Nigeria's thermal power generation capacity (up from 10% at the time of acquisition) as well as key petrochemical and cement factories[21]. We are clearly performing a critical service to the Nigerian economy. Over the same period our operational performance has been equally robust, with an estimated 99% uptime across our asset base.

The US$22 million difference between our Group and Nigerian business Adjusted EBITDA[2] numbers largely reflects the central costs of running our business and the investments we have made to build the corporate infrastructure that will enable our future organic and inorganic growth plans. On a pro forma basis we increased our headcount by 21% year-on-year and training hours per employee by 74%. In the coming years we intend to continue to invest in our people and infrastructure as we continue to pursue our goal of potentially quadrupling the scale of our business over the course of the coming years.

In Niger, we are looking forward to conducting a comprehensive flow testing programme in late 2023 of the main oil fields included in our c. 35 MMstb R3 East field development plan (the "FDP"). This flow testing programme is expected to enable us to fine tune and optimise the FDP, ahead of expected first commercial oil production in 2024. The key decision we made around R3 East in 2022 was to move towards an export sales-driven development solution via the new Niger-Benin pipeline, as opposed to our previously intended initial development solution of selling crude to the domestic Zinder refinery. This decision followed the strong progress that China National Petroleum Corporation has made in constructing the Niger-Benin pipeline, which is now over 75% complete and expected to commence commercial oil transportation in the fourth quarter of 2023. The operationalisation of the Niger-Benin pipeline is expected to be transformational for Niger, with exported oil sales forecast to increase GDP by approximately 24% and exports by 68% in 2025[22].

In March 2022 we signed an agreement for our up to 250 MW Parc Eolien de la Tarka wind farm project, located in the Tahoua region of Southern Niger. At the time of writing all key studies required to achieve project sanction have either been completed or are in progress. The project's initial on-site wind speed data measurements have proven to be highly encouraging, and we expect to sanction the project in 2024 with first power delivery in 2026. Post-year end, this project has been supplemented with the signing of an agreement for the development of two solar photovoltaic power plants in the areas around the cities of Zinder and Maradi, also in southern Niger, with a combined installed power generation capacity of up to 200 MW. These projects are expected to be developed on a similar timeline to Parc Eolien de la Tarka: project sanction is targeted for 2024 and first power delivery in 2026. In aggregate, therefore, we are expecting to generate up to 450 MW of new clean and affordable power for Niger, which would equate to an up to 60% increase in overall on-grid electricity availability.

From a business development perspective, three major events occurred in 2022:

- **Announcement of our proposed acquisition of the South Sudan Assets[35].** In December, we announced our proposed acquisition of PETRONAS' assets in South Sudan for a total consideration of up to US$1.25 billion. The transaction is expected to complete in the third quarter of 2023, alongside the publication of a new Admission Document[23].

- **Completion of our US$407 million acquisition of ExxonMobil's assets in Cameroon and Chad.** In Cameroon we acquired a 41.06% interest COTCo, which owns and operates the 903 km Cameroon section of the Chad-Cameroon pipeline and related infrastructure. During 2022, COTCo transported an average of 124 Kbopd of crude oil, valued at an estimated US$4.6 billion at the Brent crude oil prices prevailing during the year. Post-year end we agreed to sell a 10% interest in COTCo to the national oil company of Cameroon, Société Nationale Des Hydrocarbures, for consideration of US$44.9 million plus accrued dividends. In Chad we acquired a 40% interest in the Doba Oil PSC which produced 28 Kbopd in 2022. Post-year end these assets were impacted by external events[24]. We see our interest in COTCo acting as a potential catalyst for further growth in Cameroon over the course of the coming years. Post-year end we entered into an agreement in relation to the up to 75 MW Bini a Warak Hydroelectric Project in the north-east of the country.

- **Growth of our renewable energy business. 2022 saw the first full year of activity for our Renewable Energy Division.** During the year, we made significant investments in the people side of the business as well as generating a pipeline of high quality solar, wind and hydro power projects. At the time of writing this amounted to up to 525 MW of publicly announced projects in motion. Internally, we believe we have strong visibility on a range of other projects, which we expect to enable us to meet our target of delivering up to 1 GW+ of renewable energy projects in motion by year-end 2023. I am, therefore, confident that Savannah will become one of the largest renewable energy development companies in Africa over the course of the next two years.

As always, we maintained our strong focus around safe operational delivery. In 2022 we recorded a Lost Time Injury Rate ("LTIR") of 0.34 and a Total Recordable Incident Rate ("TRIR") of 0.68 per 200,000 working hours. Our performance against key sustainability metrics remained equally industry leading. Our carbon emission intensity fell 13% year-on-year to 9.7 kg CO_2e/boe (48% lower than the industry average of 18.7 kg CO_2e/boe). Our senior management female gender diversity was 32%, while our local employee ratios in our countries of operation was over 95%.

Key focus areas for 2023 and 2024
Over the course of the next two years, I expect there to be several key focus areas for the business. These include:

- **The refinancing of our US$359 million Accugas debt facilities.** Our intention remains to redenominate the current US dollar-denominated facility to a multi-tranche Naira-denominated facility, extending the average maturity to beyond 2030 and reducing the facility cost in dollar equivalent terms;

- **Progressing the R3 East Development project.** As noted previously, we intend to commence a flow testing programme on the key R3 East area fields in the fourth quarter of 2023 with first commercial oil production anticipated by end 2024;

- **Further hydrocarbon acquisitions.** The major energy companies are estimated to have in excess of US$100 billion[25] of upstream oil and gas assets in Africa and most have significant upstream asset divestment programmes. Savannah is strongly positioned to successfully participate in these divestment programmes, given our operating capabilities, regional reputation and access to capital. Post-deal we would expect to act as strong asset stewards delivering better underlying operational performance and improvements in unit carbon intensity (within the limitations of the underlying assets) compared to the previous asset owners;

- **Delivery of our renewable energy projects.** We have an aspiration to have our first project(s) fully sanctioned by end 2024 and first power from our project portfolio in 2026; and

- **Expansion of our renewable energy business.** Savannah believes the African renewable energy market represents a potentially vast target market of over 242 GW by 2030[26], requiring an investment of over US$40 billion in the 2026-2030 window, and that the Group's hydrocarbon asset operational management skills are directly transferable to this space. In the near term we are hoping to have up to 1 GW+ of renewable energy projects in motion by end of 2023 and up to 2 GW+ of projects in motion by end 2024.

As can be seen from the above list, we remain unequivocally an "AND" company. We are seeking to deliver strong performance, both for the short AND long-term, across multiple fronts. We are pursuing growth opportunities in both the hydrocarbon AND renewable energy areas. This approach permeates our entire business and how we have built, and will continue to build, our corporate infrastructure.

How we see the African Energy Transition
As in previous years' shareholder letters, I have chosen to discuss how we see the African Energy transition. Before turning to discuss this, I feel it is important to emphasise that this is only one of several important contributing beliefs driving what Savannah does as a company. On pages 8 to 17 of the 2022 Annual Report we have outlined in detail "Why we do what we do". In that section we discuss our corporate purpose and associated core beliefs which serve to underpin our hydrocarbons AND renewables strategy and business model. In simple terms, the section explains why energy poverty in Africa is the principal problem our company is seeking to help solve and why we believe this problem is one of the most urgent and important problems facing the world today. I would urge any reader interested in really understanding our company to read this section, especially if they are from a rich world background and perhaps less intuitively understand the realities of the everyday challenges facing the 600 million people in Sub-Saharan Africa who are defined by the World Bank as living in extreme poverty (i.e. have incomes of less than US$2.15/day)[27].

Energy is critical to enabling and sustaining people's quality of lives. People without access to energy are dramatically poorer than those with access to energy. For example, Niger is ranked 189 out of 191 on the UN Human Development Index[28] ("UN HDI") with a GDP per capita of US$584[29] and power consumption per capita of 449 kWh[30]. The United States of America on the other hand is ranked 21 out of 191 on the UN HDI with GDP per capita of US$76,348 and power consumption per capita of 79,480 kWh, 12,983% and 17,614% higher respectively. A similar pattern emerges when we look at the relationship between power consumption and other key quality of life barometers such as life expectancy and lifetime health outcomes.

Over 80% of today's global energy mix is provided by hydrocarbons with 54% of this provided by oil and gas[31]. The scale of investment required to sustain the "status quo" global quality of life is immense. Global non-financial capital expenditures for the energy sector amount to 42% of all global capex[32]. The world clearly, therefore, requires oil and gas today, and is prepared to pay vast amounts of money to enable this. The extent to which the world requires oil and gas in the future will depend on the absolute and relative rate of renewable energy and carbon mitigation technological improvements, and the absolute and relative rate of adoption of these improvements. In this regard, the quote by John Kerry (The US Climate Change Envoy), which I have cited in my last two shareholder letters, remains pertinent – "I am told by scientists that 50% of the reductions we have to make by 2050 or 2045 are going to come from technologies we don't have yet."

While the pace of technological evolution and adoption may be argued to be generally faster today than in earlier periods, I believe that it is important to recognise that the global energy transition is likely to take a relatively long time. Previous energy transitions have taken fifty plus years, and the modern renewable transition only began around 2015. Further, full displacement of the previous energy sources has not occurred in previous transitions (i.e. coal still provides approximately 26% of the global energy mix).

In this regard, when we look at the forecast future energy mix, there is currently a big difference between the trend case (i.e. what forecasters are suggesting will actually happen) versus the Net Zero 2050 case. Essentially the world appears to be on track to have around 50%[33] of its energy mix in 2050 to be provided by oil and gas, which, given likely energy demand growth over the course of the next 28 years, suggests that actual oil and gas demand is currently not on trend to fall significantly over the period.

The foregoing contrasts dramatically with the many Net Zero forecasts which generally see the total share of fossil fuel supply falling to just over 20% of the global energy mix by 2050[34]. Further, it is likely that lower income countries, where the ability to pay for renewable energy infrastructure is lowest and the need for low priced energy to deliver life changing economic growth is highest, will see hydrocarbons form a much greater part of their energy mix in 2050 than in the developed world. On average, only 56% of Africa's entire population has access to on-grid electricity (falling to 49% if South Africa, Egypt and Algeria are excluded), with the electricity access rate in our countries of active operations estimated at 65% for Cameroon, 19% for Niger and 55% for Nigeria. For much of Africa, the primary issue is around people being given access to reliable and affordable power, period.

From a Savannah perspective, our primary focus is on participating in *Projects that Matter* in Africa. We expect to continue to acquire hydrocarbon businesses and to re-invest the cash flows we generate in both hydrocarbon AND renewable energy projects. We firmly believe that Africa needs both if it is to be given the opportunity to grow and lift ever more of her citizens out of energy poverty.

Closing thoughts

I would hope that having read through this letter my reasons for being optimistic around the future of our business are clear. We are a purposeful organisation, doing societally essential work. The opportunities associated with the African energy transition (hydrocarbon acquisitions from Big oil sellers and the build-out of our renewable energy business) represent a once in a generation opportunity, which we at Savannah are strongly positioned to take advantage of. We have made significant investments in our people, infrastructure, capabilities and have well-developed regional and financial stakeholder relationships and credibility. We have a strong track record of "getting things done". I believe that Savannah will achieve great things over the course of the coming years and look forward to continuing this journey with you, my fellow shareholders.

Lastly, I would like to express my gratitude to all those who contributed to our successes in 2022 - my incredibly dedicated and passionate colleagues, our host governments, communities, local authorities and regulators, our shareholders and lenders, and our customers, suppliers and partners. Thank you all.

Andrew Knott
Chief Executive Officer, Savannah
7 June 2023

South Sudan Acquisition Update

Further to the Company's 13 April 2023 Q1 2023 financial and operational update, the Company continues to advance the various workstreams required to complete the reverse takeover of PETRONAS International Corporation Limited's ("PETRONAS") entire oil and gas business in South Sudan and intends to publish an AIM Admission Document by 28 July 2023, following which point the Company would seek restoration to trading on AIM of its ordinary shares. Further updates will be provided as and when appropriate.

Chad Assets Nationalisation

As previously announced, on 31 March 2023, the Government of Chad passed a law confirming the nationalisation of Savannah Chad Inc's ("SCI") upstream production assets and also providing for the nationalisation of SMIL's c.40% interest in Tchad Oil Transportation Company ("TOTCo"), the owner and operator of the Chad section of the ETS.

The actions of the Republic of Chad are in direct breach of the upstream conventions to which SCI and the Republic of Chad are, amongst others, party, together with a direct breach of the convention between

TOTCo and the Government of Chad. Disputes under the upstream conventions are subject to the jurisdiction of an ICC arbitral tribunal, seated in Paris. The Company has commenced ICC arbitral proceedings against the Government of Chad to seek full recompense for the loss that it has and will suffer as a result of the nationalisation of SCI's assets.

As a direct result of the nationalisation, the Company has not been able to fully access all the underlying information, nor have access to the relevant Chad-based employees of the impacted entities in order to prepare the financial information for audit purposes; it has not therefore been possible to complete an audit of SCI or SMIL. Despite the acquisition of the Chad assets only having completed approximately three weeks prior to the year end, the Chad and Cameroon Assets[36] were material to the Group in 2022 and the limitations on having access to information and people has led to the Group's external auditors issuing a disclaimer of opinion. With respect to the opinion of the Group's external auditors, the Company does not anticipate that there will be any disclaimer opinion required for 2023 - this has only arisen for 2022 due to the specific and exceptional set of circumstances discussed above. For further information and background, please refer to the Company's 2022 Annual Report.

Board and Board Committee Changes

On 7 June 2022, it was announced that Nick Beattie, Group Chief Financial Officer and Company Secretary, had been appointed to the Board of Directors. At the same time, it was announced that David Jamison would retire as a Non-Executive Director of the Board at the 2022 AGM, which became effective 30 June 2022. Also on 7 June 2022, Steve Jenkins, announced his decision to step down from his role as Chair of the Board at the 2023 AGM, having completed eight years in the role, but that he would continue to serve as a Non-Executive Director of the Company. Post-year end, on 21 April 2023, Joseph Pagop Noupoué was appointed a Non-Executive Director of the Board and Chair Designate.

The Board was expanded in 2022 with the appointment of Sarah Clark and Dr. Djamila Ferdjani as Non-Executive Directors of the Company on 9 December 2022. Additionally, post-year end on 1 February 2023, Sylvie Rucar was appointed as a Non-Executive Director of the Company. The Board, therefore, now comprises 10 Directors, which includes the Non-Executive Chair, the Non-Executive Vice Chair, six Non-Executive Directors and two Executive Directors (the CEO and the CFO).

AGM

The AGM will be held at 11.00 a.m. on Friday, 30 June 2023 at 40 Bank Street, London, E14 5NR. Details on how to submit your proxy vote are set out in the section of the Notice of AGM headed "Voting Arrangements - Action to be taken". The Notice of the AGM is available to download from the Company's website (www.savannah-energy.com). For those shareholders who have elected to receive postal copies, the Notice of the AGM has been posted to them today.

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This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR").

About Savannah Energy:

Savannah Energy PLC is an AIM quoted British independent energy company focused around the delivery of *Projects that Matter*, active in Cameroon, Niger and Nigeria. Further information on Savannah Energy PLC can be found on the Company's website: www.savannah-energy.com.

Financial review
Laying foundations for growth

Nick Beattie
Chief Financial Officer

Performance against market guidance 2022

	Full Year 2022 Actuals	Full Year 2022 Guidance
Total Revenues[1] US$ million	**290.4**	>215
Operating expenses plus administrative expenses[3], US$ million	**66.2**	<75
Group depreciation, depletion and amortisation[4]	**US$21 million for fixed assets plus US$2.0/boe**	US$21 million for fixed assets plus US$2.3/boe
Capital expenditure, US$ million	**23.6**	Up to 35

Year in Summary

Savannah delivered strong operational and financial performance in 2022, with results outperforming the guidance we set for the year, whilst also laying the foundations to support our ambitious growth plans.

Total Revenues[1] grew by over 25% to US$290.4 million (2021: US$230.5 million) with a resulting rise in Adjusted EBITDA[2] of over 27% to US$222.4 million (2021: US$175.0 million). The improvement seen in financial performance for 2022 is principally a reflection of the strength of the Nigerian business where we now deliver gas to eight (2021: seven) customers – this diversification of the customer base sees Savannah contracted to supply gas to enable approximately 24% of Nigeria's thermal power generation capacity (up from 10% at the time of our decision to acquire the Nigerian business in 2017) as well as key petrochemical and cement factories. We are clearly performing a critical service to the Nigerian economy.

Our Nigerian business continues to be underpinned by long-dated, take-or-pay contracts which have no linkage to commodity pricing and provide stable, predictable cashflows. At end 2022 we had over US$3.8bn of future contracted revenues with contracts having average weighted remaining life of 15 years.

We continued in our substantial investment in scaling up the business to support the growth ambitions in both the renewable energy and hydrocarbons businesses. We have made significant investments into new procedures and systems, and notably this included the successful implementation during the year of a new Enterprise Resource Planning ("ERP") solution. We also invested in our people with a growth in headcount of 20% to 277 and we expect this growth in headcount to continue in 2023. We continued to invest in the operating businesses with the progression of the compression project in Nigeria (which is due to complete in 2024) and we progressed plans for delivering the R3 East development in Niger (with orders for long-lead items having been placed in H1 2023).

2022 was also a significant year in terms of inorganic growth with key events including: (i) completion of the acquisition of the Chad and Cameroon Assets[36] (discussed in more detail below), (ii) signing of agreements to acquire PETRONAS' South Sudan Assets[35] and (iii) the notable scaling up of our Renewable Energy Division, which currently has up to 525 MW of projects in motion in Niger and Cameroon, with a target of reaching up to 1 GW by the end of 2023. Good progress was also made on the refinancing of the Accugas US$ Facility and this remains a priority for 2023.

Chad and Cameroon Assets[36]

We completed the acquisition of the Chad and Cameroon Assets[36] on 9 December 2022. However, the President of the Republic of Chad issued a Decree on 23 March 2023 nationalising Savannah Chad Inc's ("SCI") upstream production assets in Chad. Subsequently on 31 March 2023, the Government of Chad passed a law confirming the Nationalisation of SCI's upstream production assets and also providing for the Nationalisation of Savannah's c. 40% interest in TOTCo, the owner and operator of the Chad section of the ETS. The actions of the Republic of Chad are in direct breach of the upstream conventions to which SCI and the Republic of Chad are, amongst others, party, together with a direct breach of the convention between TOTCo and the Government of Chad.

Disputes under the upstream conventions are subject to the jurisdiction of an ICC arbitral tribunal, seated in Paris. The Company has commenced ICC arbitral proceedings against the Government of Chad to seek full recompense for the loss that it has and will suffer as a result of the Nationalisation of SCI's and TOTCo's assets.

As a direct result of the Nationalisation however, the Company has not been able to fully access all the underlying information, nor have access to the relevant Chad-based employees of the impacted entities in order to prepare the financial information for audit purposes; it has not therefore been possible to complete an audit of SCI or SMIL. Despite the acquisition only having completed approximately three weeks prior to the year-end, the Chad and Cameroon Assets[35] were material to the Group in 2022 and the limitations on having access to information and people has led to the Group's external auditors issuing a disclaimer of opinion. As detailed in the Audit & Risk Committee report in our Annual Report, these matters have been considered by the Directors and, due to the exceptional circumstances, the Directors agree that a disclaimer of opinion is unavoidable. We believe it is important to highlight that it is the impact of the Nationalisation on SCI and SMIL that has led to this situation. The Group excluding Chad ("GEC"), continues to operate in the ordinary course and as discussed in this review, 2022 was a very strong year with the sixth successive year of growth in Total Revenues[1] and Adjusted EBITDA[2].

Despite the Nationalisation, the Group is still required under UK adopted International Accounting Standards to present the Financial Statements for the financial year 2022 without separately identifying the amounts which relate to the nationalised assets in Chad. To help in providing a clearer description of the continuing operations of the Group and to assist with understanding of the performance of the business in 2022, we have shown in the tables on the following page what we consider to be 'continuing operations' – this excludes the assets subject to the Nationalisation. This approach is further described in note 3 of the Financial Statements.

In 2022, the Chad assets were insignificant from a revenue or profitability perspective with a negligible profit of just US$1.0 million reflected in the Statement of Comprehensive Income for the Group and nil Revenue.

For the financial year ending 31 December 2023, we expect that these activities will be considered as a discontinued operation in accordance with IFRS 5 - Non-Current Assets for Sale and Discontinued Operations. This is without prejudice to Savannah's claims following the expropriation. With respect to the opinion of the Group's external auditors we do not anticipate that there will be any disclaimer opinion required for 2023 - this has only arisen for 2022 due to the specific and exceptional set of circumstances discussed above.

Key performance metrics summary - Group excluding Chad

	Full Year 2022	Full Year 2021
Gross production, Kboepd	**26.8**	22.3
Total Revenues[1], US$ million	**290.4**	230.5
Revenue, US$ million	**212.5**	185.8
Average oil and gas sales price, US$/Mscf	**4.14**	4.42
Operating expenses plus administrative expenses[3], US$ million	**66.2**	49.9
Operating expenses plus administrative expenses[3], US$/Mscfe	**1.2**	1.1
Closing cash balances[5], US$ million	**240.9**	154.3
Trade and other receivables, US$ million	**227.0**	231.6
Adjusted EBITDA[2]	**222.4**	175.0
Net debt[6], US$ million	**404.9**	370.0
Leverage[7]	**1.8x**	2.1x

Segmental analysis of results

The following tables are extracted from note 3 in the Financial Statements. These show the results of the Group excluding Chad ("GEC"). These are highlighted to allow a useful comparison of performance to prior years and to provide greater clarity on the financial position and performance of the Group without the inclusion of the nationalised assets. We do also include the reported 2022 Group position so that this can be cross referenced with the Financial Statements.

Summary of Segmental Consolidated Statement of Comprehensive Income

Year ended 31 December	**2022 Group excluding Chad[(1)] US$ million**	2021 Group[(2)] US$ million	**2022 Chad US$ million**	**2022 Group US$ million**
Revenue	**212.5**	185.8	**—**	**212.5**
Cost of sales	**(73.2)**	(65.0)	**1.1**	**(72.1)**
Gross Profit	**139.3**	120.8	**1.1**	**140.4**
Administrative & other operating expenses	**(39.5)**	(25.7)	**(0.1)**	**(39.6)**
Gain on disposal	**7.4**	—	**—**	**7.4**
Transaction costs	**(14.5)**	(7.4)	**—**	**(14.5)**
Expected credit loss and other related adjustments	**(39.5)**	—	**—**	**(39.5)**
Operating profit/(loss)	**53.2**	87.7	**1.0**	**54.2**
Finance income	**1.1**	0.5	**—**	**1.1**
Finance costs	**(78.9)**	(76.6)	**(0.1)**	**(79.0)**
Share of net income from associates	**0.2**	—	**(0.1)**	**0.1**
Fair value adjustment	**(8.1)**	(0.6)	**—**	**(8.1)**
Foreign translation loss	**(21.2)**	(18.7)	**—**	**(21.2)**
Profit/(Loss) before tax	**(53.7)**	(7.7)	**0.8**	**(52.9)**

(1) This Financial review refers to the "Group Excluding Chad" column which excludes the Chad upstream and midstream operations which were subject to the Nationalisation.

(2) 2021 Group figures are as published in the 2021 Annual Report and Accounts and are the appropriate comparison for the 2022 Group excluding Chad.

Summary of Segmental Consolidated Statement of Financial Position

As at 31 December	**2022 Group excluding Chad[(1)] US$ million**	2021 Group[(2)] US$ million	**2022 Chad US$ million**	**2022 Group US$ million**
Property, plant and equipment	**503**	568	**120**	**623**
Exploration and evaluation	**174**	161	**9**	**183**
Investment in associates	**183**	—	**5**	**188**
Other assets	**245**	235	**42**	**287**
Trade and other receivables	**227**	231	**12**	**239**
Cash at bank	**241**	153	**—**	**241**
Total assets	**1,573**	1,348	**188**	**1,761**
Trade and other payables	**125**	117	**162**	**287**
Borrowings	**646**	524	**—**	**646**
Interest payable	**106**	80	**—**	**106**
Provisions	**46**	69	**49**	**95**
Contract liabilities	**332**	240	**—**	**332**
Other liabilities	**13**	12	**38**	**51**
Total liabilities	**1,268**	1,042	**249**	**1,517**

An abbreviated tabulation of The Consolidated Statement of Financial Position is shown above consistent with the Consolidated Statement of Consolidated Income which enables the position for the continuing Group at 31 December 2022 to be compared to 31 December 2021. With effect from 31 March 2023, we expect that the Chad Assets will be accounted for it in accordance with IFRS 5 – Non-current Assets for Sale and Discontinued Operations during the year ending 31 December 2023. This is without prejudice to Savannah's claims following the expropriation.

Statement of Comprehensive Income – Group excluding Chad

Revenue

Revenue in 2022 was US$212.5 million (2021: US$185.8 million), of which US$181.1 million (2021: US$169.1 million) was for gas, US$29.8 million (2021: US$ 15.0 million) was for oil, condensate sales and US$1.6 million (2021: US$1.7 million) was for processing of third-party crude oil.

85% of 2022 revenue was from the sale of gas, sold under a mixture of short and long-term gas sales agreements, all of which have individually agreed prices defined in US Dollars, with certain long-term contracts adjusted annually for consumer price indexation. 85% of gas sales contracts are supported by investment grade[36] guarantees, including a World Bank Partial Risk Guarantee for the Calabar power station gas sales contract.

The weighted average sales price for the year was US$24.9/boe (2021: US$26.5/boe), or US$4.14/Mscfe (2021: US$4.42/Mscfe), down 6%, mainly driven by the broader mix of gas customers.

Impact of take-or-pay accounting rules under IFRS 15 - Total Revenues[1]

Revenue recognition for our gas sales agreements is impacted by the take-or-pay accounting rules under IFRS 15. Under take-or-pay contracts, customers agree to buy a minimum amount of gas from us each year. This gas is either delivered to them, or the volume not taken (which is described as make-up gas) is effectively prepaid for by the customer for potential delivery in future periods. During 2022, our customers took on average 43 MMscfpd less gas than they had contracted to buy, so there was a difference between invoiced oil and gas sales of US$290.4 million (Total Revenues[1]) and Revenue as reported in our Consolidated Statement of Comprehensive Income of US$212.5 million.

Revenue in our Consolidated Statement of Comprehensive Income of US$212.5 million only reflects the value of oil and gas actually delivered, with the difference of US$77.9 million reported as an increase in Contract liabilities ("deferred revenue") in the Consolidated Statement of Financial Position, net of any make-up gas that is consumed, plus other invoiced amounts.

A key point to highlight is the cash neutrality of the take-or-pay accounting treatment; had our customers requested the make-up gas to be delivered to them in the accounting year, then all the invoiced sales would have been recognised as Revenue in the Consolidated Statement of Comprehensive Income and our cash generation would have been the same in either case (as this reflects receipts from customers regardless of whether they related to delivered gas or make-up gas).

We therefore report Total Revenues[1] as management believes that this is a more accurate method of describing the cash generation capacity of the business.

To provide further clarity on the take-or-pay accounting rules, please refer to a theoretical simplified worked example which is shown on page 57 of the 2020 Annual Report and Accounts which can be accessed on our website.

Operating expenses plus administrative expenses[3]

Operating expenses plus administrative expenses[3] for the year were US$66.2 million (2021: US$49.9 million) which compared to 2022 guidance of up to US$75 million. Significant time and resources were invested during the year in both completing the acquisition of the Chad and Cameroon Assets[36] and in completing due diligence to get to the point of signing a binding agreement to acquire the PETRONAS South Sudan Assets[35] in December 2022. These costs are reported separately as Transaction Costs totalling US$14.5 million (2021: US$7.4 million) and have been shown separately in the Consolidated Statement of Comprehensive Income.

Unit cost basis Operating expenses plus administrative expenses[3] increased by 8% to US$1.2/Mscfe (2021: US$1.1/Mscfe), which compares very favourably with our average sales price of US$4.14/Mscf for oil and gas during the year.

Depreciation, depletion and amortisation[4] ("DD&A") amounted to US$39.0 million (2021: US$36.2 million) made up of US$18.5 million (2021: US$17.7 million) for infrastructure assets, which are depreciated on a straight-line basis over their estimated useful life and US$18.3 million (2021: US$16.7 million) for upstream assets, which are depreciated on a unit of production basis, plus US$2.2 million (2021: US$1.8 million) for other assets and right-of-use assets.

Total DD&A costs in 2022 on a unit of production basis are down from the prior year at US$0.7/Mscfe (2021: US$0.8/Mscfe).

Adjusted EBITDA[2]

Adjusted EBITDA[2] was US$222.4 million (2021: US$175.0 million) continuing the six-year upward trend of performance.

A reconciliation of the calculation of Group excluding Chad Adjusted EBITDA[2] to Group Adjusted EBITDA[2] is shown below.

Reconciliation of Adjusted EBITDA[2] for Group excluding Chad to Group

	2022 US$ million
Group excluding Chad Adjusted EBITDA[2]	**222.4**
Adjust for: Chad operating profit	**1.0**
Adjust for: Chad DD&A	**1.6**
Group Adjusted EBITDA[2]	**225.0**
Adjusted EBITDA[2] %	**77%**

Refer to Note 5 and Note 35(g) in our 2022 Annual Report.

Finance costs

Finance costs for the year amounted to US$78.9 million (2021: US$76.6 million), of which US$62.3 million (2021: US$53.4 million) related to bank and loan note interest expense. The average interest rate on debt for the Group was 12.0% (2021: 10.2%), due to higher US LIBOR rates in 2022.

The interest cover ratio[8] was 3.4 times, up from 2.8 times in 2021.

Foreign exchange losses

Foreign exchange losses amounted to US$21.2 million (2021: US$18.7 million).

US$12.4 million (2021: US$9.8 million) are unrealised losses on Naira cash balances held in Nigeria primarily arising from devaluation of the Naira/ US Dollar exchange rate.

Realised losses of US$8.8 million (2021: US$8.9 million) resulted from US Dollar gas sales invoices which are settled in local currency and from translation of Naira to US Dollars to service US Dollar denominated obligations.

Statement of Financial Position – Group excluding Chad

Receivables and payables

Trade and other receivables amounted to US$227.0 million (2021: US$231.6 million). This primarily consists of amounts due from gas customers in Nigeria under the gas sales agreements in place.

Trade and other payables amounted to US$122.1 million (2021: US$116.8 million), the majority of which will be settled in the normal course of business.

Debt

The net debt[6] at year-end was US$404.9 million (2021: US$370.0 million), an increase of 9% compared to year-end 2021. The increase in net debt[6] is principally a result of the new debt facility established to support the acquisition of the Chad and Cameroon Assets[36].

During the course of 2022, US$44 million of debt was repaid across the Group and combined with increased cash balances[5], resulted in the net debt[6] increase being limited to just US$34.9 million.

Work continued during the year on the proposed refinancing of the Accugas US$ Facility. The intention remains for this to be refinanced into a multi-tranche, Naira denominated borrowing structure with an average anticipated tenor in excess of 10 years. As an initial step in the refinancing it is expected that the current facility will be refinanced into a medium-term Naira bank debt facility (the "Transitional Facility") and this Transitional Facility will then be progressively paid down from the issuance of longer-dated debt instruments. The existing Accugas lenders have agreed terms for the Transitional Facility and we continue to work with financial advisers to then enable implementation of the intended final structure. it is expected that the Transitional Facility will be utilised during 2023 and the existing US$ Facility repaid. Once fully completed, this refinancing would align the currencies of Accugas' principal revenue streams with its debt service obligations and would significantly reduce the Group's foreign exchange exposure. It would also bring further benefits through the increase in tenor and enhancements to the structure of the debt facilities.

Pending completion of the Transitional Facility, the Group continues to hold significant Naira denominated cash balances[5] in order to cover US Dollar denominated debt.

As shown in the following table, the Leverage[7] position of the Group has improved compared to the prior year and this is considered to be a conservative level given the long-dated (>15 year) gas sales contracts in place and the high quality, long-life asset base which supports the supply contracts:

Leverage[7]

	2022 US$ million	2021 US$ million
Adjusted EBITDA[2]	**222.4**	175.0
Net debt[6]	**404.9**	370.0
Naira held in cash to pay interest	**98.3**	75.5
Adjusted net debt[38]	**503.2**	445.5
Leverage[7] (times)	**1.8**	2.1
Adjusted Leverage[7] (times)	**2.2**	2.5

Details of the debt facilities available to the Group are in Note 30 of our 2022 Annual Report.

Consolidated Statement of Cash flows – Group Cash flows

The cash flow results are for the Consolidated Group.

During 2022 total cash balances[5] increased by US$88.2 million (2021 increase: US$48.3 million). This increase arises from a combination of continued strong operating performance in Nigeria and cash balances[5] within Savannah Chad Inc ("SCI") upon acquisition of the Chad and Cameroon Assets[36]. This is offset by capital expenditures for the year of US$23.6 million (2021: US$32.5 million), deposits advanced for acquisitions of US$19.7 million and taxes paid of US$35.1 million (US$2.4 million). The majority of taxes paid were in Chad and aside from this payment there was only minimal other expenditure in Chad during the period following completion of the acquisition until the year-end. No revenues were received from Chad as no oil liftings took place in the period.

Going Concern

The Group places significant importance in managing its liquidity position and ensuring that all parts of the business have appropriate funding as needed to meet their obligations. The Directors have considered the Group's forecasted cash flows and funding requirements for the period to 30 June 2024. Cash flow forecasts are prepared on a "bottom-up" basis, at each major asset and at corporate level, and it reflects the Group's best estimate of its operating and capital expenditure and revenues for the period. Cash forecasts are regularly produced, and sensitivities run for different scenarios including, but not limited to, changes in commodity prices, different production rates and timing of our customer cash collections. The Directors recognise that the Group faces a range of risks (including those laid out in the Risk Management section in our Annual Report) and there are a number of inter-dependencies across the Group which can create inherent risks and uncertainties – the Group actively monitors the risks facing the business and implements mitigating actions when required.

The Group's forecasts show that the Group has sufficient financial headroom for the going concern assessment period and based on the analysis above, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they have adopted the going concern basis of accounting in preparing the year end result.

Please refer to Note 2 of the consolidated Financial Statements for further details on the going concern review.

2023 Financial Guidance and outlook

In 2023, we are providing the following guidance in relation to the Group. This guidance does not include any contribution from the proposed acquisition of the South Sudan Assets[35]:

- Total Revenues[1] greater than US$235 million;
- Operating expenses and administrative expenses[3] of up to US$75 million; and
- Capital expenditures of up to US$60 million.

Nick Beattie

Chief Financial Officer, Savannah
7 June 2023

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2022

	Note	**2022 US$'000**	2021 US$'000
Revenue	4	**212,498**	185,799
Cost of sales	5	**(72,059)**	(65,011)
Gross profit		**140,439**	120,788
Administrative and other operating expenses		**(39,646)**	(25,675)
Gain on disposal		**7,372**	—
Transaction expenses		**(14,487)**	(7,374)
Expected credit loss and other related adjustments		**(39,495)**	(26)
Operating profit		**54,183**	87,713
Share of profit from associates		**65**	—
Finance income		**1,068**	490
Finance costs	6	**(78,970)**	(76,604)
Fair value adjustment	7	**(8,134)**	(610)
Foreign exchange loss		**(21,158)**	(18,734)
Loss before tax		**(52,946)**	(7,745)
Current tax expense	8	**(7,106)**	(2,589)
Deferred tax (expense)/credit	8	**(4,025)**	27,437
Tax (expense)/credit	8	**(11,131)**	24,848
(Loss)/profit after tax		**(64,077)**	17,103
Other comprehensive income			
Items not reclassified to profit or loss:			
Actuarial gains relating to post-employment benefits		**100**	1,827
Tax relating to items not reclassified to profit or loss		**(33)**	(609)
Other comprehensive income		**67**	1,218
Total comprehensive (loss)/profit		**(64,010)**	18,321
(Loss)/profit after tax attributable to:			
Owners of the Company		**(60,867)**	768
Non-controlling interests		**(3,210)**	16,335
		(64,077)	17,103
Total comprehensive (loss)/profit attributable to:			
Owners of the Company		**(60,814)**	1,742
Non-controlling interests		**(3,196)**	16,579
		(64,010)	18,321
(Loss)/earnings per share			
Basic (US$)	9	**(0.05)**	0.00
Diluted (US$)	9	**(0.05)**	0.00

All results in the current financial year derive from continuing operations.

Consolidated Statement of Financial Position

as at 31 December 2022

	Note	**2022 US$'000**	2021 US$'000
Assets			
Non-current assets			
Property, plant and equipment	10	**623,118**	568,201
Intangible assets		**183,013**	161,343
Investment in associates		**188,350**	—
Deferred tax assets		**234,666**	223,814
Right-of-use assets		**3,658**	4,724
Restricted cash		**28**	1,635
Other non-current receivables		**7,032**	722
Total non-current assets		**1,239,865**	960,439
Current assets			
Inventory	11	**40,374**	3,873
Trade and other receivables	12	**239,346**	231,631
Cash at bank	13	**240,888**	152,644
Total current assets		**520,608**	388,148
Total assets		**1,760,473**	1,348,587
Equity and liabilities			
Capital and reserves			
Share capital		**1,828**	1,409
Share premium		**124,819**	61,204
Shares to be issued		**—**	63,956
Treasury shares		**(136)**	(58)
Other reserves		**531**	458
Share-based payment reserve		**9,974**	8,706
Retained earnings		**96,407**	157,221
Equity attributable to owners of the Company		**233,423**	292,896
Non-controlling interests		**10,646**	13,842
Total equity		**244,069**	306,738
Non-current liabilities			
Other payables	14	**7,712**	3,415
Borrowings	15	**102,392**	108,652
Lease liabilities		**3,453**	5,308
Deferred tax liabilities		**27,607**	—
Provisions		**94,845**	68,966
Contract liabilities		**314,018**	213,043
Total non-current liabilities		**550,027**	399,384
Current liabilities			
Trade and other payables	14	**279,448**	116,771
Borrowings	15	**543,397**	415,593
Interest payable		**105,600**	80,101
Tax liabilities		**18,514**	2,058
Lease liabilities		**1,626**	1,475
Contract liabilities		**17,792**	26,467
Total current liabilities		**966,377**	642,465
Total liabilities		**1,516,404**	1,041,849
Total equity and liabilities		**1,760,473**	1,348,587

Consolidated Statement of Cash Flows

for the year ended 31 December 2022

	Note	**2022 US$'000**	2021 US$'000
Cash flows from operating activities:			
Net cash generated from operating activities	16	**75,693**	128,115
Cash flows from investing activities:			
Interest received		**881**	193
Payments for property, plant and equipment and other intangible assets		**(18,191)**	(31,191)
Exploration and evaluation payments		**(5,375)**	(1,327)
Payment for financial asset		**—**	(7,500)
Acquisition deposits		**(19,648)**	(7,000)
Loan provided to third party		**(1,067)**	—
Lessor receipts		**286**	388
Cash to debt service accounts		**(29,836)**	(76,800)
Cash acquired on acquisition of a subsidiary		**95,596**	—
Net cash from/(used) in investing activities		**22,646**	(123,237)
Cash flows from financing activities:			
Finance costs		**(38,528)**	(25,967)
Proceeds from issues of equity shares, net of issue costs		**61,141**	—
Sale of treasury shares		**73**	—
Borrowing proceeds		**12,810**	18,476
Borrowing repayments		**(57,008)**	(15,818)
Lease payments		**(1,474)**	(1,850)
Net cash used in financing activities		**(22,986)**	(25,159)
Net increase/(decrease) in cash and cash equivalents		**75,353**	(20,281)
Effect of exchange rate changes on cash and cash equivalents		**(16,945)**	(8,238)
Cash and cash equivalents at beginning of year		**45,739**	74,258
Cash and cash equivalents at end of year	13	**104,147**	45,739
Amounts held for debt service at end of year	13	**136,741**	106,905
Cash at bank at end of year as per Statement of Financial Position	13	**240,888**	152,644

Consolidated Statement of Changes in Equity

for the year ended 31 December 2022

	Share capital US$'000	Share premium US$'000	Shares to be issued US$'000	Treasury shares US$'000	Other reserves US$'000	Share-based payment reserve US$'000	Retained earnings US$'000	Equity attributable to the owners of the Company US$'000	Non-controlling interest US$'000	Total equity US$'000
Balance at 1 January 2021	1,409	61,204	—	(59)	458	7,104	155,308	225,424	(2,737)	222,687
Profit for the year	—	—	—	—	—	—	768	768	16,335	17,103
Other comprehensive income	—	—	—	—	—	—	974	974	244	1,218
Total comprehensive profit for the year	—	—	—	—	—	—	1,742	1,742	16,579	18,321
Transactions with shareholders:										
Equity-settled share-based payments	—	—	—	—	—	1,602	—	1,602	—	1,602
Share adjustments	—	—	—	1	—	—	171	172	—	172
Shares to be issued	—	—	63,956	—	—	—	—	63,956	—	63,956
Balance at 31 December 2021	**1,409**	**61,204**	**63,956**	**(58)**	**458**	**8,706**	**157,221**	**292,896**	**13,842**	**306,738**
Profit for the year	—	—	—	—	—	—	(60,867)	(60,867)	(3,210)	(64,077)
Other comprehensive income	—	—	—	—	—	—	53	53	14	67
Total comprehensive loss for the year	—	—	—	—	—	—	(60,814)	(60,814)	(3,196)	(64,010)
Transactions with shareholders:										
Shares issued	419	63,615	(63,956)	(78)	—	—	—	—	—	—
Sale of treasury of shares	—	—	—	—	73	—	—	73	—	73
Equity-settled share-based payments	—	—	—	—	—	1,268	—	1,268	—	1,268
Balance at 31 December 2022	**1,828**	**124,819**	**—**	**(136)**	**531**	**9,974**	**96,407**	**233,423**	**10,646**	**244,069**

Notes to the Financial Information

for the year ended 31 December 2022

1. Corporate information

The Company was incorporated in the United Kingdom on 3 July 2014. Savannah's principal activity is the exploration, development and production of natural gas and crude oil and development of other energy related projects in Africa. The Company is domiciled in England for tax purposes and is a public company, and its shares were listed on the Alternative Investment Market ("AIM") of the London Stock Exchange on 1 August 2014. The Company's registered address is 40 Bank Street, London E14 5NR.

2. Basis of preparation

The consolidated financial statements of the Company and the Group have been prepared in accordance with International accounting standards as adopted by the United Kingdom, with future changes being subject to endorsement by the UK Endorsement Board. The consolidated financial statements have been prepared under the historical cost convention and incorporate the results for the year ended 31 December 2022.

The accounting policies applied are consistent with those adopted and disclosed in the Group's audited consolidated financial statements for the year ended 31 December 2021. There have been a number of amendments to accounting standards and new interpretations issued by the International Accounting Standards Board which were applicable from 1 January 2022, however these have not any impact on the accounting policies, methods of computation or presentation applied by the Group. Further details on new International Financial Reporting Standards adopted will be disclosed in the Annual Report.

As a result of the Nationalisation, the Company has not been able to fully access all the underlying financial information, nor have access to the relevant Chad-based employees of the affected entities in order to prepare the financial information for audit purposes to be consolidated into the Group's financial statements for the year ended 31 December 2022. The Group's auditor has therefore been unable to conduct a complete audit on these entities for the period from the date of acquisition on 9 December 2022 to 31 December 2022.

Despite this limitation, the Directors are still required to present the Statement of Consolidated Income, Statement of Consolidated Position and Statement of Consolidated Cash Flows without separately identifying the amounts that the Directors believe relate to the Chad Assets within these primary statements. The financial information that has been disclosed for the Chad Assets was primarily sourced from the financial records and supporting documents that were available before the Nationalisation date, and the Group's assessment of the fair values as required by IFRS 3 – Business Combinations, for the purposes of acquisition accounting are considered provisional because the Group has not been able to finalise the purchase price allocation exercise by the date of this report. This is due to the level of information available to the Group following the Nationalisation. More information is set out in note 3 which shows the different segments that make up the Group.

Going concern

The Group places significant importance in managing its liquidity position and ensuring that all parts of the business have appropriate funding as needed to meet their obligations. The Directors have considered the Group's forecasted cash flows and funding requirements for the period to 31 December 2024. Cash flow forecasts are prepared on a "bottom-up" basis, at each major asset and at corporate level, and it reflects the Group's best estimate of its operating and capital expenditure and revenues for the period. Cash forecasts are regularly produced, and sensitivities run for different scenarios including, but not limited to, changes in commodity prices, different production rates and timing of our customer cash collections.

The Directors recognise that the Group faces a range of risks (including those laid out in the Risk section in the Annual Report) and there are a number of inter-dependencies across the Group which can create inherent risks and uncertainties – the Group actively monitors the risks facing the business and implements mitigating actions when required. The Group's forecasts show that the Group has sufficient financial headroom for the going concern assessment period and based on the analysis above, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they have adopted the going concern basis of accounting in preparing the year end result.

3. Segmental reporting

For the purposes of resource allocation and assessment of segment performance, the operations of the Group are divided into five segments: four geographical locations and an Unallocated segment. The current geographical segments are Nigeria, Cameroon and Niger. The Chad segment has been identified separately to reflect the events of the Nationalisation as described in note 2. All these geographical segments' principal activities are exploration, development and extraction of oil and gas. The Unallocated segment's principal activities are the governance and financing of the Group, as well as undertaking business development opportunities. Items not included within Operating profit/(loss) are reviewed at a Group level and therefore there is no segmental analysis for this information.

The following is an analysis of the Group's revenue and results by reportable segment in 2022:

	Nigeria US$'000	Cameroon US$'000	Niger US$'000	Unallocated US$'000	Sub-total US$'000	Chad US$'000	Group US$'000
Revenue	212,498	—	—	—	212,498	—	212,498
Cost of sales	(72,772)	—	(128)	(256)	(73,156)	1,097	(72,059)
Gross profit/(loss)	**139,726**	**—**	**(128)**	**(256)**	**139,342**	**1,097**	**140,439**
Administrative and other operating expenses	(9,476)	—	(622)	(29,430)	(39,528)	(118)	(39,646)
Gain on disposal	—	—	—	7,372	7,372	—	7,372
Transaction expenses	—	—	—	(14,487)	(14,487)	—	(14,487)
Expected credit loss and other related adjustments	(39,495)	—	—	—	(39,495)	—	(39,495)
Operating profit/(loss)	**90,755**	**—**	**(750)**	**(36,801)**	**53,204**	**979**	**54,183**
Finance income					1,068	—	1,068
Finance costs					(78,872)	(98)	(78,970)
Share of profit from associates					160	(95)	65
Fair value adjustment					(8,134)	—	(8,134)
Foreign translation loss					(21,158)	—	(21,158)
Loss before tax					**(53,732)**	**786**	**(52,946)**

	Nigeria US$'000	Cameroon US$'000	Niger US$'000	Unallocated US$'000	Sub-total US$'000	Chad US$'000	Total US$'000
Segment DD&A	**38,144**	**—**	**168**	**723**	**39,035**	**1,610**	**40,645**
Segment non-current assets additions	**6,533**	**—**	**6,324**	**1,380**	**14,237**	**8,907**	**23,144**
Assets							
Non-current assets							
Property, plant and equipment	501,387	—	1,180	488	503,055	120,063	623,118
Intangible assets	4,072	—	169,242	792	174,106	8,907	183,013
Investments in associates	—	183,425	—	—	183,425	4,925	188,350
Deferred tax assets	228,582	—	—	—	228,582	6,084	234,666
Right-of-use assets	1,621	—	—	2,037	3,658	—	3,658
Restricted cash	28	—	—	—	28	—	28
Other non-current receivables	—	—	—	7,032	7,032	—	7,032
Total non-current assets	**735,690**	**183,425**	**170,422**	**10,349**	**1,099,886**	**139,979**	**1,239,865**
Current assets							
Inventory	5,194	—	—	—	5,194	35,180	40,374
Trade and other receivables	188,881	379	24	37,669	226,953	12,393	239,346
Cash at bank	205,456	—	1,441	33,991	240,888	—	240,888
Total current assets	**399,531**	**379**	**1,465**	**71,660**	**473,035**	**47,573**	**520,608**
Total assets	**1,135,221**	**183,804**	**171,887**	**82,009**	**1,572,921**	**187,552**	**1,760,473**
Non-current liabilities							
Other payables	3,225	—	—	—	3,225	4,487	7,712
Borrowings	102,392	—	—	—	102,392	—	102,392
Lease liabilities	835	—	—	2,618	3,453	—	3,453
Deferred tax liabilities	—	—	—	—	—	27,607	27,607
Provisions	44,444	—	1,622	—	46,066	48,779	94,845
Contract liabilities	314,018	—	—	—	314,018	—	314,018
Total non-current liabilities	**464,914**	**—**	**1,622**	**2,618**	**469,154**	**80,873**	**550,027**
Current liabilities							
Trade and other payables	43,935	18	17,372	60,804	122,129	157,319	279,448
Borrowings	369,110	162,023	12,264	—	543,397	—	543,397
Interest payable	98,582	1,243	5,775	—	105,600	—	105,600
Tax liabilities	7,824	—	—	—	7,824	10,690	18,514
Lease liabilities	755	—	—	871	1,626	—	1,626
Contract liabilities	17,792	—	—	—	17,792	—	17,792
Total current liabilities	**537,998**	**163,284**	**35,411**	**61,675**	**798,368**	**168,009**	**966,377**
Total liabilities	**1,002,912**	**163,284**	**37,033**	**64,293**	**1,267,552**	**248,882**	**1,516,404**

The following is an analysis of the Group's revenue and results by reportable segment in 2021:

	Nigeria US$'000	Niger US$'000	Unallocated US$'000	Total US$'000
Revenue	185,799	—	—	185,799
Cost of sales	(65,011)	—	—	(65,011)
Gross profit	120,788	—	—	120,788
Administrative and other operating expenses	(6,814)	(6,837)	(12,024)	(25,675)
Transaction expenses	—	—	(7,374)	(7,374)
Expected credit loss and other related adjustments	(26)	—	—	(26)
Operating profit/(loss)	113,948	(6,837)	(19,398)	87,713
Finance income				490
Finance costs				(76,604)
Fair value adjustment				(610)
Foreign translation loss				(18,734)
Loss before tax				(7,745)
Segment depreciation, depletion and amortisation[4]	35,402	282	543	36,227
Segment non-current assets	568,709	162,644	2,915	734,268
Segment non-current asset additions	32,535	1,779	184	34,498
Segment total assets	1,085,486	160,962	102,139	1,348,587
Segment total liabilities	(938,513)	(31,620)	(71,716)	(1,041,849)

4. Revenue

Set out below is the disaggregation of the Group's revenue from contracts with customers:

Year ended 31 December	**2022 US$'000**	2021 US$'000
Gas sales	**181,125**	169,052
Oil, condensate and processing sales	**31,373**	16,747
Total revenue from contracts with customers	**212,498**	185,799

Gas sales represents gas deliveries made to the Group's customers under long-term, take-or-pay gas sale agreements. The Group sells oil and condensates at prevailing market prices.

5. Cost of sales

Year ended 31 December	**2022 US$'000**	2021 US$'000
Depletion and depreciation – oil and gas, and infrastructure assets	**38,403**	34,463
Facility operation and maintenance costs	**26,232**	26,023
Royalties	**7,424**	4,525
	72,059	65,011

6. Finance costs

Year ended 31 December	**2022 US$'000**	2021 US$'000
Interest on bank borrowings and loan notes	**62,324**	**53,384**
Amortisation of balances measured at amortised cost	**7,314**	**14,557**
Unwinding of decommissioning discount	**5,585**	**4,977**
Interest expense on lease liabilities	**367**	**511**
Bank charges	**233**	**327**
Other finance costs	**3,147**	**2,848**
	78,970	**76,604**

7. Fair value adjustment

Year ended 31 December	**2022 US$'000**	2021 US$'000
Fair value adjustment	**8,134**	610
	8,134	610

The fair value adjustment relates to the revaluation of the embedded derivative within the US$20 million Senior Secured Notes ("SSNs") held by Accugas Holdings UK Plc, a subsidiary of the Group as well as changes in the warrant instrument recognised as a financial liability (note 14). The embedded derivative of the SSN provides a redemption option whereby early repayment of the principal amount will result in a discount to the contractual loan value.

8. Taxation

(a) Income tax

The tax expense/(credit) recognised in the profit or loss statement for the Group is:

Year ended 31 December	**2022 US$'000**	2021 US$'000
Current tax		
– Current year	**7,198**	2,586
– Adjustments in respect of prior years	**(92)**	3
	7,106	2,589
Deferred tax		
– Origination and reversal of temporary differences	**7,610**	9,094
– Change in tax rates	**—**	25,871
– Write down and reversal of previous write downs of deferred tax assets	**(3,959)**	(61,657)
– Adjustments in respect of prior years	**374**	(745)
	4,025	(27,437)
Total tax expense/(credit) for the year	**11,131**	(24,848)

9. Earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is calculated by dividing the profit for year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the year, plus the weighted average number of shares that would be issued on the conversion of dilutive potential ordinary shares into ordinary shares. In the prior year, there was a loss attributable to the owners of the Company, which meant the diluted weighted average number of shares would reduce the loss per share. Therefore, the basic weighted average number of shares were used to calculate the diluted loss per share.

The weighted average number of shares outstanding excludes treasury shares of 99,858,893 (2021: 41,966,942).

Year ended 31 December	**2022 US$'000**	2021 US$'000
(Loss)/profit		
(Loss)/profit attributable to owners of the Company	**(60,867)**	768

	Number of shares	Number of shares
Basic weighted average number of shares	**1,202,714,329**	954,280,611
Add: employee share options and warrants	**60,012,622**	4,766,269
Diluted weighted average number of shares	**1,262,726,951**	959,046,880

	US$	US$
(Loss)/earnings per share		
Basic	**(0.05)**	0.00
Diluted	**(0.05)**	0.00

23,853,457 options granted under share option schemes are not included in the calculation of diluted earnings per share because they are anti-dilutive for the year ended 31 December 2022 (2021: 50,233,574). These options could potentially dilute basic earnings per share in the future.

10. Property, plant and equipment

	Oil and gas assets US$'000	Infrastructure assets US$'000	Other assets US$'000	Total US$'000
Cost				
Balance at 1 January 2021	183,852	469,917	4,359	658,128
Additions	16,212	15,780	565	32,557
Decommissioning remeasurement adjustment	(2,296)	(39,569)	—	(41,865)
Balance at 31 December 2021	197,768	446,128	4,924	648,820
Additions	896	1,068	478	2,442
Transfer to Intangible assets	—	—	(390)	(390)
Recognised on acquisition of subsidiary	121,672	—	—	121,672
Decommissioning remeasurement adjustment	(5,162)	(24,856)	—	(30,018)
Balance at 31 December 2022	**315,174**	**422,340**	**5,012**	**742,526**
Accumulated depreciation				
Balance at 1 January 2021	(20,327)	(23,170)	(1,924)	(45,421)
Depletion and depreciation charge	(16,742)	(17,721)	(735)	(35,198)
Balance at 31 December 2021	(37,069)	(40,891)	(2,659)	(80,619)
Depletion and depreciation charge	(22,176)	(16,227)	(617)	(39,020)
Balance at 31 December 2022	**(59,245)**	**(57,118)**	**(3,045)**	**(119,408)**
Net book value				
Balance at 1 January 2021	163,525	446,747	2,435	612,707
Balance at 31 December 2021	160,699	405,237	2,265	568,201
Balance at 31 December 2022	**255,929**	**365,222**	**1,967**	**623,118**

11. Inventory

Year ended 31 December	**2022 US$'000**	2021 US$'000
Spare parts	21,189	2,776
Crude oil and condensates	19,185	1,097
	40,374	3,873

12. Trade and other receivables

As at 31 December	**Group 2022 US$'000**	Group 2021 US$'000
Trade receivables	**244,288**	156,440
Receivables from a joint arrangement	**8,673**	67
Other financial assets	**11,518**	5,237
	264,479	161,744
Expected credit loss	**(68,840)**	(29,345)
	195,639	132,399
VAT receivables	**1,385**	694
Loan receivable	**2,194**	—
Prepayments and other receivables	**40,128**	98,538
	239,346	231,631

13. Cash at bank

As at 31 December	**Group 2022 US$'000**	Group 2021 US$'000
Cash and cash equivalents	**104,147**	45,739
Amounts held for debt service	**136,741**	106,905
	240,888	152,644

Cash and cash equivalents includes US$1.2 million (2021: US$1.1 million) of cash collateral on the Orabank revolving facility. The cash collateral was at a value of XOF750.9 million (2021: XOF626.4 million).

Amounts held for debt service represents Naira denominated cash balances[5] which are held by the Group for 2020–2022 debt service which has been separately disclosed from Cash and cash equivalents. In total, approximately US$174.8 million (2021: US$132.8 million) will be paid for the 2020–2022 debt service from bank accounts designated as Amounts held for debt service, and from Cash and cash equivalents.

14. Trade and other payables

As at 31 December	**Group 2022 US$'000**	Group 2021 US$'000
Trade and other payables		
Trade payables	**159,068**	30,957
Accruals	**50,045**	62,927
VAT and WHT payable	**16,229**	13,783
Royalty and levies	**5,542**	5,196
Employee benefits	**71**	91
Contingent consideration	**14,680**	—
Financial liability	**19,739**	—
Other payables	**14,074**	3,817
Trade and other payables	**279,448**	116,771
Other payables – non-current		
Employee benefits	**7,712**	3,415
Other payables – non-current	**7,712**	3,415
	287,160	120,186

15. Borrowings

As at 31 December	**Group 2022 US$'000**	Group 2021 US$'000
Revolving credit facility	**11,223**	9,916
Bank loans	**367,249**	379,002
Senior Secured Notes	**91,383**	100,717
Other loans	**175,934**	34,610
	645,789	524,245

As at 31 December	**Group 2022 US$'000**	Group 2021 US$'000
Current borrowings	**543,397**	415,593
Non-current borrowings	**102,392**	108,652
	645,789	524,245

16. Cash flow reconciliations

A reconciliation of profit before tax to net cash generated from operating activities is as follows:

	Year ended 31 December 2022 US$'000	Year ended 31 December 2021 US$'000
Loss for the year before tax	**(52,946)**	(7,745)
Adjustments for:		
Depreciation	**2,242**	1,764
Depletion	**38,403**	34,463
Finance income	**(948)**	(49)
Finance costs	**78,970**	76,604
Fair value movement	**8,134**	610
Share of profit from associates	**(65)**	—
Gain on disposal	**(7,372)**	—
Unrealised foreign translation loss	**12,374**	9,791
Share option charge	**1,268**	1,602
Expected credit loss and other related adjustments	**39,495**	26
Operating cash flows before movements in working capital	**119,555**	117,066
Increase in inventory	**(6,143)**	(956)
Increase in trade and other receivables	**(110,845)**	(57,744)
Increase in trade and other payables	**20,534**	29,455
Increase in contract liabilities	**87,656**	42,689
Income tax paid	**(35,064)**	(2,395)
Net cash generated from operating activities	**75,693**	128,115

17. Business combinations

On 9 December 2022, a subsidiary of the Company acquired the Chad and Cameroon Assets36 that constituted a business combination. Following the completion of this acquisition, the Group owned a 40% operated interest in the Doba Oil Project (the "Doba oil field") in Chad and an effective c.40% indirect interest in the Chad-Cameroon midstream pipelines, being COTCo and TOTCo. This acquisition was in line with the Group's strategy to deliver value accretive inorganic growth.

As these assets and entities are interdependent due to supply agreements between the upstream and midstream business, the separable assets and liabilities of these acquired entities have been shown as one single CGU.
Set out below are the provisional fair values of the separable assets and liabilities of the combined acquired entities together with the fair value of the purchase consideration. Refer to note 2 for the considerations on why these amounts are provisional.

	9 December 2022 US$'000
Property, plant and equipment	**121,672**
Investments in associates	**188,285**
Deferred tax assets	**6,084**
Inventory	**30,358**
Trade and other receivables	**12,772**
Cash at bank	**95,596**
Total assets	**454,767**
Deferred tax liabilities	**18,782**
Other payables	**4,487**
Provisions	**48,683**
Trade and other payables	**149,986**
Tax liabilities	**47,315**
Total liabilities	**269,253**
Total identifiable net assets at fair value	**185,514**
Goodwill/(bargain purchase) arising on acquisition	**—**
Total fair value of consideration transferred	**185,514**

Consideration satisfied by:

	US$'000
Cash	**7,593**
Contingent consideration	**14,680**
Debt	**162,023**
Deferred consideration	**1,218**
Total fair value of consideration transferred	**185,514**

18. Events after the reporting period

As set out in note 2, 31 March 2023, the Nationalisation of the assets and rights of any kind of SCI located in Chad or arising from the conventions between SCI and the Republic of Chad in respect of the exploration, exploitation and transportation of hydrocarbons in Chad (the "Conventions") and the assets and rights of any kind of SMIL, including the shares and rights held by SMIL in any branch office in Chad and any company having its principal place of business in Chad occurred. In particular the steps taken by the Republic of Chad have resulted in the Nationalisation of SCI's upstream production assets in Chad and SMIL's c.40% interest in Tchad Oil Transportation Company ("TOTCo"), the owner and operator of the Chad portion of the Chad-Cameroon midstream pipelines, being the sole oil export infrastructure for all oil production from Chad. The actions of the Republic of Chad are in direct breach of the Republic of Chad's undertaking under the Conventions it has entered into. As disputes under the Conventions are subject to the jurisdiction of an ICC arbitral tribunal, seated in Paris. SCI and SMIL will seek full compensation for the losses they have suffered as a result of Chad's actions. SCI has commenced ICC arbitral proceedings against the Republic of Chad to seek full recompense for the loss that it has and may suffer as a result of the Nationalisation of SCI's assets.

On 20 April 2023, the Group announced the sale of a 10% interest in its equity held investment in COTCo for a consideration of US$44.9 million. Upon completion of the sale, the Group will retain a 31.06% shareholding in COTCo.

Footnotes:

1. **Total Revenues** refers to the total amount invoiced in the financial year. This number is seen by management as appropriately reflecting the underlying cash generation capacity of the business compared to Revenue recognised in the income statement. A detailed explanation of the impact of IFRS 15 revenue recognition rules on our income statement is provided in the Financial Review section of our 2020 Annual Report.
2. **Adjusted EBITDA** is calculated as profit or loss before finance costs, investment revenue, foreign exchange gains or loss, expected credit loss and other related adjustments, fair value adjustments, gain on acquisition, taxes, transaction costs, depreciation, depletion and amortisation and adjusted to include deferred revenue and other invoiced amounts. Management believes that the alternative performance measure of Adjusted EBITDA more accurately reflects the cash-generating capacity of the business. In order to provide a meaningful comparison with 2021, the 2022 figures exclude the impact of Chad operations.
3. **Operating expenses plus administrative expenses** are defined as total cost of sales, administrative and other operating expenses, excluding royalty and depletion, depreciation and amortisation. In order to provide a meaningful comparison with 2021, the 2022 figures exclude the impact of Chad operations.
4. The 2022 figure for **Depreciation, Depletion and Amortisation** excludes the impact of Chad operations.
5. Within **cash balance** of US$240.9m, US$136.7m is set aside for debt service, of which US$98.4m is for interest and US$38.3m is for scheduled principal repayments.
6. **Net debt** is defined as Borrowings less Cash at bank and Restricted cash.
7. **Leverage** is defined as Net debt divided by Adjusted EBITDA.
8. Interest cover ratio is Adjusted EBITDA divided by Finance costs excluding (i) unwinding of a discount on a long-term payable, (ii) unwind of discount on contract liabilities and (iii) unwinding of decommissioning discount, less Interest Finance Income.
9. **Total Contributions** to Nigeria and Niger defined as payments to governments, salaries and payments to local suppliers and contractors.
10. **Source:** The Economist, 2022 has been a year of brutal inflation.
11. **Source:** IMF.
12. Fed Prime Rate LIBOR.
13. **Source:** EIA
14. **Source:** EIA
15. **Source:** Eurostat
16. **Source:** Food and Agriculture Organisation (FAO).
17. **Source:** Trading Economics.
18. **Source:** IMF.
19. FTSE 100, 10 years. **Source:** Factset.
20. **Source:** Growth Index.
21. Savannah estimate based on Accugas peak contributions to thermal generation for the time period.
22. **Source:** Fitch Solutions
23. The document to be published by a company seeking admission of its securities to trading on AIM in accordance with Rule 3 of the AIM Rules.
24. **External Events** For further information see the Financial Review section of this announcement.
25. **Source:** Word Bank.
26. **Source:** IEA.
27. **Source:** World Bank.
28. **Source:** United Nations Human Development Report 2021.
29. **Source:** IMF.
30. **Source:** Our World in Data
31. **Source:** IEA, World Energy Outlook (2022).
32. **Source:** S&P Global Market Intelligence, S&P Global Ratings. Universe is Global Capex 2000.
33. **Source:** IEA, Net Zero by 2050.
34. **Source:** EIA, International Energy Outlook. 25. Source: IEA, Net Zero by 2050.
35. **South Sudan Assets** means the assets that Savannah proposes to acquire from PETRONAS International Corporation Ltd, as announced on 12 December 2022. These assets comprise interests in three Joint Operating Companies which operate Block 3/7 (40% working interest (“WI”)), Block 1/2/4 (30% WI) and Block 5A (67.9% WI), in South Sudan.
36. **Chad and Cameroon Assets** means the assets acquired from ExxonMobil being a 40% participating interest in the Doba Oil Field Development Area in Chad, and a 40.19% and 41.06% shareholding interest in Tchad Oil Transportation Company and Cameroon Oil Transportation Company (respectively) which own and operate the Chad-Cameroon pipeline and FSO)
37. **Investment Grade** indicates credit support from an entity which holds an investment grade rating from either Standard & Poor’s, Moody’s or Fitch Ratings.
38. **Adjusted net debt** is defined as Net debt adjusted for US$98.4 million (2021: US$75.5 million) equivalent held in Naira that is set aside to cover interest payments. This measure recognises the fact that when interest is paid the Net debt will rise. The figure presented for 2022 is for the Group excluding Chad (which removes the impact of the Chad operations period of ownership from 9 December to 31 December 2022) as described in the Financial Review to provide a meaningful comparison with 2021. Note that the Adjusted EBITDA presented in Note 35(g) of the Financial Statements is for the Group, not Group excluding Chad.