

Registration number: 03763515

# BG Energy Holdings Limited

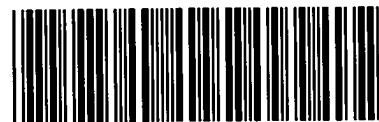
Annual Report

and

Financial Statements

For the year ended 31 December 2022

THURSDAY



\*AC6QLRAQ\*

A40

29/06/2023

#31

COMPANIES HOUSE

## **BG Energy Holdings Limited**

### **Contents**

Strategic report	1 to 4
Directors' report	5 to 7
Independent Auditor's report	8 to 11
Profit and loss account	12
Balance sheet	13
Statement of changes in equity	14
Statement of cash flows	15
Notes to the financial statements	16 to 55

## **BG Energy Holdings Limited**

### **Strategic report for the year ended 31 December 2022**

The Directors present their Strategic report on BG Energy Holdings Limited (also referred to as the "Company") for the year ended 31 December 2022.

The Company is one of the entities within the "Shell Group". In this context the term "Shell Group" and "Companies of the Shell Group" or "Group companies" means companies where Shell plc (formerly Royal Dutch Shell plc), either directly or indirectly, is exposed to, or has rights to, variable returns from its involvement with the Company and has the ability to affect those returns through its power over the Company. Companies in which Group companies have significant influence but not control are classified as "Associated companies". Shell plc, a company incorporated in England and Wales, is known as the "Parent Company" of the Shell Group. In this Report "Shell", "Shell Group" and "Shell plc" are sometimes used for convenience where references are made to Shell plc and its subsidiaries in general. These expressions are also used where no useful purpose is served by identifying the particular company or companies.

#### **Business review**

The Company is a holding company, that owns, directly or indirectly, investments in numerous Shell Group companies. Shell is an international energy company with expertise in the exploration, development, production, refining and marketing of oil and natural gas; the manufacturing and marketing of chemicals and investments in low-carbon energy solutions and other commercial opportunities linked to the energy transition.

The principal activities of the Company mainly comprise investing in and financing companies of the Shell Group. The Company will continue with these activities for the foreseeable future.

The Company's profit for the financial year increased from \$1,526 million in 2021 to \$4,444 million in 2022. This was principally due to net impairment reversal of \$1,603 million as against impairment charge of \$1,888 million in 2021.

The Directors consider that the year end financial position of the Company was satisfactory.

## **BG Energy Holdings Limited**

### **Strategic report for the year ended 31 December 2022 (continued)**

#### **Impairments**

As a result of the annual impairment review, management has identified impairment reversal indicators in the investments with carrying value of \$10,312 million held by the Company as a result of revision of Shell's mid and long-term commodity price assumptions reflecting the current energy market demand and supply fundamentals. It has assessed the present value of the investments using discounted future cash flows to be \$13,914 million and accounted an impairment reversal of \$3,602 million.

Also management has assessed that there are indicators of impairment in investments in certain other subsidiaries having carrying value of \$1,999 million and accounted an impairment loss of \$1,999 million. The main driver for the impairment is due to reduction in net assets of the subsidiaries mainly on account of dividend distributions and initiating liquidation process for these entities.

In 2021, the Company recorded an impairment loss of \$1,907 million in investments in subsidiaries with a carrying value of \$12,219 million due to downward revision in the value in use to \$10,312 million as a result of reduction in net assets of the subsidiaries mainly on account of divestment proceeds realized on part disposal of Shell's interest in common facility assets are being repatriated as dividends to the parent company.

In 2022, the Company has applied a post-tax WACC as the basis to discount the estimated risk adjusted future cash flows. The post-tax WACC applied in 2022 was 6.5% for all businesses except for Power (5%).

#### **IBOR Reform**

In July 2022, floating rate interest loan of \$ 9.5 billion LIBOR loan was transitioned to Secured overnight financing rate (SOFR). The Company has applied the practical expedient of updating the effective interest rate prospectively since the change is a direct consequence of IBOR reform. Therefore, no gain or loss or change to the carrying value of the financial instrument has been recognised during the year.

#### **Principal risks and uncertainties**

The Shell Group has a single risk-based control framework - The Shell Control Framework - to identify and manage risks. The Shell Control Framework applies to all wholly owned Shell companies and to those ventures and other companies in which Shell plc has directly or indirectly a controlling interest. From the perspective of the Company, the principal risks and uncertainties affecting the Company are considered to be those that affect the Shell Group. Accordingly, the principal risks and uncertainties of the Shell Group, which are discussed on pages 15 to 26 of Shell's Annual Report for the year ended 31 December 2022 (the "Group Report"), include those of the Company. The Group Report does not form part of this report.

## **BG Energy Holdings Limited**

### **Strategic report for the year ended 31 December 2022 (continued)**

#### **Key Performance Indicators**

Companies of the Shell Group comprise the Upstream, Integrated Gas and Renewables and Energy Solutions (formerly New Energies), and Downstream. The Company's key performance indicators, that give an understanding of the development, performance and position of the business, are aligned with those of the Shell Group. The development, performance and position of the various businesses is discussed on pages 27 to 77 of the Group Report and the key performance indicators through which the Group's performance is measured are as set out on pages 27 to 28 of the Group Report.

#### **Going concern**

In assessing the appropriateness of the going concern assumption over the period to 30 June 2024 (the 'going concern period'), management have considered the recovery from COVID-19, the potential risks and uncertainties relating to ongoing geo-political events and its related economic impact on the Company's business, credit, market, and liquidity position. Based on the above, together with the Directors knowledge and experience of the market, the Directors consider it appropriate to prepare the financial statements for the year ended 31 December 2022 on a going concern basis.

#### **Section 172(1) statement/Statement of stakeholder interests**

The Companies (Miscellaneous Reporting) Regulations 2018 ('2018 MRR') require Directors to explain how they considered the interests of key stakeholders and the broader matters set out in section 172(1) (a) to (f) of the Companies Act 2006 ('S172') when performing their duty to promote the success of the Company under S172. This includes considering the interest of other stakeholders which may affect the long-term success of the Company.

This Section 172 Statement, explains how the Directors have acted in the way they consider, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (among other matters) to:

- the likely consequences of any decision in the long term and the impact of the Company's operations on the community and the environment,
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- employee interests, the need to foster the Company's business relationships with suppliers, customers, and others, and the effect of that regard, including on the principal decisions taken by the Company during the financial year.

## **BG Energy Holdings Limited**

### **Strategic report for the year ended 31 December 2022 (continued)**

Ahead of matters being put to the Company Board for consideration, significant levels of engagement are often undertaken by the broader business ahead of many of Shell projects or activities. This engagement is often governed by formulated policies, control frameworks, regulation, legislation and may differ by region. Dependent on the project or activity, Board members may participate in this engagement.

The Company is a member of the Shell Group, an organisation which follows a highly developed and formalised governance and oversight framework, which includes but is not limited to Group policies such as the Shell General Business Principles (which sets out the Shell Group's responsibilities to shareholders, customers, employees, business partners and society) and the Shell Code of Conduct.

The strategy of the Company is considered to be derived from those of the Shell Group, which is discussed on pages 6 - 14 of the Group Report. The Shell Group internally organises its activities principally along business and function lines but transacts its business through legal entities. This organisation structure is designed to achieve Shell's overall business objectives, whilst respecting the separate legal identity of the individual Shell companies through which it is implemented and the independence of each legal entity's Board of Directors.

#### **Human Rights**

Respect for human rights is embedded in the Shell Group's Business Principles and Code of Conduct. This approach is informed by the Universal Declaration of Human Rights, the core conventions of the International Labour Organization and the United Nations' Guiding Principles on Business and Human Rights.

The Shell Group works closely with other companies and non-governmental organisations to continuously improve the way it applies these principles, with a focus on four key areas: communities, security, labour rights, and supply chain. The Shell Group has systems and processes in place for managing projects, contracting and procurement, recruitment and employment, security and social performance and requires all Group companies and contractors to respect the human rights of their workforce and neighbouring communities.

The Shell Group's Modern Slavery Statement provides more details about the process applied. It can be found at [www.shell.com/uk-modern-slavery-act.html](http://www.shell.com/uk-modern-slavery-act.html).

Approved by the Board on 23 June 2023 and signed on its behalf by:

DocuSigned by:  


M.J. Dawson  
Director

## **BG Energy Holdings Limited**

### **Directors' report for the year ended 31 December 2022**

The Directors present their report and the financial statements for the year ended 31 December 2022.

The Directors' report and audited financial statements of the Company have been prepared in accordance with the Companies Act 2006.

#### **Dividend**

Interim dividends of \$nil were paid in the year (2021: \$1,200 million). The Directors recommend that no further dividend be paid for the year ended 31 December 2022 (2021: \$nil).

#### **Future Outlook**

No significant change in the business of the Company or of its subsidiary undertakings has taken place during the year or is expected in the immediately foreseeable future.

#### **Directors of the Company**

The Directors, who held office during the year, and to the date of this report (except as noted) were as follows:

E.C. Andrew (resigned 30 June 2022)

J.G. Connell

S.B. Critchlow

M.J. Dawson

H.E. Jones

T. Kemularia (appointed 1 July 2022)

#### **Financial risk management**

The Company's Directors are required to follow the requirements of Shell Group risk management policies, which include specific guidelines on the management of market, credit and liquidity risk, and advice on the use of financial instruments to manage them. Shell Group risk management policies can be found in the Group Report (see pages 215 to 217 and note 25).

#### **Streamlined Energy and Carbon Reporting**

The Directors are aware of the requirements for large UK companies to report on their UK energy use and carbon emissions. The Company's energy usage and greenhouse gas emissions form part of the overall Shell Group results. The climate change and energy transition strategy and disclosures are discussed on pages 78 to 105 of the Group Report with greenhouse gas emissions and energy usage being set out on pages 104 to 105.

## **BG Energy Holdings Limited**

### **Directors' report for the year ended 31 December 2022 (continued)**

#### **Events after the end of the reporting period**

On 11th January 2023, Shell Plc became the guarantor of contractual payments totalling to \$1,864 million, plus related interest, in respect of debt issued by BG Energy Capital Plc, in place of the Company.

On 28 February 2023, the Company paid interim dividends amounting to \$1,200 million. The Company received dividends amounting to \$2,298 million.

#### **Statement of Directors' responsibilities**

The Directors acknowledge their responsibilities for preparing the Strategic report, Directors' report and the Company's financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Under applicable laws and regulations, the Directors are also responsible for preparing a Strategic report, Directors' report that comply with the relevant laws and regulations.



**BG Energy Holdings Limited**

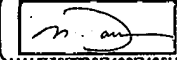
**Directors' report for the year ended 31 December 2022 (continued)**

**Statement of Directors' responsibilities (continued)**

**Disclosure of information to the auditor**

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved by the Board on 23 June 2023 and signed on its behalf by:

DocuSigned by:  
  
E7869B8C402C426...

M.J. Dawson  
Director

## **Independent Auditor's report to the Member of BG Energy Holdings Limited**

### **Opinion**

We have audited the financial statements of BG Energy Holdings Limited (the "Company") for the year ended 31 December 2022, which comprise the Profit and loss account, the Balance sheet, the Statement of changes in equity, the Statement of cash flows and the related notes 1 to 20, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the period up to 30 June 2024.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

## **Independent Auditor's report to the Member of BG Energy Holdings Limited (continued)**

### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Independent Auditor's report to the Member of BG Energy Holdings Limited (continued)**

### **Responsibilities of Directors**

As explained more fully in the Directors' responsibilities statement set out on page 6, the Directors responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework FRS 101 "Reduced Disclosure Framework", Companies Act 2006, Bribery Act 2010, Companies (Miscellaneous Reporting) Regulation 2018 and relevant tax compliance regulations in the jurisdictions in which the Company operates, including the United Kingdom.
- We understood how the Company is complying with those frameworks and Shell group policies by making enquiries of management, those responsible for legal and compliance procedures and the Company Secretary. We corroborated our enquiries through the review of the following documentation:

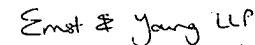
### **Independent Auditor's report to the Member of BG Energy Holdings Limited (continued)**

- all minutes of board meetings held during the year;
  - the Shell Group's code of conduct setting out the key principles and requirements for all staff in relation to compliance with laws and regulations;
  - any relevant correspondence with local tax authorities;
  - and any relevant correspondence received from regulatory bodies.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the controls that the Company established to address risks identified by the entity or that otherwise seek to prevent, deter or detect fraud. We gained an understanding of the entity level controls and policies that the Company applies being part of the Shell Group.
- Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above. Our procedures involved testing of journal entries, with a focus on journals indicating large or unusual transactions or meeting our defined risk criteria based on our understanding of the business, enquiries of legal counsel and management, review of internal audit reports and of the volume and nature of complaints received by the whistleblowing hotline during the year relevant to the Company. We also utilised legal specialists to assist in our assessment of instances of potential non-compliance.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the Company's member, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
135F99A227E84F7...

.....  
Mark Woodward (Senior Statutory Auditor)  
For and on behalf of Ernst & Young LLP, Statutory Auditor  
London

Date: 27 June 2023  
.....

# BG Energy Holdings Limited

## Profit and loss account for the year ended 31 December 2022

### Continuing operations

	Note	2022 \$ m	2021 \$ m
Administrative expenses		(4)	(7)
<b>OPERATING LOSS</b>	6	<b>(4)</b>	<b>(7)</b>
Income from shares in subsidiary undertakings		3,270	3,649
Income from participating undertakings		15	14
Amounts written back/(provided) against investments	9	1,603	(1,888)
Amounts (written off)/ written back on receivables		(5)	41
<b>PROFIT BEFORE INTEREST AND TAXATION</b>		<b>4,879</b>	<b>1,809</b>
Interest receivable and similar income	4	226	203
Interest payable and similar charges	5	(746)	(577)
<b>PROFIT BEFORE TAXATION</b>		<b>4,359</b>	<b>1,435</b>
Tax on profit	8	85	91
<b>PROFIT FOR THE YEAR</b>		<b>4,444</b>	<b>1,526</b>

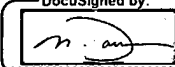
The profit for the current year and for the prior year are equal to the total comprehensive income and accordingly a statement of comprehensive income has not been presented.

**BG Energy Holdings Limited**

**(Registration number: 03763515)  
Balance sheet as at 31 December 2022**

	Note	2022 \$ m	2021 \$ m
<b>Fixed assets</b>			
Investments	9	29,197	25,762
Deferred tax	8	23	-
<b>Current assets</b>			
Debtors: amounts due more than one year	10	202	4,863
Debtors: amounts due within one year	10	5,023	4,168
<b>Creditors: amounts falling due within one year</b>	11	<u>(1,549)</u>	<u>(3,833)</u>
<b>Net current assets</b>		<u><b>3,474</b></u>	<u><b>335</b></u>
<b>Total assets less current liabilities</b>		<u><b>32,896</b></u>	<u><b>30,960</b></u>
<b>Creditors: amounts falling due after more than one year</b>	12	(14,156)	(16,639)
<b>Deferred tax</b>	8	<u>-</u>	<u>(25)</u>
<b>Net assets</b>		<u><u><b>18,740</b></u></u>	<u><u><b>14,296</b></u></u>
<b>Equity</b>			
Called up share capital	14	3,562	3,562
Share premium reserve		388	388
Other reserves		4,000	4,000
Profit and loss account		<u>10,790</u>	<u>6,346</u>
<b>Total equity</b>		<u><u><b>18,740</b></u></u>	<u><u><b>14,296</b></u></u>

The financial statements on pages 12 to 55 were authorised for issue by the Board of Directors on 23 June 2023 and signed on its behalf by:

DocuSigned by:  


.....E7B59B8C402C426.....  
**M.J. Dawson**  
 Director

# BG Energy Holdings Limited

## Statement of changes in equity for the year ended 31 December 2022

	Called up share capital \$ m	Share premium \$ m	Other reserves* \$ m	Profit and loss account \$ m	Total \$ m
<b>Balance as at 1 January 2021</b>	<b>3,562</b>	<b>388</b>	<b>4,000</b>	<b>6,020</b>	<b>13,970</b>
Profit for the year	-	-	-	1,526	1,526
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,526</b>	<b>1,526</b>
Dividends paid (refer note 15)	-	-	-	(1,200)	(1,200)
<b>Balance as at 31 December 2021</b>	<b>3,562</b>	<b>388</b>	<b>4,000</b>	<b>6,346</b>	<b>14,296</b>
<b>Balance as at 1 January 2022</b>	<b>3,562</b>	<b>388</b>	<b>4,000</b>	<b>6,346</b>	<b>14,296</b>
Profit for the year	-	-	-	4,444	4,444
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,444</b>	<b>4,444</b>
<b>Balance as at 31 December 2022</b>	<b>3,562</b>	<b>388</b>	<b>4,000</b>	<b>10,790</b>	<b>18,740</b>

\* In 2019, the Company received dividend income of \$4,000 million from subsidiary BGUKH and is considered to be fully realised in the Company. The dividend relates to earnings originating from an internal restructure within the Shell Group and is not currently considered to be a realised profit at the point of common control of the companies involved, being the Shell Group's parent company, Shell plc. The dividend income received in the Company has therefore been presented within a separate reserve in equity and will be transferred into the profit and loss account upon realisation of the earnings at a Shell plc level.



# BG Energy Holdings Limited

## Statement of cash flows for the year ended 31 December 2022

	Note	2022 \$ m	2021 \$ m
<b>Cash flows from operating activities</b>			
Profit before taxation		4,359	1,435
Adjustments for:			
Movement in impairment provisions		(1,603)	1,889
Dividend income		(3,285)	(3,663)
Net finance cost		520	374
Decreases in working capital		(927)	(1,261)
Net cash flows used in operating activities		<u>(936)</u>	<u>(1,226)</u>
<b>Cash flows from investing activities</b>			
Interest received		226	203
Capital invested (net) in subsidiary undertakings	9	(1,832)	(860)
Dividends received from subsidiary undertakings		3,270	3,649
Dividends received from participating undertakings		15	14
Net cash flows from investing activities		<u>1,679</u>	<u>3,006</u>
<b>Cash flows from financing activities</b>			
Interest paid		(743)	(580)
Dividend paid	15	-	(1,200)
Net cash (used in) financing activities		<u>(743)</u>	<u>(1,780)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		-	-
Cash and cash equivalents at 1 January		-	-
<b>Cash and cash equivalents at 31 December</b>		<u>-</u>	<u>-</u>

## **BG Energy Holdings Limited**

### **Notes to the financial statements for the year ended 31 December 2022**

#### **General information**

The Company is a private company limited by share capital incorporated and domiciled in England and Wales.

The address of its registered office is: Shell Centre, London, SE1 7NA, United Kingdom.

#### **1 Accounting policies**

##### **Basis of preparation**

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework. The financial statements have been prepared under the historical cost convention, except for certain items measured at fair value, and in accordance with the Companies Act 2006.

The accounting policies have been consistently applied.

##### **Going concern**

These financial statements have been prepared on the going concern basis of accounting. In assessing the appropriateness of the going concern assumption over the period to 30 June 2024 (the 'going concern period'), management have considered the recovery from COVID-19, the potential risks and uncertainties relating to ongoing geo-political events and its related economic impact on the Company's business, credit, market, and liquidity position. Based on the above, together with the Directors knowledge and experience of the market, the Directors consider it appropriate to prepare the financial statements for the year ended 31 December 2022 on a going concern basis.

The Group sweeps cash from subsidiary companies to a central treasury company account on a daily basis. The Company shows the balance swept at the end of the year as an amount owed by a fellow subsidiary undertaking. The Directors consider that the Company will have access to the funds swept to these accounts when required by the Company.

##### **New Standards applied**

##### **Onerous contracts - costs of fulfilling a contract - amendments to IAS 37**

An onerous contract is a contract under which the unavoidable costs of meeting the obligations under the contract (i.e., the costs that the Group cannot avoid because it has the contract) exceed the economic benefits expected to be received under it.

## **BG Energy Holdings Limited**

### **Notes to the financial statements for the year ended 31 December 2022 (continued)**

#### **1 Accounting policies (continued)**

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are applicable for financial periods beginning 1 January 2022.

The Company does not have any onerous contracts at the beginning of the reporting period and therefore no adjustments are made to the opening financial period.

#### **Reference to the Conceptual Framework - Amendments to IFRS 3**

The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements. The amendments add an exception to the recognition principle of IFRS 3 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date. The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

The amendments had no impact on the financial position of the Company as there were no contingent assets, liabilities or contingent liabilities within the scope of these amendments.

#### **IFRS 9 Financial Instruments - Fees in the '10 per cent' test for derecognition of financial liabilities**

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39 Financial Instruments: Recognition and Measurement.

In accordance with the transitional provisions, the Company applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application).

These amendments had no impact on the financial statements of the Company as there were no modification to the financial liabilities during the period.

## **BG Energy Holdings Limited**

### **Notes to the financial statements for the year ended 31 December 2022 (continued)**

#### **1 Accounting policies (continued)**

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The following exemptions from the disclosure requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures';
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of paragraph 79(a)(iv) of IAS 1 'Presentation of financial statements';
- The following paragraphs of IAS 1, 'Presentation of financial statements':
  - (i) 10(f) (a balance sheet as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements);
  - (ii) 16 (statement of compliance with all IFRS);
  - (iii) 38A (requirement to present a minimum of two statements for each of the primary financial statements, including cash flow statements and related notes);
  - (iv) 38B-D (additional comparative information);
  - (v) 40A-D (requirements for a third balance sheet);
  - (vi) 111 (cash flow statement information); and
  - (vii) 134-136 (capital management disclosures)
- Paragraphs 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- Paragraphs 17 and 18A of IAS 24, 'Related party disclosures' (key management compensation);
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more wholly owned members of a group.

## **BG Energy Holdings Limited**

### **Notes to the financial statements for the year ended 31 December 2022 (continued)**

#### **1 Accounting policies (continued)**

##### **Consolidation**

The financial statements contain information about BG Energy Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent, Shell plc, a company incorporated in England and Wales.

The immediate parent company is BG Group Limited.

The ultimate parent company and controlling party is Shell plc, which is the parent undertaking of the smallest and largest group to consolidate these financial statements.

The consolidated financial statements of Shell plc are available from:

Shell plc  
Tel: +44 800 731 8888  
email: [order@shell.com](mailto:order@shell.com)  
Registered office: Shell Centre, London, SE1 7NA

##### **Income from shares in subsidiary and participating undertakings**

Income from shares in subsidiary and participating undertakings represents dividends relating to the current year and prior periods. Dividends are recognised on a paid basis unless the dividend has been confirmed by a general meeting of the subsidiary and participating undertakings, in which case income is recognised on the date at which receipt is deemed virtually certain.

##### **Taxation**

Tax is recognised in profit or loss, except that tax attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income or directly in equity.

##### **Current tax**

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date for tax payable to HM Revenue and Customs, or for group relief to surrender to or to be received from other Group undertakings, and for which payment may be requested. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation by Shell and tax authorities differently and establishes provisions where appropriate.

## **BG Energy Holdings Limited**

### **Notes to the financial statements for the year ended 31 December 2022 (continued)**

#### **1 Accounting policies (continued)**

##### **Deferred tax**

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and credits carried forward can be utilized.

Deferred tax assets and liabilities is measured at the using corporation tax rates that are expected to apply in the periods in which the temporary differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset deferred tax assets against deferred tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Amounts relating to deferred tax are undiscounted.

##### **Foreign currency translation**

###### **(i) Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in US Dollars (\$), which is also the Company's functional currency.

###### **(ii) Transaction and balances**

Income and expense items denominated in foreign currencies are translated into \$ at the rate ruling on their transaction date.

Monetary assets and liabilities recorded in foreign currencies have been translated in \$ at the rates of exchange ruling at the year end. Differences on translation are included in the profit and loss account. Non-monetary assets and liabilities denominated in a foreign currency are translated using exchange rates at the date of the transaction. No subsequent translations are made once this has occurred.

## **BG Energy Holdings Limited**

### **Notes to the financial statements for the year ended 31 December 2022 (continued)**

#### **1 Accounting policies (continued)**

##### **Financial instruments**

###### **Financial assets**

Financial assets are classified at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). The classification of financial assets is determined by the contractual cash flows and where applicable the business model for managing the financial assets.

A financial asset is measured at amortised cost if the objective of the business model is to hold the financial asset in order to collect contractual cash flows and the contractual terms give rise to cash flows that are solely payments of principal and interest. Financial assets at amortised cost are initially recognised at fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset. Subsequently the financial asset is measured using the effective interest method less any impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. All equity instruments and other debt instruments are recognised at fair value. For equity instruments, on initial recognition, an irrevocable election (on an instrument-by-instrument basis) can be made to designate these as at FVOCI (without recycling to profit and loss) instead of FVTPL. Dividends received on equity instruments are recognised as other income in profit or loss when the right of payment has been established, except when the company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income.

###### **Impairment of financial assets**

The impairment requirements for expected credit losses are applied to financial assets measured at amortised cost, financial assets measured at FVOCI and financial guarantees contracts to which IFRS 9 is applied and that are not accounted for at FVTPL. If the credit risk on the financial asset has increased significantly since initial recognition, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses. In other instances, the loss allowance for the financial asset is measured at an amount equal to the twelve month expected credit losses (ECLs). Changes in loss allowances are recognised in profit and loss. For trade debtors that do not contain a significant financing component, the simplified approach is applied recognising expected lifetime credit losses from initial recognition.

As a result of COVID-19 and geo-political events, there continues to be uncertainty in the macroeconomic conditions with an expected negative impact on global economic environment. Therefore, this has an impact on our customers who are also exposed to the same macroeconomic changes. The Company however has Credit -risk policies in place to ensure that sales are made to customers with appropriate creditworthiness, and include detailed credit analysis and monitoring of customers against counterparty credit limits. Where appropriate, netting arrangements, credit insurance, prepayments and collateral are used to manage credit risk. Therefore, the Company's risk of exposure to bad debts is not significant.

## **BG Energy Holdings Limited**

### **Notes to the financial statements for the year ended 31 December 2022 (continued)**

#### **1 Accounting policies (continued)**

##### **Financial liabilities**

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL, such as instruments held for trading, or the Company has opted to measure them at FVTPL. Debt and creditors are recognised initially at fair value based on amounts exchanged, net of transaction costs, and subsequently at amortised cost. Interest expense on debt is accounted for using the effective interest method and is recognised in income.

##### **Derivative contracts**

Derivative contracts are entered into by the Company for management of interest rate risk and foreign exchange risk and are carried at fair value. The gains or losses arising from changes in fair value are recognised in the profit and loss account within interest income or expenses in the period in which they arise.

##### **Investment in subsidiaries and participating undertakings**

These comprise investments in shares and loans that the Company intends to hold on a continuing basis. The investments in subsidiaries and participating undertakings are stated at cost, less provisions for impairment. The Company carries out a review for the potential impairment of an investment if events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. Such impairment reviews are performed in accordance with IAS 36. Any impairments are recorded in the profit and loss account.

If, after an impairment loss has been recognised, the recoverable amount of an investment increases because of a change in economic conditions or in the expected use of the asset, the resulting reversal of the impairment loss is recognised in the current year to the extent that it increases the carrying amount of the fixed asset up to the amount it would have been had the original impairment not occurred.



## **BG Energy Holdings Limited**

### **Notes to the financial statements for the year ended 31 December 2022 (continued)**

#### **1 Accounting policies (continued)**

##### **Defined contribution plan**

A defined contribution plan is a pension plan under which fixed contributions are paid into a separate entity and has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans, contributions are paid to publicly or privately administered pension insurance plans on a mandatory or contractual basis. The contributions are recognised as an employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as an asset.

The Company is a member of the BG pension fund, a Group plan which covers the majority of its employees and is a funded defined benefits scheme.

Under the terms of the scheme, there is no defined policy for allocating the net defined benefit obligation amongst the participating members. Accordingly, the plan is accounted for as a defined contribution plan.

##### **Netting off policy**

Balances with counterparties are stated gross, unless both of the following conditions are met:

- (i) Currently there is a legally enforceable right to set off the recognised amounts; and
- (ii) There is intent either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

##### **Financial Guarantees**

Financial guarantees are initially recognised at fair value and are subsequently measured at the higher of (a) the IFRS 9 Expected Credit Loss (ECL) allowance and (b) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with IFRS 15.

## **BG Energy Holdings Limited**

### **Notes to the financial statements for the year ended 31 December 2022 (continued)**

#### **2 Critical accounting judgements and key sources of estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

##### **Impairment of investments**

Investments are tested for impairment whenever events or changes in circumstances indicate that the carrying amounts for those assets may not be recoverable. For the purposes of determining whether impairment of investments has occurred, and the extent of any impairment or its reversal, management review a range of measures relating to the underlying entity's performance, changes to net assets of investee entity, including the net present value of future cash flows. In computing the net present value, the estimated risk adjusted future cash flows are discounted to their present value using a post-tax discount rate that reflects Shell's post-tax WACC. The discount rate applied does not reflect specific local risks for which future cash flow estimates have been adjusted.

In assessing these measures, management make a number of assumptions relating (but not restricted) to future oil and gas prices, expected production volumes and refining margins appropriate to the local circumstances and environment. These assumptions and the judgements of management that are based on them are subject to change as new information becomes available. Changes in economic conditions can also affect the rate used to discount future cash flow estimates.

Judgement, which is subject to change as new information becomes available, can be required in determining when an asset is classified as held for sale. A change in that judgement could result in impairment charges affecting income, depending on whether classification requires a write-down of the asset to its fair value less costs to sell.

## **BG Energy Holdings Limited**

### **Notes to the financial statements for the year ended 31 December 2022 (continued)**

#### **2 Critical accounting judgements and key sources of estimation uncertainty (continued)**

##### **Climate change and energy transition**

In 2021, Shell launched its Powering Progress strategy to become a net-zero emissions business by 2050. The strategy includes targets to reduce absolute emissions from its operations and the energy it buys to run them, compared with 2016 levels. Shell's targets include reducing Scope 1 and 2 emissions by 50% by 2030 and reducing the carbon intensity of energy products sold (Scope 1, 2 and 3 emissions) by 6-8% by 2023, 9-12% by 2024, 9-13% by 2025, 20% by 2030, 45% by 2035, and 100% by 2050. Shell plc's Annual Report in pages 252- 253 under note 4 describes how Shell has considered climate-related impacts in some key areas of the financial statements and how this translates into the valuation of assets and measurement of liabilities as Shell makes progress in the energy transition.

##### **Provision for expected credit losses of debtors**

For intra-group debtors, the Company uses an internal credit rating to determine the probability of default. Internal credit ratings are based on methodologies adopted by independent credit rating agencies.

#### **3 Financial instruments**

The Company has the following financial assets and liabilities measured at fair value through profit or loss:

	<b>2022</b>	<b>2021</b>
	<b>\$ m</b>	<b>\$ m</b>
Derivative financial assets	1	14
Derivative financial liabilities	<u>(555)</u>	<u>(290)</u>

The Company enters into derivative financial contracts to mitigate the exchange rate risk and interest rate risk for certain loan balances outstanding with subsidiaries. At 31 December 2022, the outstanding contracts all mature within 11 years (2021: 12 years) of the year end.

The forward foreign currency contracts and interest rate swap contracts are measured at fair value, which is determined using valuation techniques that utilise observable inputs. The key assumptions used in valuing the derivatives are the relevant exchange rate and interest rate indexes. The valuation of derivatives instruments is carried out on commercial terms and conditions and at market rates.

## BG Energy Holdings Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 4 Interest receivable and similar income

	2022 \$ m	2021 \$ m
Interest from Group undertakings:		
Subsidiary undertakings	84	76
Fellow subsidiary undertakings	125	95
Profit on currency translation	1	8
Other interest income	16	24
	<u>226</u>	<u>203</u>

#### 5 Interest payable and similar charges

	2022 \$ m	2021 \$ m
Interest on loans from Group undertakings:		
Subsidiary undertakings	128	186
Fellow subsidiary undertakings	403	242
Interest on bank overdrafts and borrowings	23	19
Losses on derivative financial instruments	192	130
	<u>746</u>	<u>577</u>

#### 6 Operating profit

The Company had no employees during 2022 (2021: none).

#### 7 Auditor's remuneration

The Auditor's remuneration of \$36,915 (2021: \$35,354) in respect of the statutory audit was borne by another Group Company for both the current and preceding years.

Fees paid to the Company's auditor and its associates for non-audit services to the Company itself are not disclosed in the individual financial statements of the Company because the Shell plc consolidated accounts are required to disclose such fees on a consolidated basis.

# **BG Energy Holdings Limited**

## **Notes to the financial statements for the year ended 31 December 2022 (continued)**

### **8 Tax on profit**

#### **Tax credit in the profit and loss account**

The tax credit for the year of \$85 m (2021: \$91 million) is made up as follows:

	<b>2022</b>	<b>2021</b>
	<b>\$ m</b>	<b>\$ m</b>
<b>Current taxation</b>		
UK corporation tax credit	(39)	(48)
UK corporation tax adjustment to prior periods	<u>1</u>	<u>(24)</u>
<b>Total current tax credit</b>	<u><b>(38)</b></u>	<u><b>(72)</b></u>
<b>Deferred taxation</b>		
Arising from origination and reversal of temporary differences	<u>(47)</u>	<u>(19)</u>
<b>Total deferred tax credit</b>	<u><b>(47)</b></u>	<u><b>(19)</b></u>
<b>Tax credit in the profit and loss account</b>	<u><b>(85)</b></u>	<u><b>(91)</b></u>

## BG Energy Holdings Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 8 Tax on profit (continued)

##### Reconciliation of total tax credit

The tax on profit before tax for the year differs from the standard rate of corporation tax in the UK of 19% (2021: 19%).

The differences are reconciled below:

	2022 \$ m	2021 \$ m
Profit before tax	(4,359)	(1,435)
Tax on profit calculated at standard rate (2022:19%) (2021:19%)	828	273
<b>Effects of:</b>		
Income exempt from taxation	(306)	(706)
Expenses not deductible	6	359
Adjustments in respect of prior periods	1	(24)
Currency translation adjustments	21	1
Deferred tax (credit)/expense relating to changes in tax rates or laws	(11)	6
Dividends from UK companies	(624)	-
<b>Total tax credit</b>	<u>(85)</u>	<u>(91)</u>

The Finance Act 2020 (enacted on 22 July 2020) maintained the statutory corporation tax rate of 19% as applicable in the previous year. The 2021 Budget announcement, to increase the main corporation tax rate to 25%, effective from 1 April 2023, was substantively enacted on 24 May 2021.

The proposal of maintaining the main corporation tax rate at 19% in September 2022 budget did not come into force. Accordingly, deferred taxes as at 1 January 2021 have been re-measured at applicable tax rates of 19% (2021 & 2022), 23.5% (2023) and 25% (2024 and onward) based on future unwinding profile.

The deferred taxes for the new temporary differences arise in the current year have been measured at future applicable tax rates based on the unwinding profile.

# BG Energy Holdings Limited

## Notes to the financial statements for the year ended 31 December 2022 (continued)

### 8 Tax on profit (continued)

#### Deferred tax liabilities as at:

	Asset \$ m	Liability \$ m	Net deferred tax \$ m
<b>2022</b>			
Derivatives	23	-	23
	<u>23</u>	<u>-</u>	<u>23</u>
			Net deferred
<b>2021</b>	Asset \$ m	Liability \$ m	tax \$ m
Derivatives	-	(25)	(25)
	<u>-</u>	<u>(25)</u>	<u>(25)</u>

#### Deferred tax movement during the year:

	At 1 January 2022 \$ m	Recognised in profit and loss \$ m	At 31 December 2022 \$ m
Derivatives	(25)	48	23

#### Deferred tax movement during the prior year:

	At 1 January 2021 \$ m	Recognised in income \$ m	At 31 December 2021 \$ m
Derivatives	(43)	18	(25)

The provision for deferred tax consists of the following deferred tax liabilities:

	2022 \$ m	2021 \$ m
Deferred tax liabilities due more than 12 months	-	(25)
<b>Total deferred tax provision</b>	<u>-</u>	<u>(25)</u>

# BG Energy Holdings Limited

## Notes to the financial statements for the year ended 31 December 2022 (continued)

### 9 Investments

	Subsidiary undertakings shares \$ m	Participating undertakings shares \$ m	Total \$ m
<b>Cost</b>			
Balance at 1 January 2022	40,310	255	40,565
Additions	1,827	5	1,832
<b>Balance at 31 December 2022</b>	<b>42,137</b>	<b>260</b>	<b>42,397</b>
<b>Amounts provided</b>			
Balance at 1 January 2022	(14,761)	(42)	(14,803)
Additions	(1,999)	-	(1,999)
Amounts written back	3,602	-	3,602
<b>Balance at 31 December 2022</b>	<b>(13,158)</b>	<b>(42)</b>	<b>(13,200)</b>
<b>Carrying amount</b>			
<b>At 31 December 2022</b>	<b>28,979</b>	<b>218</b>	<b>29,197</b>
<b>At 31 December 2021</b>	<b>25,549</b>	<b>213</b>	<b>25,762</b>



## **BG Energy Holdings Limited**

### **Notes to the financial statements for the year ended 31 December 2022 (continued)**

#### **9 Investments (continued)**

The Directors believe that the carrying value of the investments is supported by their underlying net assets or discounted cash flows.

During the year, the Company recorded a net impairment reversal of \$1,603 million on investments in subsidiaries. The Company recorded an impairment reversal of \$3,602 million on investments in subsidiaries with a carrying value of \$10,312 million and value in use of \$13,914 million. These were mainly triggered by the revision of Shell's mid and long-term commodity price assumptions reflecting the current energy market demand and supply fundamentals. Also, the Company recorded an impairment of \$1,999 million in investments in subsidiaries having a carrying value of \$1,999 million, due to dividend payments from subsidiary and subsequent liquidation of the entities.

In 2021, the Company recorded an impairment of \$1,907 million on investments in subsidiaries with a carrying value of \$12,219 million and value in use of \$10,312 million mainly due to reduction in net assets of the subsidiaries mainly on account of divestment proceeds realized on part disposal of Shell's interest in common facility assets are being repatriated as dividends to the parent company.

For the purposes of determining whether impairment of investments in subsidiaries has occurred, and the extent of any impairment loss or its reversal, the key assumptions management uses in estimating risk-adjusted future cash flows for value-in-use measures include future oil and gas prices, expected production volumes and refining margins appropriate to the local circumstances and environment. These assumptions and the judgements of management that are based on them are subject to change as new information becomes available.

In 2022, the Company has applied a post-tax WACC as the basis to discount the estimated risk adjusted future cash flows. The post-tax WACC applied in 2021 was 6.5% for all businesses except for Power (5%).

As per impairment methodology, systematic risks are covered in the WACC discount rate. Asset specific risks, including sovereign risks and climate change risks, remain to be captured in the cash flows.

Oil and gas price assumptions applied for impairment testing are reviewed and, where necessary, adjusted on a periodic basis. Reviews include comparison with available market data and forecasts that reflect developments in demand such as global economic growth, technology efficiency, policy measures and, in supply, consideration of investment and resource potential, cost of development of new supply, and behaviour of major resource holders. The near-term commodity price assumptions applied in impairment testing were as follows:

## BG Energy Holdings Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 9 Investments (continued)

##### Commodity price assumptions [A]

	2023	2024	2025	2026
Brent crude oil (\$/b)	80	70	70	71
Henry Hub Natural gas (\$/MMBtu)	4.00	3.50	3.50	3.98

[A] Money of the day

For periods after 2026, the real-term long-term price assumptions applied were \$65 per barrel (/b) (2021:\$60/b) for Brent crude oil and \$4.00 per million British thermal units (/MMBtu) (2021:\$3.00/MMBtu) for Henry Hub natural gas.

A change of -10% or +10% in price assumptions would ceteris paribus result in some reduction in impairment reversal credit of \$2,581 million and additional impairment reversal credit of \$2,457 million respectively.

A list of the Company's subsidiary and participating undertakings as at 31 December 2022 is included in note 20. The Company has also provided a capped, committed equity facility to BG International Limited, in order to assist in meeting certain liabilities as they fall due if required.

#### 10 Debtors

##### Debtors: amounts due within one year

	2022 \$ m	2021 \$ m
Amounts owed by Group undertakings:		
Parent undertakings	418	418
Subsidiary undertakings	300	285
Fellow subsidiary undertakings	4,193	3,307
Amounts owed by participating undertakings	16	16
Tax receivable	96	142
	<b>5,023</b>	<b>4,168</b>

Amounts owed by parent and subsidiary undertakings are unsecured, interest free and payable on demand. Amounts owed by fellow subsidiary undertaking are payable upon demand bearing interest rates ranging from 0.04% to 4.28%.

## BG Energy Holdings Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 10 Debtors (continued)

##### Debtors: amounts due after one year

	2022 \$ m	2021 \$ m
Amounts owed by Group undertakings:		
Subsidiary undertakings	200	4,848
Derivative contracts	1	14
Other debtors	1	1
	<u>202</u>	<u>4,863</u>

During the year, amounts owed by Group undertakings amounting to \$4,500 million was repaid.

The impairment provision required under IFRS 9 was calculated using 12 month ECLs. No assets were assessed as credit impaired.

The Company has recorded all financial assets at amortised cost.

#### 11 Creditors: amounts falling due within one year

	2022 \$ m	2021 \$ m
Amounts owed to Group undertakings		
Subsidiary undertakings	1,434	3,705
Fellow subsidiary undertakings	115	45
Derivative liabilities	-	83
	<u>1,549</u>	<u>3,833</u>

The Company has recorded all financial liabilities at amortised cost.

## BG Energy Holdings Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 12 Creditors: amounts falling due after more than one year

	2022 \$ m	2021 \$ m
Amounts owed to Group undertakings		
Subsidiary undertakings	2,764	2,932
Fellow subsidiary undertakings	10,838	13,500
Derivative liabilities	554	207
	<u>14,156</u>	<u>16,639</u>
	2022 \$ m	2021 \$ m
Amounts fall due after more than five years		
Loans from subsidiary undertakings	1,860	1,919
Loans from fellow subsidiary undertakings	10,838	13,500
	<u>12,698</u>	<u>15,419</u>

Amounts owed to Group undertakings and due after one year include balances bearing interest at 3M USD/GBP SOFR/FLOORED ARR plus margins ranging from 0.89% to 1.72% and fixed interest rates ranging from 2.26% to 5.29% with the last loan payable due in October 2041.

The Company has recorded all financial liabilities at amortised cost.

The Company has guaranteed contractual payments, and related interest, in respect of listed debt issued by its direct subsidiary BG Energy Capital plc totalling \$3,668 million at 31 December 2022 (2021: \$4,823 million). As at 31 December 2022, \$2,764 million (2021: \$3,809 million) has been on-lent to the Company, under the same contractual terms.

## **BG Energy Holdings Limited**

### **Notes to the financial statements for the year ended 31 December 2022 (continued)**

#### **13 Pension and other schemes**

The Company is a Member Company of the BG Pension Scheme ("BGPS"), a defined benefit registered pension plan established under trust. The Trustee is BG Group Pension Trustees Limited. The BGPS is funded to cover future pension liabilities in respect of service up to the closure of the scheme. It is subject to an independent valuation at least every three years, on the basis of which the independent qualified actuary certifies the rate of employers' contributions that, together with the returns on the BGPS's assets, are expected to be sufficient to fund the benefits payable.

The BGPS closed to future accrual of benefits on 31 December 2013 and all active members became deferred pensioners with pensions calculated based on salaries up until the point of closure for such active members. These deferred pensions are generally revalued in line with movements in the Retail Prices Index. Certain benefits relating to individual transfers-in and purchases of additional pensionable service by employees retain a link to pensionable salary post-closure.

The last full independent actuarial valuation of the BGPS for funding purposes showed that the aggregate market value of the plan assets at 31 March 2021 was £1,947m, representing 95% of the accrued liabilities. The next full funding valuation is expected to be performed with an effective date of 31 March 2023.

The Company is unable to identify its share of the scheme's underlying assets and liabilities on a consistent and reasonable basis to enable it to account for the plan as a defined benefit plan. There are no contractual or stated policies on which to base an allocation of the Fund's underlying assets and liabilities to member companies. Accordingly, the Company will continue to account for the BGPS as a defined contribution scheme.

A valuation was performed for accounting purposes as at 31 December 2022 using assumptions set in line with the requirements of the IAS19 accounting standard. The principal financial assumptions adopted in the valuation were a discount rate of 4.80% (2021: 1.92%), and a price inflation rate of 3.10% (2021: 3.10%). The value of the BGPS's assets as at that date was £1,384 million and the value of the liabilities on this accounting basis was £1,049 million, meaning the surplus measured for accounting purposes was £335 million.

## BG Energy Holdings Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 14 Called up share capital

##### Allotted, called up and fully paid shares

	No.	2022 \$	No.	2021 \$
Issued ordinary shares of £1 each	<u>2,898,413,870</u>	<u>3,562,440,488</u>	<u>2,898,413,870</u>	<u>3,562,440,488</u>

#### 15 Dividends

Interim dividends of \$Nil were paid in the year (2021: \$1,200 million). The Directors recommend no further dividend be paid for the year ended 31 December 2022 (2021: \$nil).

#### 16 Directors' emoluments

The Directors' emoluments for the year were as follows:

	2022 \$	2021 \$
Emoluments	<u>1,476,765</u>	<u>1,282,438</u>

The number of Directors who were receiving employee benefits as at 31 December 2022 are as follows:

	2022 No.	2021 No.
Shares receivable by Directors	5	5
Accruing benefits under defined benefit pension scheme	<u>5</u>	<u>5</u>

In respect of the highest paid Director:

	2022 \$	2021 \$
Emoluments	557,994	402,271
Defined benefit accrued pension entitlement at the end of the period	62,008	77,759

## **BG Energy Holdings Limited**

### **Notes to the financial statements for the year ended 31 December 2022 (continued)**

#### **16 Directors' emoluments (continued)**

During the year the highest paid Director received or was entitled to receive shares under a long term incentive scheme.

These emoluments and pensions were not borne by the Company and hence not charged in the profit and loss account.

#### **17 Contingent liabilities**

The Company has issued financial guarantees for Train 1 and Train 3 gas supply contracts for an amount up to \$2,174 million and \$370 million respectively. The guarantees are provided to Atlantic LNG 2/3 Company of Trinidad and Tobago Unlimited, on behalf of Shell Trinidad and Tobago Limited and ENI Trinidad and Tobago Limited, for their obligations under the gas supply contracts between Shell Trinidad and Tobago Limited, ENI Trinidad and Tobago Limited, and Petroleum Company of Trinidad and Tobago Limited (jointly, as Seller) and Atlantic LNG 2/3 Company of Trinidad and Tobago Unlimited (as Buyer). In the judgement of the Directors, no material liability is expected to arise from this contingent liability.

#### **18 Events after the end of the reporting period**

On 11th January 2023, Shell Plc became the guarantor of contractual payments totalling to \$1,864 million, plus related interest, in respect of debt issued by BG Energy Capital Plc, in place of the Company.

On February 28, 2023, the Company paid interim dividends amounting to \$1,200 million. Further, the Company has received dividends amounting to \$2,298 million.

#### **19 Related party transactions**

Related parties comprise entities which are in the nature of an associate or member of the Shell Group of which reporting entity (BG Energy Holdings Limited) is a member.

The details of related party transactions during the year are as follows:

Related party name	Receivable balance		Dividend received during the	
	as at		year	
	2022	2021	2022	2021
	\$ m	\$ m	\$ m	\$ m
Amilcar Petroleum Operations S.A.	16	16	-	-
Dragon LNG Group Limited	-	-	15	14

## BG Energy Holdings Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 19 Related party transactions (continued)

#### 20 List of Investments

Details of the subsidiaries as at 31 December 2022 are as follows:

Name of subsidiary	Registered office and Country of incorporation	Class of shares	% of ownership
Shell LNG T&T Ltd*	5 Saint Clair Avenue, Saint Clair, Port of Spain, Trinidad & Tobago	Ordinary	100%
Atlantic 2/3 Holdings LLC *	RL & F Service Corp, 920 N King St Floor 2, New Castle, Wilmington, DE 19801, USA	Ordinary	57.5%
Atlantic 4 Holdings LLC*	RL & F Service Corp, 920 N King St Floor 2, New Castle, Wilmington, DE 19801, USA	Ordinary	51.11%
BG Atlantic 2/3 Holdings Limited	Mercury Court, Choc Estate, Castries, Saint Lucia	Ordinary	100%
Shell T&T Investments Limited	5 Saint Clair Avenue, Saint Clair, Port of Spain, Trinidad & Tobago	Ordinary	100%
brenergy geracao solar janauba spe v ltda.*	Área Rural de Janaúba, s/n, State of Minas Gerais, Janaúba, 39.448-899, Brazil	Ordinary	74.62%
brenergy geracao solar janauba spe xiii ltda.*	Área Rural de Janaúba, s/n, State of Minas Gerais, Janaúba, 39.448-899, Brazil	Ordinary	74.62%
brenergy geracao solar janauba spe ltda.*	Área Rural de Janaúba, s/n, State of Minas Gerais, Janaúba, 39.448-899, Brazil	Ordinary	74.62%



## BG Energy Holdings Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 20 List of Investments (continued)

Name of subsidiary	Registered office and Country of incorporation	Class of shares	% of ownership
brenergy geracao solar janauba spe ii ltda.*	Área Rural de Janaúba, s/n, State of Minas Gerais, Janaúba, 39.448-899, Brazil	Ordinary	74.62%
brenergy geracao solar janauba spe viii ltda.*	Área Rural de Janaúba, s/n, State of Minas Gerais, Janaúba, 39.448-899, Brazil	Ordinary	74.62%
brenergy geracao solar janauba spe ix ltda.*	Área Rural de Janaúba, s/n, State of Minas Gerais, Janaúba, 39.448-899, Brazil	Ordinary	74.62%
brenergy geracao solar janauba spe xii ltda.*	Área Rural de Janaúba, s/n, State of Minas Gerais, Janaúba, 39.448-899, Brazil	Ordinary	74.62%
brenergy geracao solar janauba spe iv ltda.*	Área Rural de Janaúba, s/n, State of Minas Gerais, Janaúba, 39.448-899, Brazil	Ordinary	74.62%
brenergy geracao solar janauba spe vi ltda.*	Área Rural de Janaúba, s/n, State of Minas Gerais, Janaúba, 39.448-899, Brazil	Ordinary	74.62%
brenergy geracao solar janauba spe vii ltda.*	Área Rural de Janaúba, s/n, State of Minas Gerais, Janaúba, 39.448-899, Brazil	Ordinary	74.62%
brenergy geracao solar janauba spe x ltda.*	Área Rural de Janaúba, s/n, State of Minas Gerais, Janaúba, 39.448-899, Brazil	Ordinary	74.62%
brenergy geracao solar janauba spe iii ltda.*	Área Rural de Janaúba, s/n, State of Minas Gerais, Janaúba, 39.448-899, Brazil	Ordinary	74.62%

## BG Energy Holdings Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 20 List of Investments (continued)

Name of subsidiary	Registered office and Country of incorporation	Class of shares	% of ownership
brenergy geracao solar janauba spe xi ltda.*	Área Rural de Janaúba, s/n, State of Minas Gerais, Janaúba, 39.448-899, Brazil	Ordinary	74.62%
BG North Sea Holdings Limited	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
BG Asia Pacific Holdings Pte. Limited*	The Metropolis Tower 1, 9 North Buona Vista Drive, #07-01, Singapore, 138588, Singapore	Ordinary	100%
BG Asia Pacific Services Pte. Ltd.*	The Metropolis Tower 1, 9 North Buona Vista Drive, #07-01, Singapore, 138588, Singapore	Ordinary	100%
BG India Energy Private Limited*	3-C World Trade Tower, New Barakhamba Lane, New Delhi, 110001, India	Ordinary	100%
BG India Energy Solutions Private Limited*	3-C World Trade Tower, New Barakhamba Lane, New Delhi, 110001, India	Ordinary	100%
BG India Energy Services Private Limited*	3-C World Trade Tower, New Barakhamba Lane, New Delhi, 110001, India	Ordinary	100%
BG Mumbai Holdings Limited*	6th Floor, Tower A, 1 Cybercity, Ebene, 72201, Mauritius	Ordinary	100%

## BG Energy Holdings Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 20 List of Investments (continued)

Name of subsidiary	Registered office and Country of incorporation	Class of shares	% of ownership
BG Exploration and Production India Limited*	Campbells, Floor 4, Willow House, Cricket Square, George Town, Grand Cayman, KY1-9010, Cayman Islands	Ordinary	100%
Shell Integrated Gas Thailand Pte.Limited*	The Metropolis Tower 1, 9 North Buona Vista Drive, #07-01, Singapore, 138588, Singapore	Ordinary	100%
BG Myanmar Pte. Ltd.*	The Metropolis Tower 1, 9 North Buona Vista Drive, #07-01, Singapore, 138588, Singapore	Ordinary	100%
BG Exploration & Production Myanmar Pte. Ltd.*	The Metropolis Tower 1, 9 North Buona Vista Drive, #07-01, Singapore, 138588, Singapore	Ordinary	100%
BG Insurance Company (Singapore) Pte. Ltd.*	The Metropolis Tower 1, 9 North Buona Vista Drive, #07-01, Singapore, 138588, Singapore	Ordinary	100%
Shell Gas Marketing Pte. Ltd.*	The Metropolis Tower 1, 9 North Buona Vista Drive, #07-01, Singapore, 138588, Singapore	Ordinary	100%
Shell South Asia LNG Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
Thai Energy Company Limited*	10 Soonthornkosa Road, Klongtoey, Bangkok, 10110, Thailand	Ordinary	99.98%

## BG Energy Holdings Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 20 List of Investments (continued)

Name of subsidiary	Registered office and Country of incorporation	Class of shares	% of ownership
BG LNG Regas India Private Limited*	3-C World Trade Tower, New Barakhamba Lane, New Delhi, 110001, India	Ordinary	100%
Shell Trinidad and Tobago Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
Shell Trinidad North Coast Limited*	5 Saint Clair Avenue, Saint Clair, Port of Spain, Trinidad & Tobago	Ordinary	100%
BG Egypt SA*	Piccadilly Centre, 28 Elgin Avenue, Suite 201, P.O. Box 2570, George Town, Grand Cayman, KY1-1103, Cayman Islands	Ordinary	100%
BG UK Holdings Limited	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
BG Overseas Holdings Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
BG Gas Netherlands Holdings B.V.*	Carel van Bylandtlaan 30, The Hague, 2596 HR, Netherlands	Ordinary	100%
BG Gas International Holdings BV*	Carel van Bylandtlaan 30, The Hague, 2596 HR, Netherlands	Ordinary	100%
Shell Gas Supply Trinidad Limited*	5 Saint Clair Avenue, Saint Clair, Port of Spain, Trinidad & Tobago	Ordinary	100%
BG International Services AB*	Deloitte, P.O. Box 450, Östersund, 831 26, Sweden	Ordinary	100%

## BG Energy Holdings Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 20 List of Investments (continued)

Name of subsidiary	Registered office and Country of incorporation	Class of shares	% of ownership
BG Petroleo & Gas Brasil Ltda.*	Avenida das Republica do Chile 330, 23° Andar (parte) - Torre 2, Centro, Rio de Janeiro, 20031-170, Brazil	Ordinary	100%
Point Fortin LNG Exports Limited*	5 Saint Clair Avenue, Saint Clair, Port of Spain, Trinidad & Tobago	Ordinary	80.5%
TRINLING Limited*	5 Saint Clair Avenue, Saint Clair, Port of Spain, Trinidad & Tobago	Ordinary	100%
BG Overseas Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
Shell Bolivia Corporation*	Piccadilly Centre, 28 Elgin Avenue, Suite 201, P.O. Box 2570, George Town, Grand Cayman, KY1-1103, Cayman Islands	Ordinary	100%
BG Netherlands*	30 Finsbury Square, London, EC2A 1AG, United Kingdom (UK)	Ordinary	100%
BG Gas Brazil E&P 12 B.V.*	Carel van Bylandtlaan 30, The Hague, 2596 HR, Netherlands	Ordinary	100%
Shell Brazil Holding B.V.*	Carel van Bylandtlaan 30, The Hague, 2596 HR, Netherlands	Ordinary	74.62%
Shell Brasil Petroleo Ltda.*	Avenida República do Chile nº 330, Refer 'Notes' tab, Centro, Rio de Janeiro, 20031-170, Brazil	Ordinary	74.62%

## BG Energy Holdings Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 20 List of Investments (continued)

Name of subsidiary	Registered office and Country of incorporation	Class of shares	% of ownership
Shell Energy do Brasil Ltda.*	Avenida Brigadeiro Faria Lima nº 3.311, Conjunto 82, Itaim Bibi, São Paulo, 04538-133, Brazil.	Ordinary	74.62%
Heze I Holding S.A.*	No 330, Room 2301, Avenida República do Chile, Building 2, Rio de Janeiro, 20031-170, Brazil	Ordinary	74.62%
BJSA Exploration and Production B.V.*	Carel van Bylandtlaan 30, The Hague, 2596 HR, Netherlands	Ordinary	74.62%
BJS Oil Operations B.V.*	Carel van Bylandtlaan 30, The Hague, 2596 HR, Netherlands	Ordinary	59.7%
Shell Energy do Brasil Gás Ltda.*	Avenida República do Chile nº 330, Bloco 2, Sala 2001, Centro, Rio de Janeiro, 20031-170, Brazil	Ordinary	74.62%
BG Brasilia, LLC*	The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801, USA	Ordinary	74.62%
BG General Holdings Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
Shell Tunisia Upstream Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
Shell Hasdrubal Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%

## BG Energy Holdings Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 20 List of Investments (continued)

Name of subsidiary	Registered office and Country of incorporation	Class of shares	% of ownership
Shell Tunisia LPG S.A.*	Immeuble Le Tanit du Lac, Rue du Lac Windermere, Les Berges du Lac, Tunis, 1053, Tunisia	Ordinary	100%
Tunisian Processing S.A.*	Immeuble Le Tanit du Lac, Rue du Lac Windermere, Les Berges du Lac, Tunis, 1053, Tunisia	Ordinary	100%
Shell Chile S.A.*	c/o Carey y Cia Abogados, Miraflores 222, Piso 28, Santiago, Chile	Ordinary	100%
BG (Uruguay) S.A.*	La Cumparsita, 1373 4th Floor, Montevideo, 11200, Uruguay	Ordinary	100%
BG Gas Sao Paulo Investments B.V.*	Carel van Bylandtlaan 30, The Hague, 2596 HR, Netherlands	Ordinary	100%
Shell Energy Mexico, S.A. de C.V.*	Av. Paseo de las Palmas 340, 1st floor, Colonia Lomas de Chapultepec, Delegación Miguel Hidalgo, Ciudad de México, 11000, Mexico	Ordinary	100%
BG Exploration and Production Nigeria Limited*	Freeman House, 21/22 Marina, P.M.B. 2418, Lagos, Nigeria	Ordinary	100%
BG Italia Power S.r.l.*	Via Tortona 25, Milano, 20144, Italy	Ordinary	100%
Shell Mobility Italia S.r.l.*	Via Vittor Pisani 16, Milano, 20124, Italy	Ordinary	100%

## BG Energy Holdings Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 20 List of Investments (continued)

Name of subsidiary	Registered office and Country of incorporation	Class of shares	% of ownership
Shell Trinidad Central Block Limited*	5 Saint Clair Avenue, Saint Clair, Port of Spain, Trinidad & Tobago	Ordinary	100%
BG Upstream A Nigeria Limited*	Freeman House, 21/22 Marina, P.M.B. 2418, Lagos, Nigeria	Ordinary	100%
BG Comercio e Importacao Ltda.*	Avenida das Republica do Chile 330, 23º Andar, Torre 2, Centro, Rio de Janeiro, 20031-170, Brazil	Ordinary	100%
BG CPS Pty Limited*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
BG South East Asia Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
Shell Thailand E&P Inc.*	The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801, USA	Ordinary	100%
BC 789 Holdings Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
Petroleum Resources (Thailand) Pty. Limited*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
BG Mauritius LNG Holdings Ltd*	6th Floor, Tower A, 1 Cybercity, Ebene, 72201, Mauritius	Ordinary	100%
BG Energy Capital Plc	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%



## BG Energy Holdings Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 20 List of Investments (continued)

Name of subsidiary	Registered office and Country of incorporation	Class of shares	% of ownership
Brazil Shipping I Limited	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
Shell QGC Holdings Limited	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
Shell QGC Upstream 1 Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
QGC Upstream Limited Partnership*	Level 42, Bourke Place, 600 Bourke Street, Melbourne, VIC 3000, Australia	Ordinary	100%
Shell QGC Midstream 1 Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
QGC Midstream Limited Partnership*	Level 42, Bourke Place, 600 Bourke Street, Melbourne, VIC 3000, Australia	Ordinary	100%
Shell QGC Midstream 2 Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
QGC Midstream Holdings Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC Midstream Investments Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC Common Facilities Company Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QCLNG Operating Company Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	75%

## BG Energy Holdings Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 20 List of Investments (continued)

Name of subsidiary	Registered office and Country of incorporation	Class of shares	% of ownership
QGC Train 1 UJV Manager Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC Train 2 Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC Train 2 UJV Manager Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC Train 1 Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC Midstream Land Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC Train 1 Tolling Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC Train 2 Tolling No.2 Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC Train 2 Tolling Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC Upstream Holdings Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC Upstream Finance Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC Upstream Investments Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC Pty Limited*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%

# **BG Energy Holdings Limited**

## **Notes to the financial statements for the year ended 31 December 2022 (continued)**

### **20 List of Investments (continued)**

<b>Name of subsidiary</b>	<b>Registered office and Country of incorporation</b>	<b>Class of shares</b>	<b>% of ownership</b>
Walloons Coal Seam Gas Company Pty Limited*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	75%
Shell QGC Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
BNG (Surat) Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
New South Oil Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
Sunshine 685 Pty Limited*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
Condamine 1 Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
Condamine 2 Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
Condamine Power Station Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	300%
Condamine 3 Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
Condamine 4 Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC (B7) Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC (Infrastructure) Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%

## BG Energy Holdings Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 20 List of Investments (continued)

Name of subsidiary	Registered office and Country of incorporation	Class of shares	% of ownership
QGC Sales Qld Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
Roma Petroleum Pty Limited*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
Starzap Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QCLNG Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
SGAI Pty Limited*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
SGA (Queensland) Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC Midstream Services Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC Northern Forestry Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC (Exploration) Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
Queensland Gas Company Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
Gas Resources Limited*	Piccadilly Centre, 28 Elgin Avenue, Suite 201, P.O. Box 2570, George Town, Grand Cayman, KY1-1103, Cayman Islands	Ordinary	100%

## BG Energy Holdings Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 20 List of Investments (continued)

Name of subsidiary	Registered office and Country of incorporation	Class of shares	% of ownership
Pure Energy Resources Pty Limited*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
OME Resources Australia Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
Shell QGC Upstream 2 Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
QGC Holdings 2 Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC Holdings 3 Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC Holdings 4 Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC Holdings 5 Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC Holdings 6 Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC Holdings 7 Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC Holdings 8 Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
QGC Holdings 9 Pty Ltd*	Level 30, 275 George Street, Brisbane, QLD 4000, Australia	Ordinary	100%
BG Overseas Investments Limited	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%

## BG Energy Holdings Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 20 List of Investments (continued)

Name of subsidiary	Registered office and Country of incorporation	Class of shares	% of ownership
BG Energy Iberian Holdings, S.L.	Paseo de la Castellana, 257-6º, Madrid, 28046, Spain	Ordinary	100%
BG LNG Investments Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
Shell Gas Marketing U.K Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
BG LNG Trading, LLC*	The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801, USA	Ordinary	100%
Shell Global LNG Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
BG Equatorial Guinea Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
BG General Partner Limited	50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ, United Kingdom (UK)	Ordinary	100%
BG Global Employee Resources Limited	10 Fleet Place, London, EC4M 7RB, United Kingdom (UK)	Ordinary	100%
BG Great Britain Limited	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
BG International Limited	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
BG Central Holdings Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%

# **BG Energy Holdings Limited**

## **Notes to the financial statements for the year ended 31 December 2022 (continued)**

### **20 List of Investments (continued)**

<b>Name of subsidiary</b>	<b>Registered office and Country of incorporation</b>	<b>Class of shares</b>	<b>% of ownership</b>
BG Gas Services Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
BG Norge Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
BG Delta Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
BG Karachaganak Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
BG Kenya L10A Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
BG Kenya L10B Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
BG Mongolia Holdings Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
BG OKLNG Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
BG Subsea Well Project Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
Shell Exploration and Production Tanzania Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
Tanzania LNG Limited*	1st Floor Kilwa House, Plot 369, Toure Drive, Oyster Bay, P.O. Box 105833, Dar es Salaam, Tanzania	Ordinary	100%

## BG Energy Holdings Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 20 List of Investments (continued)

Name of subsidiary	Registered office and Country of incorporation	Class of shares	% of ownership
Shell Trinidad 5(A) Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
Shell Trinidad Block E Limited*	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
Shell Trinidad and Tobago Resources SRL*	One Welches, Welches, St. Thomas, BB22025, Barbados	Ordinary	100%
BG Rosetta Limited	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
BG Trinidad LNG Limited	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
Methane Services Limited	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
BG Employee Shares Trustees Limited	30 Finsbury Square, London, EC2A 1AG, United Kingdom (UK)	Ordinary	100%
BG Group Employee Shares Trustees Limited	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
BG Group Pension Trustees Limited	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
Shell Manatee Limited	5 Saint Clair Avenue, Saint Clair, Port of Spain, Trinidad & Tobago	Ordinary	100%
BG Cyprus Limited	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%



## BG Energy Holdings Limited

### Notes to the financial statements for the year ended 31 December 2022 (continued)

#### 20 List of Investments (continued)

Name of subsidiary	Registered office and Country of incorporation	Class of shares	% of ownership
BG Intellectual Property Limited	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
BG Tanzania Holdings Limited	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%
Ruvuma Pipeline Company Limited*	1st Floor Kilwa House, Plot 369, Toure Drive, Oyster Bay, P.O. Box 105833, Dar es Salaam, Tanzania	Ordinary	52.8%
Mzalendo Gas Processing Company Limited*	1st Floor Kilwa House, Plot 369, Toure Drive, Oyster Bay, P.O. Box 105833, Dar es Salaam, Tanzania	Ordinary	52.8%
Fahari Gas Marketing Company Limited*	1st Floor Kilwa House, Plot 369, Toure Drive, Oyster Bay, P.O. Box 105833, Dar es Salaam, Tanzania	Ordinary	52.8%
BG Group Trustees Limited	Shell Centre, London, SE1 7NA, United Kingdom (UK)	Ordinary	100%

\* indicates indirect investments of the Company.

Details of the joint venture as at 31 December 2022 are as follows:

Name of joint-venture	Registered office and Country of incorporation	Class of shares	% of ownership
Dragon LNG Group Limited	Main Road, Waterston, Milford Haven, Pembrokeshire, SA73 1DR	Ordinary	50%