APR Energy Holdings Limited

Company number 07105073
Company Financial Statements
For the Year Ended 31 December 2021

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Company Information

Directors

Bing Chen
Graham Talbot

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20 Farringdon Street
London
United Kingdom
EC4A 4AB

Independent Auditor

KPMG LLP
66 Queen Square
Bristol BS1 4BE
United Kingdom

Country of Incorporation

England, United Kingdom

Company Number

07105073

Strategic Report

The directors present their annual report and the audited financial statements of APR Energy Holdings Limited (the "Company") for the year ended 31 December 2021.

APR Energy Holdings Limited is a private company incorporated in the United Kingdom under the Companies Act 2006. It is referred to as "APR Energy Holdings" throughout the strategic report.

Principal Activities

APR Energy Holdings provides rapidly deployable, large-scale power and fast-track mobile power to under-served markets and industries. APR Energy Holdings' mobile, turnkey power plants help run cities, countries and industries around the world in both developed and developing markets.

This market is underpinned by a global supply/demand gap that will continue to grow into the foreseeable future. While the overall market for electricity is large, broad and diverse, APR Energy Holdings' focus is on serving sovereign utilities, private utilities and power-intensive industries, all having urgent needs extending from the short term into the long term. APR Energy Holdings' target opportunities typically range from 50MW to 500MW in size.

APR Energy Holdings' business model focuses on creating unique values through:

- Delivering large-scale power projects anywhere in the world in less time than the typical 2-5 years required to plan, finance, construct and commission a permanent power plant.

- Offering customised turnkey solutions that include flexible plant design, fast-track installation of generating equipment and balance of plant, plant operation, around-the-clock service and maintenance, and decommissioning when a project ends.

Business Environment

While the demand for power in the macro sense is quite robust and inelastic, the demand for APR Energy Holdings' services in the short term can be volatile, particularly as countries delay addressing their power needs. Factors such as election cycles, economic downturns, fuel price variability, reliance on renewable energy and political instability have all impacted customer decision making. APR Energy Holdings is also seeing some customers moving to larger, longer-term projects, which often take longer to convert from opportunity to contract. Such factors can make forecasting difficult, at least in the shorter term. Over time, pent up demand forces customers to make their investment decisions, causing volatility for APR Energy Holdings' commercial pipeline.

APR Energy Holdings has broadened its addressable market by offering customers a greater choice of technology. With flexible and diverse solutions that include mobile gas turbines, APR Energy Holdings' market opportunity has expanded beyond traditional temporary and rental power markets to bridge customers to longer-term solutions. As seen from APR Energy Holdings' previous projects, many large utilities prefer to work with the power-dense, fuel-flexible and emissions friendly technology with which they are most familiar, and such projects can feasibly operate on a long-term basis.

Business Strategy

APR Energy Holdings' vision is to be the leading provider of mobile, fast-track power. That vision is supported by the following strategies:

Strategic Report *(continued)*

Business Strategy *(continued)*

- Driving sustained growth while completing the transition from a rental power provider to a power generation company.
- Generating customer value that leads to continued and expanded business opportunities by providing customised, turnkey solutions that are flexible to their needs through a broad range of innovative technologies and offerings.
- Delivering operational excellence, and thereby improving margins and maximising returns, through speed of execution, technology leadership, scalable global systems and best-in-class operations.

Business Review

Throughout 2021 and 2020, the Company continued to develop and strengthen its management team. In 2021, APR Energy Holdings concluded its contract in Equatorial Guinea and continued to support its subsidiaries in Argentina and Bangladesh through leasing its assets, providing capital and technical support. In 2020, the Company supported its subsidiary in Mexico by leasing certain equipment to allow it to deliver three plants. APR Energy Holdings continues to support changing power needs due to increased dependency on renewables and is well situated with its turbine technology to assist in grid stabilisation requirements of its customers.

Acquisition and Financing Activities

In February 2020, the Company was acquired (the "Acquisition") by Seaspan Corp, through the acquisition of the Company's ultimate parent, Apple Bidco Limited, for $750.0 million, minus the amount of the net debt and certain selling expenses, in an all-share transaction. In conjunction with the Acquisition, a new holding company called Atlas Corp ("Atlas") was formed which became the ultimate parent company of the Company and Seaspan Corp. In connection with the Acquisition, APR Energy Holdings' revolving credit facility and vendor financing was fully repaid.

Financial Review

The financial results are shown in the Statement of Comprehensive Loss on page 19.

Overall, the business experienced a decrease in power revenues of 57% to $11.9 million in 2021 from $27.8 million in 2020. This is primarily the result of the contract ending in the Equatorial Guinea at midyear. Lease revenues from affiliates also decreased by 100% to $nil in 2021 from $9.1 million in 2020 primarily due to the fact that the Company did not execute intercompany lease agreements with its Mexican subsidiary and no revenue recognised from its Argentine subsidiary as consistent with the prior year, collection of consideration was not probable, and a contract is not deemed to exist.

The cost of revenues decreased by 25% to $27.9 million in 2021 from $37.1 million in 2020 primarily due to lower direct costs, bad debt expense and depreciation expense associated with the decrease in contracted revenues.

An impairment on investments in subsidiaries was recorded in the current year. In the prior year, the Company recorded impairments on its investments in subsidiaries, a note receivable from a subsidiary and on certain of its power generation assets. The quantum of these charges and the reasons are outlined in Note 6.

Strategic Report *(continued)*

Financial Review *(continued)*

The directors anticipate that revenue, profit and utilisation will improve, and remain of the view that the correct strategy is in place to achieve growth through winning new contracts.

Key Performance Indicators ("KPIs")

To provide investors with greater clarity on the performance of the Company, adjusted unaudited financial information has been prepared to show the results, excluding certain items.

The directors monitor the Company's performance in a number of ways including key performance indicators. The key financial performance indicators together with the comparative information include revenue, operating loss and net loss.

The Adjusted Financial Results are used by the directors because it demonstrates the Company's underlying operating profitability and it provides a proxy for free cash generation.

	Revenue		Operating loss		Net loss	
12 month statutory results to 31 December 2021	$	11.9	$	(64.1)	$	(40.1)
Impairment charge (Note 6)		-		32.9		32.9
Doubtful accounts expense (Note 17)		-		0.2		0.2
12 month adjusted financial results to 31 December 2021	$	11.9	$	(31.0)	$	(7.0)
12 month statutory results to 31 December 2020	$	36.9	$	(641.8)	$	(683.6)
Impairment charge (Note 6)		-		615.4		615.4
Doubtful accounts expense (Note 17)		-		8.7		8.7
12 month adjusted financial results to 31 December 2020	$	36.9	$	(17.7)	$	(59.5)

The statement of financial position shows that the Company's financial position at 31 December 2021 and 2020 reflected net liabilities of $969.5 million and $962.3 million, respectively. The increase in net liabilities in 2021 was due to the net loss of $40.1 million partially offset by $32.9 million of capital contributed by the Company's direct parent and holding Company.

Risk Management

The directors regularly consider the effect of risk on the Company's business, and together with the senior management team, work to limit any adverse financial exposure. The principal risks to which the Company is exposed are strategic risk, market risk, operational risk and financial risk.

Strategic Risk
Risks that affect the long-term performance of the Company as a whole include: failure to deliver the growth plan, failure to maintain a high equipment utilisation rate, and asset concentration. The senior management team oversee controls and initiatives to mitigate these risks, which includes a commercial pipeline process that tracks new contract opportunities from opportunity identification through to final contract signature.

Strategic Report *(continued)*

Risk Management *(continued)*

Operational Risk
This risk category includes a diverse range of risks, including employee, contractor and asset security, operating in difficult regions of the world, recruitment and retention of key staff, environment, and health and safety. The Company manages this risk by maintaining a comprehensive global property insurance program, robust health and safety policies, advanced security protocols all of which are designed based on the Company's knowledge and understanding of the local environment where its operations reside. The Company also maintains a comprehensive compliance program that includes a broad anti-corruption policy, extensive training, and monitoring on a continual basis.

Financial Risk
Financial risk includes market, credit, and liquidity risk. These risks are disclosed in Note 3.

COVID-19
On 11 March 2020, the World Health Organisation declared the COVID-19 outbreak to be a pandemic and the virus has continued to spread throughout the UK during 2021 and into 2022. The Directors have reviewed the impact of COVID-19 on the Company's activities and do not consider that the pandemic will have any significant detrimental impact on the Company's future performance or balance sheet valuation.

Streamlined Energy and Carbon Reporting Regulations (SECR)

We believe that the Company is a low energy user that consumes less than 40MWh per annum in the UK, with the legal entity registered within the UK, but no employees nor operations performed within the Country. We therefore believe we are exempt from the detailed disclosures required under the SECR regulations.

Section 172 Companies Act 2006 Statement

The directors have a duty to promote the success of the Company and its wider group for the benefit of the shareholders as a whole and to describe how this duty has been performed with regards to those matters set out in section 172 of the Companies Act 2006 ("section 172").

The directors have identified the group's main stakeholders as the following:
i. The shareholders
The Company has only one shareholder but is part of a larger group headed by Atlas Corporation. The directors are both executive leadership team members of Atlas Corporation.

ii. The employees
Although the Company has only one employee, the wider group has a well-developed staffing structure. The directors oversee an executive management team which is responsible for operating the APR Energy group's businesses (which includes the Company) and delivering on the group's objectives, through a hierarchical employee structure of departmental managers, team leaders and team members.

Strategic Report *(continued)*

Section 172 Companies Act 2006 Statement *(continued)*

iii. The customers
The directors have delegated day-to-day responsibility for customer relationships to the Company's management team (who are part of the wider APR Energy group management team). However, the directors participate in regular monthly meetings with the Company's management team to ensure that the overall strategic objectives, as described above, are met. The directors provide guidance to management on matters such as customer relationship management, contract negotiations and new product offerings.

iv. The suppliers
The Company (including its wider group / subsidiaries) utilises the services of many suppliers, providing goods and services necessary for the performance of the Company's obligations under its contracts and to support the back-office infrastructure. The directors provide oversight and guidance to the management team on supplier selection, engagement, and management throughout the year to ensure the strategic objective of maintaining operational excellence is realised.

Throughout the year the directors have made due consideration during its discussions and decision-making of the matters set out in section 172 and below is a description of how the directors have had regards to these matters when performing their duties:

(a) the likely consequences of any decision in the long term
The executive management team effectiveness is fundamental to the long-term success of the Company. The directors engage with the executive management team through regular meetings. Monthly business performance reviews are provided by the executive management team to the directors, which informs of progress of all the Company's activities and will alert the directors to opportunities and concerns that could inform the board's decision making.

(b) the interests of employees
The Company and the wider APR Energy group is committed to being a responsible employer. The group is aligned and supportive of the expectations of the employees, with processes in place to manage performance and develop and encourage talent while ensuring the group operates as efficiently as possible. The group has a relatively small number of employees operating primarily from one location, under normal circumstances, with a high level of visibility and interaction between directors, executive management team and employees at all levels. The group uses an intranet to communicate its overall objectives and plans with employees, as well as through regular employee meetings and actively encourages engagement and feedback through employee surveys.

(c) the need to foster the Company's business relationships with suppliers, customers and others
The Company views its relationships with its suppliers and customers as key to the success of the business. The directors provide oversight to the group management team vendor selection and relationship management to ensure the highest levels of customer satisfaction.

(d) the impact of the Company's operations on the community and the environment
The Company and group strive to maintain excellent relations with the local communities in which they operate. The directors have appointed a director of public and community relations whose responsibilities include liaising with local governmental and community leaders to ensure our operations are viewed positively and to address any local regulatory or legal concerns. The group's customers are typically responsible for environmental compliance but the group maintains strict safety protocols on all sites to ensure that our operations do not result in environmental damage.

Strategic Report *(continued)*

Section 172 Companies Act 2006 Statement *(continued)*

(e) the desirability of the Company maintaining a reputation for high standards of business conduct
The directors are committed to ensuring that the Company and group maintain an excellent reputation for high standards of business conduct. The Company's ultimate parent, Atlas Corporation, maintains a Code of Business Conduct for all of its subsidiaries that outlines the group's commitment to ethical business practices. It is available on their website at www.atlascorporation.com; and

(f) the need to act fairly between members of the Company.
The Company has only one member, APR Energy Limited, so this concern is not applicable.

Approved by the board of directors and signed on its behalf by

Bing Chen
Director
19 December 2022

Directors' Report

The directors present their report and audited financial statements of APR Energy Holdings Limited (the "Company") for the year ended 31 December 2021.

A review of the business is included in the Strategic Report.

Dividend
There were no dividend payments in 2021 or 2020.

Directors
The directors of the Company who held office during the year and to the date of the report were:

Bing Chen (Appointed 8 April 2020)
Graham Talbot (Appointed 19 January 2022)
David Sokol (Appointed 8 April 2020, Resigned 19 January 2022)

Directors' Indemnities

The Company has maintained qualifying third-party indemnity insurance on behalf of its directors and officers during the period and this will continue to be maintained beyond the date of approval of the financial statements.

Financial Risk Management
Refer to Note 3 for the financial risk management of the Company.

Employees
The Company's employees, and those of the wider group, are at the heart of its operations. The Company and its staff apply the following values:

- **Speed:** We deliver fast and on time services that meet or exceed our customers' expectations.
- **Global:** We operate anywhere, at any time, to support our customers.
- **Teamwork:** We work as a "team of teams," to ensure everyone is coordinating, communicating and working toward a common goal.
- **Trust:** We are always honest, dependable, transparent and ethical.
- **Performance:** We expect our employees to meet the highest standards of integrity and quality.
- **Determination:** We provide unwavering service until our commitment is met and the task is completed correctly. Our reputation is our most valued asset.
- **Responsibility:** We value the well-being of the communities and the environment in which we work, and the safety of our employees is our highest priority.
- **Value:** We strive to be a reliable power partner to our customers. We deliver flexible solutions tailored to fit our customer's needs and objectives.

Significant Events after the Balance Sheet Date
Refer to Note 31 of the financial statements for a list of significant events that occurred after the statement of financial position date.

Directors' Report *(continued)*

Significant Investments

Refer to Note 13 for a list of subsidiary undertakings of the Company as of year end.

Political Contributions

The Company did not make any political contributions during the years ended 31 December 2021 and 2020.

Registered Office

The registered office of the Company is shown on page 3, titled Company Information.

Ultimate Parent

The Company's ultimate parent is Atlas Corporation, a Republic of the Marshall Islands corporation, registered at the following address: 23 Berkley Square, London United Kingdom WIJ 6HE.

Going Concern

Notwithstanding net current liabilities of $1,346.0 million as at 31 December 2021 and a loss for the year then ended of $40.1 million, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have performed a going concern assessment which indicates that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from its ultimate parent company, Atlas Corporation, to meet its liabilities as they fall due during the going concern assessment period.

This assessment is dependent on Atlas Corporation not seeking repayment of the amounts currently due to group companies, which at 31 December 2021 amounted to $1,390.3 million, and providing additional financial support during the going concern assessment period. Atlas Corporation has indicated its intention to continue to make available such funds as are needed by the company, and that it does not intend to seek repayment of the amounts due at the balance sheet date, during the going concern assessment period. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Directors' Report *(continued)*

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the board of directors and signed on its behalf by:

Bing Chen
Director
19 December 2022

Statement of Directors' Responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK-adopted international accounting standards and applicable law.

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 then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with UK-adopted international accounting standards;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the Members of APR Energy Holdings Limited

Qualified opinion

We have audited the financial statements of APR Energy Holdings Limited ("the Company") for the year ended 31 December 2021 which comprise the Statement of Comprehensive Loss, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and related notes, including the accounting policies in Note 2.

In our opinion, except for the possible effects of the matter described in the *Basis for qualified opinion* section of our report, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for qualified opinion

The audit evidence available to us was limited because the company have not retained records of title, initial cost and selling party for some items of property, plant and equipment, following changes in management over time. As a result of this we have been unable to obtain sufficient appropriate audit evidence concerning $12.8 million (2020: $6.6 million) of the carrying amount of the property, plant and equipment, included in the Statement of Financial Position, and the depreciation and impairment charges in the Statement of Comprehensive Income and the additions to property, plant and equipment for the year ended 31 December 2021. Any adjustments would have a consequential effect on the company's property, plant and equipment, intercompany payables and expenses for the year and the comparative period and could result in recognition of different arrangements for the use of these assets.

We qualified our audit report for the year ending 31 December 2020 in relation to the same limitation.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard.

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

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;

Independent Auditor's Report to the Members of APR Energy Holdings Limited *(continued)*

Going concern *(continued)*

- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related 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 going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and other management, and inspection of policy documentation as to Atlas Corp's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there is limited opportunity or pressure for management to manipulate revenue given its straightforward nature.

We did not identify any additional fraud risks.

We performed procedures including identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included entries made to unrelated accounts.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards) and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit

Independent Auditor's Report to the Members of APR Energy Holdings Limited *(continued)*

Fraud and breaches of laws and regulations – ability to detect *(continued)*

Identifying and responding to risks of material misstatement related to compliance with laws and regulations (continued)

The potential effect of these laws and regulations on the financial statements varies considerably.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

The *Qualified opinion Strategic report and directors' report* and *Matters on which we are required to report by exception* sections of our report explain the implications of the matter described in the *Basis for qualified opinion* on compliance with the requirements of the Companies Act 2006.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- except for the possible consequential effects of the matter described in the *Basis for qualified opinion* section of our report on the related disclosures in the Strategic Report and Directors' Report:
    - we have not identified material misstatements in those reports; and
    - in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Independent Auditor's Report to the Members of APR Energy Holdings Limited *(continued)*

Strategic report and directors' report (continued)

- in our opinion the information given in the Strategic Report and the Directors' Report for the financial year is consistent with the financial statements.

Matters on which we are required to report by exception

In respect solely of the limitation on our work relating to property, plant and equipment described above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

Matters on which we are required to report by exception

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

- 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.

Directors' responsibilities

As explained more fully in their statement set out on page 13, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

Independent Auditor's Report to the Members of APR Energy Holdings Limited *(continued)*

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, 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 members 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 members, as a body, for our audit work, for this report, or for the opinions we have formed.

N Chrimes

Nathan Chrimes (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
66 Queen Square
Bristol
BS1 4BL
19 December 2022

APR Energy Holdings Limited
Statement of Comprehensive Loss
Years Ended 31 December 2021 and 2020

($ in millions)

	Note	2021	2020
Power revenues	4	$ 11.9	$ 27.8
Lease revenues from affiliates	4	-	9.1
Service fee revenues from affiliates		-	-
Total revenues		11.9	36.9
Cost of revenues	5	(27.9)	(37.1)
Gross (loss)		(16.0)	(0.2)
Doubtful accounts expense	17	(0.2)	(8.7)
Impairment charge	6	(32.9)	(615.4)
Selling, general and administrative expenses	7	(15.0)	(17.5)
Loss on disposal		-	-
Operating loss		(64.1)	(641.8)
Foreign exchange gain/(loss)	8	18.3	(27.3)
Finance income	9	5.9	9.2
Finance costs	10	(0.9)	(19.4)
Loss before taxation		(40.8)	(679.3)
Taxation	11	0.7	(4.3)
Net loss		(40.1)	(683.6)
Total comprehensive loss for the year		$ (40.1)	$ (683.6)

The Company has no items of other comprehensive income or expenses other than the net loss for the financial year, and accordingly, no separate statements of other comprehensive loss have been presented. The accompanying notes form a part of the financial statements.

APR Energy Holdings Limited
Statement of Financial Position
As of 31 December 2021 and 2020

($ in millions)

	Note	2021	2020
Assets			
Non current assets			
Property, plant and equipment	12	$ 233.1	$ 239.8
Investments	13	-	-
Notes receivable from affiliates	14	145.9	157.8
Total non current assets		379.0	397.6
Current assets			
Inventories	15	0.1	0.8
Prepaid and other assets	16	9.7	7.6
Trade and other debtors	17	11.2	28.9
Notes receivable from affiliate	14	42.9	69.7
Cash and cash equivalents	18	14.3	10.4
Total current assets		78.2	117.4
Total assets		$ 457.2	$ 515.0
Liabilities			
Non current liabilities			
Contract liabilities	19	2.5	$ 6.7
Total non current liabilities		2.5	6.7
Current liabilities			
Income tax creditor	11	1.0	3.3
Contract liabilities	19	4.2	4.2
Decommissioning provisions	21	0.2	2.0
Borrowings	20	10.0	10.0
Trade and other creditors	22	1,408.8	1,451.1
Total current liabilities		1,424.2	1,470.6
Total liabilities		1,426.7	1,477.3
Equity			
Share capital	23	1,181.6	1,181.6
Share premium	23	155.0	155.0
Capital contribution reserve	24	43.2	10.3
Accumulated losses		(2,349.3)	(2,309.2)
Total equity		(969.5)	(962.3)
Total liabilities and equity		$ 457.2	$ 515.0

The accompanying notes form part of the financial statements. These financial statements of the Company registered number 0710573, were approved by the board of directors on 16 December 2022.

Signed on behalf of the board of directors by:

Bing Chen
Director
19 December 2022

APR Energy Holdings Limited
Statement of Changes in Equity
As of 31 December 2021 and 2020

($ in millions)

	Share Capital	Share Premium	Capital Contribution Reserve	Accumulated Losses	Total Equity
Balances at 1 January 2020	$ 1,181.6	$ -	$ -	$ (1,625.6)	$ (444.0)
Net loss	$ -	$ -	$ -	$ (683.6)	$ (683.6)
Total comprehensive loss				(683.6)	(683.6)
Proceeds of shares issued	-	155.0	-	-	155.0
Proceeds of capital contributions	-	-	10.3	-	10.3
Balances at 31 December 2020	$ 1,181.6	$ 155.0	$ 10.3	$ (2,309.2)	$ (962.3)
Net loss	$ -	$ -	$ -	$ (40.1)	$ (40.1)
Total comprehensive loss				(40.1)	(40.1)
Proceeds of shares issued	-	-	-	-	-
Proceeds of capital contributions	-	-	32.9	-	32.9
Balances at 31 December 2021	$ 1,181.6	$ 155.0	$ 43.2	$ (2,349.3)	$ (969.5)

The accompanying notes form part of the financial statements.

APR Energy Holdings Limited
Statement of Cash Flows
Year Ended 31 December 2021 and 2020
($ in millions)

	Note	2021	2020
Cash flows from operating activities			
Net loss		$ (40.1)	$ (683.6)
Adjustments for			
Depreciation and amortisation	5	16.5	22.0
Impairment charge	6	32.9	615.4
Doubtful accounts expense	17	0.2	8.7
Foreign exchange loss (gain)	8	(18.3)	27.3
Finance income	9	(5.9)	(9.2)
Tax expense	11	(0.7)	4.3
Finance costs	10	0.9	19.4
Movements in working capital:			
Decrease (Increase) in trade and other debtors	17	17.5	180.3
Decrease in inventories	15	0.7	0.1
(Increase) decrease in other current and noncurrent assets	16	(2.0)	(4.4)
Increase in trade and other creditors	22	(22.7)	195.6
Settlement of decommissioning provisions	21	(1.8)	-
Decrease in other liabilities	22	(5.8)	(9.5)
		(28.6)	366.4
Interest paid		-	(1.5)
Interest received		3.8	-
Income taxes paid		-	(2.8)
Net cash (used in) generated from operating activities		(24.8)	362.1
Cash flows from investing activities			
Purchases of property, plant and equipment	12	(9.8)	(8.9)
Investments	13	(32.9)	(65.2)
Funding of notes receivable from affiliates	14	-	(158.5)
Repayments of notes receivable from affiliates	14	38.6	
Decrease in deposits		-	0.1
Change in restricted cash	18	-	10.7
Net cash used in investing activities		(4.1)	(221.8)
Cash flows from financing activities			
Cash from borrowings	20	-	-
Repayment of borrowings	20	-	(314.7)
Proceeds of ordinary shares issued	23	-	155.0
Proceeds of capital contributions	24	32.9	10.3
Net cash generated fron (used in) financing activities		32.9	(149.4)
Net decrease in cash		4.0	(9.1)
Cash			
Beginning of the year		10.4	19.6
Foreign exchange loss on cash		(0.1)	(0.1)
End of the year		$ 14.3	$ 10.4

The accompanying notes form part of the financial statements.

1. General Information

APR Energy Holdings Limited (company number 07105073) (the "Company") is a private company incorporated in the United Kingdom ("UK") under the Companies Act 2006. Its registered address is C/O TMF Group 8th floor, 20 Farringdon Street, London, United Kingdom EC4A 4AB.

These financial statements are presented in US dollars because that is the currency of the primary economic environment in which the Company operates. The Company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Acquisition and Financing Activities

In February 2020, the Company was acquired (the "Acquisition") by Seaspan Corp, through the acquisition of the Company's ultimate parent, Apple Bidco Limited, for $750.0 million, minus the amount of the net debt and certain selling expenses, in an all-share transaction. In conjunction with the Acquisition, a new holding company called Atlas Corp ("Atlas") was formed which became the ultimate parent of the Company and Seaspan Corp. In connection with the Acquisition, the Company paid off its revolving credit facility and vendor financing.

2. Summary of Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements to the extent they have not already been disclosed. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of Preparation

The Company financial statements have been prepared and approved by the directors in accordance with UK-adopted international accounting standards ("UK-adopted IFRS").

Historical Cost Convention

The financial statements have been prepared on a historical cost basis. The preparation of the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 ("UK-adopted IFRS") 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 further in this note. Actual results could vary from these estimates.

Investment in subsidiaries

Investments in subsidiaries are held at cost less accumulated impairment losses.

2. Summary of Significant Accounting Policies *(continued)*

Investment in subsidiaries *(continued)*

At each reporting date, the company reviews the carrying amount of its investments to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units ("CGU").

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss.

Going Concern

Notwithstanding net current liabilities of $1,346.0 million as at 31 December 2021 and a loss for the year then ended of $40.1 million, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have performed a going concern assessment which indicates that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from its ultimate parent company, Atlas Corporation, to meet its liabilities as they fall due during the going concern assessment period.

This assessment is dependent on Atlas Corporation not seeking repayment of the amounts currently due to group companies, which at 31 December 2021 amounted to $1,390.3 million, and providing additional financial support during the going concern assessment period. Atlas Corporation has indicated its intention to continue to make available such funds as are needed by the company, and that it does not intend to seek repayment of the amounts due at the balance sheet date, during the going concern assessment period. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

2. Summary of Significant Accounting Policies *(continued)*

New Standards and Interpretations not yet adopted by the Company

The following UK-adopted IFRSs have been issued but have not been applied in these financial statements. Their adoption is not expected to have a material effect on the financial statements:

- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Classification of Liabilities as Current or Non-current.
- Annual Improvements to IFRS Standards 2018-2020.

Foreign Currency Transactions

The functional currency of the Company's foreign operations is the currency of the primary economic environment in which the entity operates, in which the entity's income is denominated and in which primary cash costs are denominated. The items included in the financial statements of each of these entities are measured in US dollars. These financial statements are presented in US dollars, which is the Company's presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive loss within foreign exchange loss.

Segment Reporting

An operating segment is a component of an entity whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker ("CODM") to make decisions about resource allocation and assess its performance. The Company identified one operating segment (being the overall Company) based on the financial information regularly provided to the CODM. The Company has identified the CODM as its Chairman.

Revenue From Contracts with Customers

The Company primarily derives revenue from short to medium-term contracts that provide customers with comprehensive power-generation services that include installation and dismantling services, operations and maintenance ("O&M") of the power-generating equipment, operations monitoring, and logistical support.

The Company recognises revenue when control of the goods or services provided has passed to the customer. The specific criteria applicable for each major product or service (as disaggregated in Note 4) are described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

2. Summary of Significant Accounting Policies *(continued)*

Revenue From Contracts with Customers *(continued)*

The Company's contracts generally include a fixed rental charge and a variable charge related to the usage of assets or other services. Based on analysis under IFRS 15, the following separately identifiable, distinct performance obligations were identified:

Power Revenues

Fixed Revenues

a) Delivery of O&M services

b) Lease of power generating equipment

The Company earns the fixed portion of revenue on contracts by providing capacity based on a specified number of megawatts ("MW") to the customer. The Company's contracts for the periods presented in the financial statements primarily represent contracts, which are classified as operating leases. The Company determines lease classification on a contract-specific basis. The Company bifurcates the revenue recognised between the two performance obligations identified in a) and b). The stand-alone selling price of each obligation is computed based on the expected cost of delivering the service, plus an accepted margin. The total transaction price is then rateably recognised, split between those two performance obligations.

Certain contracts contain provisions for mobilisation and decommissioning payments. Mobilisation revenue received up front is deferred straight line over the contract term. With respect to decommissioning revenue, when it is reasonably assured that the Company will receive the revenue, a receivable is recorded, and the revenue is recognised rateably over the contract term. Mobilisation and decommissioning are accounted for under IFRS 16 as these activities are considered an integral part of the arrangement for the leased equipment.

The revenue on these contracts is recognised, net of expected penalties. Penalties arise at certain points during a contract period due to unforeseen circumstances that cause the Company to fail to fulfil a performance obligation. Depending upon the circumstances that contributed to the penalty, the Company, at times, is able to negotiate a waiver for the penalties incurred and recover the amounts due under the contract. The Company records the penalty during the period in which the contractual term is not met. The Company will record any recoveries of amounts previously recorded as penalties in the period in which the recovery is assured.

The Company's fixed revenue (bifurcated between the two performance obligations described above) is recognised over time as the Company delivers the agreed kilowatt-hours ("KWHs") to the customer.

Judgement is required in determining the number of performance obligations in a contract, as several services (including mobilisation and demobilisation) can be provided. The Company believes these are not performance obligations as any services to mobilise or demobilise assets are not considered distinct from the provision of power. The Company's services are considered to be a service or series of services that are substantially the same and have the same pattern of transfer to the customer.

2. Summary of Significant Accounting Policies *(continued)*

Revenue From Contracts with Customers *(continued)*

Power Revenues (continued)

Variable Revenues

The Company earns the variable portion of revenue based on the actual amount of energy delivered to the customer, as measured in KWHs. The revenue associated with the variable price component of the contract is recognised at a point in time, as that energy is produced, and control passes to the customer.

Fuel Revenues

The Company earns fuel revenues when it manages fuel on a pass-through basis on behalf of its customers. Fuel revenue is dependent on fuel prices and the volume of fuel consumed, which can be volatile and may distort the view of the performance of the underlying business. Under IFRS 15 the Company is acting as the principal, and revenue and costs associated with fuel revenue are accounted for separately.

Cost of Revenues

Cost of revenues is comprised of direct and indirect plant operation costs, depreciation, financial costs and carrying value of assets sold in the ordinary course of business. Certain contracts allow a penalty to be assessed for not meeting a specified commercial operating date. Penalties incurred prior to and after the commercial operating date are expensed as incurred and recorded in cost of sales.

Employee Benefits

The Company has one employee. The cost of that employee's benefits is included within cost of revenues within the statement of comprehensive loss.

Finance Cost and Income

Finance cost primarily consists of fees and interest charged by financial institutions for banking transactions and interest charged on outstanding loan balances. Also, included in finance cost is the amortisation of capitalised debt issuance costs and accretion of decommissioning provision. Finance income consists of interest earned on seller financed debt and customer late payments.

Effective Interest Method

The effective interest method is a method of calculating the finance income generated by a financial asset and the amortised cost of a financial liability, including allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability to the net carrying amount on initial recognition.

2. Summary of Significant Accounting Policies *(continued)*

Taxation
The Company comprises operations in various jurisdictions, and it is likely that if the structure of these operations were to change, there would be an impact to the effective tax rate and tax liability of the Company.

While certain of the Company's operations are not subject to tax, the operations may be subject to income and withholding taxes in other tax jurisdictions. In preparing these financial statements, the Company applies the following accounting policies:

Withholding Tax
Withholding taxes are imposed in certain jurisdictions where the Company makes cross-border payments to related parties and where the customer makes cross-border payments to the Company. In general, withholding taxes are imposed on payments such as operating leases, revenue, and certain service payments. The customer acts as the collecting agent and remits the payments to the taxing authorities. The Company includes its withholding tax expense in the taxation line in the statement of comprehensive income.

Current Tax
The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Company operates and generates taxable income and is subject to tax under local country tax law.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. The Company establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

Taxable profit differs from net profits as reported in the statement of comprehensive loss because it excludes temporary or permanent differences. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted as of the statement of financial position date.

Deferred Tax
Deferred income tax is provided, using the liability method, on temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available to utilise those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

2. Summary of Significant Accounting Policies *(continued)*

Deferred Tax (continued)

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current 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.

Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Financial Instruments

The Company classifies its financial instruments, for both financial assets and liabilities, as either at fair value through profit/loss or at amortised cost. The classification depends on the purpose for which the financial assets or liabilities were acquired. The Company determines the classification of its financial assets and liabilities at initial recognition.

The classification of non-equity financial assets is based on a two-step test, applying the business model test and the cash flow characteristics test. There are three types of business models per IFRS 9: Hold to collect, Hold to collect and sell and Other. There are two cash flow models defined by IFRS 9: Cash flows that are solely payment of principal and interest ("SPPI") and Other.

Financial Assets at Fair Value through Profit or Loss

A financial asset is classified in this category if the cash flow model for recovering the asset is not SPPI, or if it is SPPI and the assets are not held to collect or held to collect and sell. The Company's financial assets which are not recovered through SPPI are classified and measured as financial assets at fair value through profit or loss. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current. The Company does not have any financial assets classified as fair value through profit or loss.

Financial Assets at Amortised Cost

Financial assets at amortised cost are non-derivative financial assets which will be collected with fixed or determinable payments and are held for collection via those payments. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Financial Liabilities at Fair Value through Profit or Loss

This category of financial liabilities is carried in the statement of financial position at fair value with changes in fair value recognised in the statement of comprehensive loss.

The Company does not have any liabilities held for trading nor has it designated any financial liabilities as being at fair value through profit or loss.

2. Summary of Significant Accounting Policies *(continued)*

Financial Liabilities at Amortised Cost

Financial liabilities at amortised cost are financial liabilities, which do not meet the definition under IFRS 9 to be measured at fair value through the profit or loss. They are included in current liabilities, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current liabilities.

Offsetting Financial Instruments

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

Impairment of Non-trade Debtor Financial Assets

The Company assesses at the end of each reporting period whether there is objective evidence that a non-trade debtor financial asset or group of financial assets is impaired (see notes above and in Note 17 in relation to trade debtors and assessments under the IFRS 9 expected credit loss model). A non-trade debtor financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

For financial assets at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the statement of comprehensive loss. If a loan or investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Company may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the reversal of the previously recognised impairment loss is recognised in the statement of comprehensive income.

Cash and Restricted Cash

Cash consists of cash and highly liquid investments that can be readily converted into cash or that have an original maturity of three months or less.

2. Summary of Significant Accounting Policies *(continued)*

Cash and Restricted Cash *(continued)*

The Company has no cash equivalents at 31 December 2021 or 2020. Cash that is not available for general use due to restrictions is classified as "restricted cash" on the statement of financial position.

Trade and Other Debtors

Trade and other debtors are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

The Company holds trade and other debtors with the objective to collect the contractual cash flows and measures them subsequently at amortized cost using the effective interest method. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Trade and other debtors are considered past due if any portion of an account has not been paid in full within the contractual terms of the account. The Company applies the simplified approach permitted by IFRS 9 in order to measure the expected credit losses and resulting allowance for doubtful accounts that will be required. See details in Note 17, for how the allowance is measured. Upon permanent impairment, the trade debtor is written off against the allowance for doubtful accounts (Note 17). Power revenues are netted with penalties incurred during the year in respect of contractual performance (Note 4) and any penalties are reserved for within allowance for doubtful accounts.

Inventories

Inventories are stated at the lower of cost or net realisable value. Inventory cost is primarily determined using average cost. Excess and obsolete inventory reserves are established generally upon review of condition and usability in the kits assembled for power-generating equipment. Inventory is written down on a case-by-case basis if the anticipated net realisable value declines below the carrying amount of the inventory or to account for inventory losses. Net realisable value is the estimated selling price less the cost to complete and any selling expenses. The inventory write-down is reversed if the reasons for the write-down no longer exist.

In accordance with industry practices, inventory costs are classified as current assets and include amounts that may be held for longer than one year.

Prepaid and Other Assets

The Company records prepaid and other assets for various circumstances, most commonly, VAT debtors and prepaid expenses. Prepaid assets are expensed during the prepayment period. Prepaid and other assets are classified as current when the Company expects to realise the asset within 12 months after the reporting period.

2. Summary of Significant Accounting Policies *(continued)*

Deposits

The Company maintains bid or performance bonds (secured by cash deposits) for various contracts to guarantee the Company's obligations under the terms of the contracts. The return of such deposits is subject to performance of the Company during the contract term. Deposits are recorded at cost less any provision for impairment.

Research and Development Costs

Research costs are charged to the statement of comprehensive income in the period in which they are incurred.

Development costs are charged to the statement of comprehensive loss in the period in which they are incurred unless it relates to the development of a new product or technology that has achieved technological feasibility and commercial viability has been proven, development cost can be measured reliably, and future economic benefits are probable and the Company intends, and has sufficient resources, to complete the development to use or sell the assets. Any such capitalised development costs are amortised on a straight-line basis over the expected useful life of the resulting product or technology.

Property, Plant and Equipment

Property, plant and equipment are stated at historical cost, less depreciation and any recognised impairment loss. Historical cost is the purchase price of the property, plant and equipment, including any related shipping costs. Certain purchase contracts allow the Company to hold back a percentage of the purchase price until a warranty period expires. Purchase price retentions are classified as a liability and reported in current or non-current liabilities depending on the anticipated pay-out period.

Costs incurred to mobilise and install power-generating equipment pursuant to a contract are also captured in property, plant and equipment, and are depreciated over the term of the contract to which the power-generating equipment relates.

The cost of property, plant and equipment includes a decommissioning cost, which represents the initial measurement equivalent to the discounted provision. The decommissioning asset is amortised on a straight-line basis over the non-cancellable lease term.

Subsequent costs are included in the asset's carrying value or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenditures are expensed as incurred and recorded within the statement of comprehensive income as incurred.

2. Summary of Significant Accounting Policies *(continued)*

Property, Plant and Equipment *(continued)*

Depreciation is computed using the straight-line method applied to individual items over their estimated useful lives. Management uses judgement in determining the useful lives of its property and equipment considering the following factors: expected usage, expected wear and tear, residual values and technological or commercial obsolescence of the generators. Management reassesses useful lives and residual values annually.

A summary of the lives used for computing depreciation is as follows:

Machinery and equipment	
Turbines	25 Years (2021 and 2020)
Generators	15 Years (2021 and 2020)
Transformers	15 Years
Miscellaneous machinery and equipment	3 - 10 Years
Mobilisation and demobilisation	
Mobilisation costs	Non-cancellable lease term
Demobilisation costs	Non-cancellable lease term

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is the Company's policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

Impairment of Non-Financial Assets

At each reporting date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash in-flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

2. Summary of Significant Accounting Policies *(continued)*

Impairment of Non-Financial Assets *(continued)*

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of comprehensive loss. Non-financial assets that suffer an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Trade and Other Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. The amounts are unsecured and are usually paid within 30 days of recognition. Trade creditors are classified as current liabilities if payment is due within 12 months or less. Trade and other creditors are recognised initially at fair value and subsequently measured at their amortised cost using the effective interest rate method.

Borrowings

Borrowings are initially recognised at fair value less transaction costs incurred. Borrowings are subsequently measured at amortised cost using the effective interest method. Under this method, finance costs of borrowings are allocated to periods over the term of the related debt at a constant rate on the carrying amount. Where transaction costs have been incurred but the facility not drawn down at the statement of financial position date, these are shown in capitalised finance costs. When the facility is drawn down, these amounts are shown net of borrowings.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any noncash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance cost.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses. The Company identifies a contract in which the unavoidable costs of meeting the obligations under contract exceed the economic benefits is onerous and recognises a provision for the present obligation in the period identified.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

2. Summary of Significant Accounting Policies *(continued)*

Provisions *(continued)*

When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, where the effect of the time value of money is material. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost in the statement of comprehensive income.

A contingent liability is disclosed when the existence of the obligation will only be confirmed by future events or when a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised, but they are disclosed when an inflow of economic benefits is probable.

Contract Liabilities

These amounts represent the current obligations for prepaid services from its customers that the Company has as of the end of the reporting period. Included within contract liabilities are upfront mobilisation and decommissioning payments which have either been received or will be received based on contract terms. Subsequently, the Company records revenue upon consumption of the services in accordance with the revenue recognition accounting policy.

Decommissioning Provisions

The Company records a decommissioning provision when there is a legal or constructive obligation whereby, as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation associated with the retirement of a tangible long-lived asset and the liability can be reasonably estimated. The amount recorded represents the present value of the expected decommissioning costs. The unwinding of the discount is included in finance costs in the statement of comprehensive loss.

Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

At inception or on modification of a contract that contains a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract applying IFRS 15.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

2. Summary of Significant Accounting Policies *(continued)*

Leases *(continued)*

As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

The Company applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The Company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as power revenues.

Rounding

All dollar amounts disclosed in the financial statements and notes have been rounded off to the nearest hundred thousand US dollars unless otherwise stated.

Critical Accounting Estimates and Judgements

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. Accordingly, management evaluates whether estimates should be made on an on-going basis, based on historical experience, consultation with experts, and other methods the Company considers reasonable according to the particular circumstances. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying value of the asset or liability in the future. Actual amounts could differ from those estimates.

The areas involving judgements and significant estimates are:

Useful Lives of Property, Plant and Equipment

Management estimates the useful lives of its property, plant and equipment considering the following factors:

- Expected usage
- Expected wear and tear through normal usage
- Expected contractual life
- Technological or commercial obsolescence

Depending on facts and circumstances, management may weight one of the factors more than another or may consider additional factors not listed above. A decrease of 10% in the average estimated useful lives of the Company's property, plant and equipment would lead to an increase in annual depreciation expense of approximately $2.0 million.

2. Summary of Significant Accounting Policies *(continued)*

Impairment / Impairment Reversals of Property, Plant and Equipment & Investments in subsidiaries

The Company tests, annually, whether assets and investments in subsidiaries have suffered any impairments. The recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. As disclosed in Note 12, the Company recorded an impairment charge of $nil million and $86.6 million for the years ended 31 December 2021 and 2020, respectively for property, plant and equipment. As disclosed in note 13, the Company recorded an impairment charge of $32.9 million and $519.3 million for the years ended 31 December 2021 and 2020, respectively for investments in subsidiaries. There were no reversals of asset impairments during 2021 or 2020.

Management identifies the Company as a single cash-generating unit ("CGU") for the purpose of assessing impairment. Value in use cannot be reliably determined for individual assets due to their interchangeability and the nature of the Company's business operations. In addition, individual assets do not generate cash inflows independent of other assets as multiple assets are required to complete project requirements. As a result, the recoverable amount cannot be determined at the individual asset level and must be determined for at a CGU level.

Significant inputs evaluated by management in assessing impairment include extensions of current installations, growth rate, fixed and variable revenue rates, fixed and variable cost rates, operating expense rates, asset utilisation and deployment, and capital expenditures related to mobilisation and decommissioning activities.

Contingencies

Contingencies arising from litigation and commitments (Note 27) were evaluated when the financial statements for the year ended 31 December 2021 and 2020 were prepared. Management considered if the Company had a present legal or constructive obligation as a result of past events and if it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated in order to determine whether or not a provision should be recorded in the financial statements and or a contingency should be disclosed in the financial statements.

3. Financial Risk Management

The Company's activities give rise to a number of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk management. The Company's overall risk management strategy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by at the Company under policies approved by the board of directors. Management designs strategies for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, use of derivative and non-derivative financial instruments, and investment of excess liquidity.

3. Financial Risk Management *(continued)*

Market Risk

Market risk includes foreign exchange risk and interest rate risk. The Company seeks to manage these risks to acceptable levels by maintaining appropriate policies and procedures and utilising financial market instruments where necessary.

In its determination to enter into a contract, the Company will carry out a counterparty risk assessment and determine the appropriate risk mitigations strategies. Market risk also includes the risk that cash derived from income for services fulfilled under contract terms will become restricted and not available for use in the on-going activities of the business. The Company manages this risk by carrying out appropriate due diligence on customers and the jurisdictions in which they operate to determine appropriate payment terms and securitisation of revenue through the use of letters of credit, bonds, or other securitisation of payment exposures.

(i) Foreign Exchange Risk

The Company has an exposure to transactional foreign exchange from purchases or sales in currencies other than US dollars. In order to minimise exposure to foreign exchange risk, the Company primarily contracts in US dollars or in contracts with a price based on US dollars at the date of transaction or payment if possible. In some cases, the Company transacts in local currencies when purchasing materials and supplies for project operations.

In limited circumstances, the Company may use derivative instruments, make payments in local currency where feasible, and employ capital repatriation programs to economically hedge against foreign exchange risk. Any hedges are limited in duration and correspond to the applicable contract payments or receipts to which the derivatives are associated. No such derivative contracts were entered into in 2021 or 2020.

(ii) Interest Rate Risk

The Company is primarily exposed to interest rate risk on its borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. When applicable, the Company may elect to hedge interest rate risk associated with debt or borrowings under the credit facility by purchasing derivative instruments. The Company's debt had a variable interest component, which can be indexed to 1-month, 3-month or 6-month LIBOR, and was all paid off prior to year-end.

Credit Risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as exposures to outstanding receivables from customers. Due to the nature of the Company's business in emerging markets, management believes the most significant of these to be exposures to outstanding receivables from customers.

To minimise the risk of a significant impact on the business due to a customer defaulting on its commitments, the Company closely monitors trade receivables. In addition, the Company utilises letters of credit, contract insurance policies and up-front deposits to mitigate this risk. See Note 17 for further information on how the company makes allowances for expected credit losses.

($ in millions)

3. Financial Risk Management *(continued)*

Liquidity Risk

Liquidity risk results from insufficient funding being available to meet the Company's funding requirements as they arise. The Company manages liquidity risk by maintaining adequate reserves of cash and available committed facilities to meet the Company's short and long-term funding requirements. The Company monitors the short-term forecast and actual cash flows on a daily basis and medium and long-term requirements in line with the Company's long-term planning processes.

The Company expects to be able to arrange sufficient financing to meet its future funding requirements. It has been the Company's custom and practice to refinance its facilities in advance of their maturity dates, providing that there is an ongoing need for those facilities. At 31 December 2021 and 2020, cash exceeded borrowings in the amount of$4.3 million and $0.4 million, respectively.

4. Revenue

The Company has disaggregated revenue for the years ended 31 December 2021 and 2020 into various categories below, which is intended to depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic data:

	2021	2020
Operating lease revenue	$ 5.4	$ 12.2
O&M revenue	$ 6.5	15.6
Total power revenues	11.9	27.8
Lease revenue from affiliates	-	9.1
Total revenues	$ 11.9	$ 36.9

Revenue by Geography

	2021	2020
North America	-	9.1
Asia	4.2	4.2
Africa	7.7	23.6
Total revenues	$ 11.9	$ 36.9

($ in millions)

5. Cost of revenues

Cost of sales is comprised of the following for the years ended 31 December:

		2021		2020
Direct costs	$	7.0	$	8.4
Affiliated lease expense		4.4		6.7
Depreciation		16.5		22.0
	$	27.9	$	37.1

6. Impairment

Investment in subsidiaries

The Company assesses at the end of each reporting period whether there is objective evidence that an investment in subsidiary is impaired.

The following table summarises impairments taken during the years ended 31 December 2021 and 2020.

		2021		2020
Investments	$	32.9	$	519.3
Property, plant and equipment		-		86.6
Notes receivable from affilates		-		9.5
	$	32.9	$	615.4

During the year ended 31 December 2020, impairment losses were taken on power generation equipment of the Company and its subsidiaries including turbines, generators and transformation equipment. A change in market conditions caused this impairment most notably the industry transitioning away from high-carbon fossil fuels in favour of cleaner fuel and renewable energy solutions.

As a result, Group Management decided to shift its strategic focus toward longer term solutions focused on its natural gas assets and divest all of its unutilized diesel-powered assets.

For the Company's investment asset, the Company considers the CGU to be the full collection of assets owned by the Company and its subsidiaries. These assets are deployed to different projects on an annual basis based on various customer contracts in place in any given year. Although the assets are associated with a given project at any time, each project is short term in nature resulting in the assets being used on several projects over the life of the assets. Management have concluded that the core operating assets are a single CGU because they are used to service various customers over the life of the assets and these various customers collectively contribute to the cash inflows associated with the assets.

($ in millions)

6. Impairment *(continued)*

Investment in subsidiaries *(continued)*

Due to Group Management's strategic shift, the Company performed an impairment analysis on its investment in subsidiaries balance during the year ended 31 December 2020. The Company concluded the investment in subsidiaries balance should be revalued to equal the fair value of the net assets of its subsidiaries due to the strategic shift by Group Management. The property, plant and equipment of the Company's subsidiaries was already recorded at fair value due to the impairment losses recorded on those entities during the year ended 31 December 2020. The Company evaluated the remaining assets and liabilities of its subsidiaries and concluded the balances recorded by the subsidiaries approximated fair value due to the nature of the assets and liabilities. As a result, an impairment charge of $32.9 million and $519.3 million was recorded during the years ended 31 December 2021 and 2020, respectively.

Property, plant and equipment impairment

Refer to Note 12 for discussion of property, plant and equipment impairments in the years ended 31 December 2021 and 2020.

Affiliate loan impairment

For the year ended 31 December 2021, the company's affiliate loan impairment was $nil. During the year ended 31 December 2020, the Company performed an analysis on a loan balance due from its Argentina affiliate and concluded this affiliate does not have the projected cash flows to be able to repay this loan. As a result, the Company recorded an impairment charge of $9.5 million associated with this loan in the prior year.

7. Selling, general and administrative expenses

Selling, general and administrative expenses are comprised of the following for the years ended 31 December:

	2021	2020
Administrative expenses	$ 5.2	$ 3.8
Shared service fee allocation	9.8	13.7
	$ 15.0	$ 17.5

8. Foreign exchange gain / (loss)

Foreign exchange gain / (loss) is comprised of the following for the years ended 31 December:

	2021	2020
Foreign exchange gain / (loss)	$ 18.3	$ (27.3)

The foreign exchange gain / (loss) related to the years ended 31 December 2021 and 2020 is primarily related to the revaluation of due to affiliate balances recorded within trade and other creditors.

($ in millions)

9. Finance income

Finance income is as follows for the years ended 31 December:

	2021	2020
Interest income - affiliates	$ 5.9	$ 9.2

The finance income during the years ended 31 December 2021 and 2020 is related to income from financing the sale of a power plant to the Company's Bangladesh affiliate in 2018.

10. Finance costs

Finance costs are comprised of the following for the years ended 31 December:

	2021	2020
Interest expense on borrowings	$ 0.9	$ 3.5
Amortisation of debt issuance costs	-	5.3
Write-off of debt issuance costs	-	10.6
	$ 0.9	$ 19.4

11. Taxation

The Company's expense for income taxes consists of the following:

	2021	2020
Current tax		
Current tax benefit (expense)	$ 0.7	$ (4.3)
	0.7	(4.3)
Deferred tax		
Deferred tax benefit (expense)	-	-
	-	-
Total tax benefit (expense)	$ 0.7	$ (4.3)

($ in millions)

11. Taxation *(continued)*

The company's current income tax creditor at 31 December 2021 and 2020 was $1.0 million and $3.3 million, respectively.

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020.

An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the company's future current tax charge accordingly.

The reconciliation between the actual effective tax rate of 1.7% and (3.2%) for the years ended 31 December 2021 and 2020, respectively, and the statutory UK income tax rate of 19.0% is as follows:

	2021	2020
Loss before taxation	$ (40.8)	$ (679.3)
Tax at the UK Corporation tax rate: 19.0% (2021 and 2020)	(7.8)	(129.1)
Withholding taxes	(0.7)	2.7
Uncertain tax positions	-	1.6
Deferred tax assets not realisable	2.0	18.8
Impairments not deductible for tax purposes	6.2	118.6
Other	(0.4)	(8.3)
Tax expense	$ (0.7)	$ 4.3

The Company is not taxable in certain jurisdictions where either the jurisdictions do not impose an income tax or the entity is treated as a flow-through entity for local country tax purposes. The difference between the statutory rate and the effective tax rate is primarily a result of deferred tax assets not being realisable, withholding taxes, the establishment of uncertain tax positions and permanent book to tax differences as shown above. The structure of the Company generally results in each entity or branch operating within only one tax jurisdiction. In general, income tax is imposed on taxable income earned in the applicable tax jurisdiction.

Deferred Taxes

Deferred tax liabilities were $nil as at 31 December 2021 and 2020.

At 31 December 2021 and 2020, the Company has tax losses carried forward of $347.8 million and $230.7 million, respectively, for which no deferred tax assets are being recognised on the basis that no tax benefit is expected to arise in the jurisdictions these tax losses were generated in.

($ in millions)

12. Property, Plant and Equipment

Property, plant and equipment and the associated movements were as follows for the years ended 31 December 2021 and 2020:

	Machinery & Equipment	Mobilisation	Demobilisation	Total
Cost				
At 1 January 2020	397.0	8.8	4.1	409.9
Additions	12.6	-	-	$ 12.6
Disposals	(0.3)	(3.1)	-	$ (3.4)
At 31 December 2020	409.3	5.7	4.1	419.1
Additions	9.9	-	-	$ 9.9
Disposals	(0.1)	-	-	$ (0.1)
At 31 December 2021	419.1	5.7	4.1	428.9
Accumulated depreciation				
At 1 January 2020	66.1	5.0	2.6	73 7
Charge for the year	16.8	3.7	1.5	$ 22.0
Impairment charge	86.6	-	-	$ 86.6
Disposals	-	(3.0)	-	$ (3.0)
At 31 December 2020	$ 169.5	$ 5.7	$ 4.1	$ 179.3
Charge for the year	16.5	-	-	$ 16.5
Impairment charge	-	-	-	$ -
Disposals	-	-	-	$ -
At 31 December 2021	$ 186.0	$ 5.7	$ 4.1	$ 195.8
Net book value				
At 31 December 2021	$ 233.1	$ -	$ -	$ 233.1
At 31 December 2020	$ 239.8	$ -	$ -	$ 239.8

Impairment

During the years ended 31 December 2021 and 2020, the Company recognized impairment loss of $nil and $86.6 million, respectively. The impairment loss is recognised on the statement of comprehensive loss. There were no reversals of impairments in 2021 or 2020.

In 2020, impairment loss of $86.6 million is attributed to certain power generation equipment, including turbines, diesel generators and transformation equipment. A change in market conditions was the primary triggering event for the Company's impairment analysis. The diesel power module ("DPM") market has experienced significant slowdown over the past few years, primarily due to the industry transitioning away from high-carbon fossil fuels in favour cleaner fuel and renewable energy solutions. As a result, management decided to shift its strategic focus toward longer term solutions focused around its natural gas assets and plans to divest of all its unutilized DPM assets.

($ in millions)

12. Property, Plant and Equipment *(continued)*

Impairment (continued)

For its gas turbine assets, the Company performed an analysis that included consideration of fair value less cost of disposal and value in use. Fair value less cost of disposal, as determined by reference to the replacement cost of the gas turbines less depreciation, was the higher of the two estimates of the recoverable amount and therefore was used in the impairment calculation. The significant assumptions used in the depreciated replacement cost estimate were the condition of the asset and the lifecycle of major components.

For its unutilised DPM assets and certain equipment ancillary to power generation, the Company undertook a process of bid solicitation from over 20 competitors, dealers and auction houses. Management concluded that this method provided the best estimate of the recoverable amount for these assets based on the Company's intent to divest of the DPM assets and because of the relatively few alternative uses for the ancillary equipment. The net book value of these assets are $nil as of 31 December 2021 and 2020.

13. Investments

Investments in subsidiaries are as follows at 31 December:

	2021	2020
Beginning	$ -	$ 454.1
Investments during the period	32.9	65.2
Impairment	(32.9)	(519.3)
Ending	$ -	$ -

Refer to Note 6 for a discussion of the impairment taken during the year ended 31 December 2020.

The Company's subsidiaries at 31 December 2021 are set out below and are excluded from the financial statements presented herein. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Company, and the proportion of ownership interests held equals the voting rights held by the Company at both 31 December 2021 and 2020.

The entity owned 100% of the shares of the entities outlined below for both years ended 31 December 2021 and 2020, with the exception of International Power Sales and Services, LLC and APR Energy Uruguay, S.A. which were closed during the year ended 31 December 2020. No subsidiaries were closed during the year ended 31 December 2021.

($ in millions)

13. Investments *(continued)*

Name	Principal activity	Country of operation	Country of registration	Registered address
APR International LLC	Holding company	United States	United States	1200 South Pine Island Road, Suite 250, Plantation, FL 32224
APR Energy LLC	Supply of temporary power	United States	United States	1200 South Pine Island Road, Suite 250, Plantation, FL 32224
APR Energy SRL	Supply of temporary power	Argentina	Argentina	AV. Leandro N. Alem 1002 Piso 4, Buenos Aires, C101AAS Argentina
APR Energy II LLC	Holding company	United States	United States	1200 South Pine Island Road, Suite 250, Plantation, FL 32224
Falconbridge Services LLC	Service company	United States	United States	1200 South Pine Island Road, Suite 250, Plantation, FL 32224
APR Energy Spain SLU	Dormant (entity does not carry out any business activity)	Spain	Spain	Calle Principe de Vergara 131,Primera Planta, Madrid 28002, Spain
Power Rental Op Co LLC	Supply of temporary power	Iraq, Bangladesh, USVI	United States	1200 South Pine Island Road, Suite 250, Plantation, FL 32224
Power Rental Op Co Australia LLC	Supply of temporary power	Australia	United States	1209 Orange Street, Wilmington, DE, 19801
Power Rental Asset Co LLC	Holding company	United States	United States	1200 South Pine Island Road, Suite 250, Plantation, FL 32224
Power Rental Asset Co Two LLC	Supply of temporary power	United States	United States	1209 Orange Street, Wilmington, DE, 19801
APR Energy FZE	Service company	United Arab Emirates	United Arab Emirates	Show room No. S3B5SR07, Jebel Ali, PO Box 261423, Dubai, United Arab Emirates
APR Energy Australia Pty Ltd	Dormant	Australia	Australia	Level 16, 201 Elizabeth Street Sydney New South Wales 2000, Australia
APR Energy Guatemala S.A.	Supply of temporary power	Guatemala	Guatemala	Diagonal 6 10-01 Zona,10 Centro Genencial Las Margaritas Torre,2 Oficina 402B, Guatemala City, Guatemala
APR Energy USA, LLC	Supply of temporary power	United States	United States	1200 South Pine Island Road, Suite 250, Plantation, FL 32224
PT APR Indonesia	Supply of temporary power	Indonesia	Indonesia	Mayapada Tower, 11th Floor, Jl. Jend. Sudirman Kav. 28, Jakarta 12920
APR Energy Bangladesh Limited	Supply of temporary power	Bangladesh	Bangladesh	216 Shaheed Syed Najrul Islam Sarani, 43 Topkhana Road (First Floor) Ramna, Dhaka, Bangladesh
APR Energy (Singapore) Private Limited	Service company	Singapore	Singapore	137 Telok Ayer Street #08-01, Singapore, 068602 Singapore
Power Rental Op Puerto Rico, LLC	Service company	United States	United States	CT Corporation 361 San Francisto Street 4th Floor San Juan, Puerto Rico, 00902
APR Energy MEX S. de R.L. de C.V.	Supply of temporary power	Mexico	Mexico	Santistevan & Duclaud Homero 1804 - Suite 902 Ciudad de Mexico 11570 Mexico

($ in millions)

14. Notes receivable from affiliates

Notes receivable from affiliates and the associated movements were as follows for the years ended 31 December:

	APR Energy Bangladesh Ltd.	APR Energy SRL	Atlas Corp.	Total
At 1 January 2020	$ 63.6	$ 9.5	$ -	$ 73.1
Increase in notes issued	96.8	-	100.0	196.8
Capitalized accrued interest	-		-	-
Impairment	-	(9.5)	-	(9.5)
Redemption of preference shares	(18.0)	-	-	(18.0)
Repayment of notes	(14.9)	-	-	(14.9)
At 31 December 2020	$ 127.5	$ -	$ 100.0	$ 227.5
				-
Current	$ 69.7	$ -	$ -	$ 69.7
Non current	$ 57.8	$ -	$ 100.0	$ 157.8
At 1 January 2021	$ 127.5	$ -	$ 100.0	$ 227.5
Increase in notes issued	-	-	-	-
Capitalized accrued interest	-	-	-	-
Impairment	-	-	-	-
Redemption of preference shares	(17.9)	-	-	(17.9)
Repayment of notes	(20.8)	-	-	(20.8)
At 31 December 2021	$ 88.8	$ -	$ 100.0	$ 188.8
				-
Current	$ 42.9	$ -	$ -	$ 42.9
Non current	$ 45.9	$ -	$ 100.0	$ 145.9

Bangladesh Preference Shares

In April 2018, the Company entered into a subscription agreement with its subsidiary, APR Energy Bangladesh Limited ("APR Bangladesh"), related to the purchase 54,000,000 of redeemable, non-convertible, non-cumulative preference shares with a par value of 100 Bangladesh Taka ("BDT"). The shares pay dividends in the amount of 5% per annum. In 2019, the Company purchased the shares for total consideration of $63.6 million. The shares are redeemed periodically upon approval of a redemption request by the Bangladesh Central Bank. Its approval is conditioned upon APR Bangladesh maintaining adequate liquidity and a minimum debt to equity ratio. The preference shares are classified as debt, as they contain a mandatory redemption provision. In 2021 and 2020, the Company received $17.9 million and $18.0 million, respectively, for the redemption of shares.

($ in millions)

14. Notes receivable from affiliates *(continued)*

Bangladesh Note Receivable

In 2018, the Company entered into an agreement with its subsidiary, APR Energy Bangladesh Limited, to provide a credit facility of up to $154.0 million.

Interest is calculated at a rate of 3-month LIBOR plus 3.75% per annum. The note receivable was originally to be repaid in quarterly installments through 2024. No borrowings were made in 2018. During 2019, $5.0 million was issued and repaid resulting in no outstanding balance at 31 December 2019. During 2020, $96.8 million was issued and $14.9 million was repaid resulting in an outstanding balance of $81.9 million as of 31 December 2020. During 2021, $20.7 million was repaid, resulting in an outstanding balance of $66.2 million. During 2022, this note was amended to provide for a shorter repayment period. This amendment provides for the loan to be repaid in six quarterly instalments beginning in the first quarter of 2022 (Note 33).

Argentina Notes Receivable

During the year ended 31 December 2016, the Company issued notes receivable with its subsidiary APR Energy SRL, a private company incorporated in Argentina. The notes receivable had an original maturity date of 15 July 2023 and accrued interest at a rate of 7.0% annually. Unpaid interest is added to the note principal balance at the due date.

During the year ended 31 December 2020, the Company performed an analysis on the notes receivable balance and concluded this affiliate does not have the projected cash flows to be able to repay the remaining balance. As a result, the Company recorded an impairment charge of $9.5 million associated with this note receivable.

Atlas Corporation Notes Receivable

During the year ended 31 December 2020, the Company issued $100.0 million of interest free on demand notes receivable to its ultimate parent, Atlas Corporation.

15. Inventories

Inventories are as follows at 31 December:

	2021	2020
Spares and consumables	$ 0.1	$ 0.8

16. Prepaid and other assets

Prepaid and other assets are follows at 31 December:

	2021	2020
Due from affiliate	9.7	7.6
	$ 9.7	$ 7.6

The due from affiliate balances are associated with dividends from the preference shares issued to the Company subsidiary APR Energy Bangladesh Limited that are recorded as Notes Receivable. Refer to Note 14 for further details.

($ in millions)

17. Trade and other debtors

Trade and other debtors are as follows at 31 December:

	2021	2020
Amount receivable under contract	$ 91.2	$ 108.7
Less: Allowance for doubtful accounts	(80.0)	(79.8)
	$ 11.2	$ 28.9

The aging analysis of all trade debtors was as follows:

	2021 Gross	2021 Reserved
Current	$ 88.1	$ (80.0)
1-30 days	-	-
31-90 days	-	-
More than 90 days	3.1	-
	$ 91.2	$ (80.0)

	2020 Gross	2020 Reserved
Current	$ 95.9	$ (70.1)
1-30 days	-	-
31-90 days	-	-
More than 90 days	12.8	(9.7)
	$ 108.7	$ (79.8)

($ in millions)

17. Trade and other debtors *(continued)*

The movement in respect of the allowance for doubtful accounts during the year was as follows:

	2021	2020
Beginning balance	$ 79.8	$ 71.1
Provisions (recoveries), net	0.2	8.7
Receivables written off as uncollectible	-	-
	$ 80.0	$ 79.8

At 31 December 2021, the Company's affiliates accounted for $11.2 million of the balance, which accounts for 100% of net trade debtors. At 31 December 2020, the Company's affiliates accounted for $25.2 million of the balance and one customer accounted for $3.7 million of the balance, which accounts for 100% of net trade debtors. The risk associated with individual customers is partially mitigated by the letters of credit the Company obtains from customers on commencement of a contract or at subsequent renewals. Management reviews concentration of credit risk on a regular basis and ensures that where the net exposure exceeds certain thresholds, appropriate actions are taken. This is performed on a customer-by-customer basis, and takes into account billing terms, letters of credit and local customs and practices.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss model for all open contracts. The Company includes specific reserves for known contractual issues/disputes, and in addition, Management has undertaken a review of historical loss rates for the length of all open contracts at the year end, noting no historical losses. To contemplate the inherent risk associated with all current open invoices and contract assets, Management reviews each customer individually and considers factors such as the political and economic conditions in that country, the duration and quality of the customer relationship, the age of debt, cash flows from the customer and any relevant communication with the customer. The Company also considered historical loss rates and a risk factor, based on a country risk premium for each country where the Company has open contracts, noting that the inherent exposure based on this analysis was minor. The allowance for doubtful accounts listed above is therefore primarily based on specific reserves for known expected credit losses.

18. Cash and cash equivalents

Cash and cash equivalents are as follows at 31 December:

	2021	2020
Cash and cash equivalents	$ 14.3	$ 10.4

($ in millions)

19. Contract liabilities

Contract liabilities arise from the Company's projects when cumulative payments received from customers at the balance sheet date do not necessarily equal the amount of revenue recognised on the contracts. For example, operating and maintenance payments may be received up front per the terms of the contract, but the revenue is deferred straight line over the contract term.

The activity within contract liabilities during the years ended 31 December 2020 and 2019 is as follows:

	2021	2020
At 1 January	$ 10.9	$ 20.7
Amounts included in contract liabilities that were recognised as revenue during the period	(4.2)	(9.8)
Cash received in advance of performance and not recognised as revenue during the period	-	-
At 31 December	$ 6.7	$ 10.9
Current	$ 4.2	$ 4.2
Non-Current	$ 2.5	$ 2.5

The amount of revenue that will be recognised in future periods on these contracts when the remaining performance obligations will be satisfied is analysed as follows:

	2021	2022 and After
Fixed revenue	$ 4.2	$ 2.5

($ in millions)

20. Borrowings

	Credit Facility	Vendor Financing	Shareholder Note	Total Gross Borrowings	Debt Issue Costs	Total
At 1 January 2020	$ 285.4	$ 29.3	$ 10.0	$ 324.7	$ (15.9)	$ 308.8
Current	$ 40.0	$ 29.3	$ -	$ 69.3	$ (14.8)	$ 54.5
Non current	$ 245.4	$ -	$ 10.0	$ 255.4	$ (1.1)	$ 254.3
Increase in borrowings	-	-	-	-	-	-
Repayment of borrowings	(285.4)	(29.3)	-	(314.7)	-	(314.7)
Change in capitalised debt issuance costs	-	-	-	-	15.9	15.9
At 31 December 2020	$ -	$ -	$ 10.0	$ 10.0	$ -	$ 10.0
Current	$ -	$ -	$ 10.0	$ 10.0	$ -	$ 10.0
Non current	$ -	$ -	$ -	$ -	$ -	$ -
Increase in borrowings	-	-	-	-	-	-
Repayment of borrowings	-	-	-	-	-	-
Change in capitalised debt issuance costs	-	-	-	-	-	-
At 31 December 2021	$ -	$ -	$ 10.0	$ 10.0	$ -	$ 10.0
Current	$ -	$ -	$ 10.0	$ 10.0	$ -	$ 10.0
Non current	$ -	$ -	$ -	$ -	$ -	$ -

Credit Facility and Term Loan

The Company had a syndicated credit facility (the "Credit Facility") which was originally for $770.0 million, comprised of a $450.0 million revolving credit facility ("Revolver") and a $320.0 million term loan ("Term Loan"), and had a maturity date of 15 February 2021. As of 31 December 2020, the Company accrued for $11.8 million of exit fees and interest, to be paid upon termination of the Credit Facility. The exit fees were capitalized as debt issuance costs and amortized to interest expense.

Key financial covenants included a Total Leverage Ratio (adjusted EBITDA/total indebtedness) and an Interest Coverage Ratio for consolidated APR Energy Limited (the Company's parent) and its subsidiaries. The LIBOR spread on the Credit Facility was dependent on the Total Leverage Ratio, and the Term Loan required quarterly repayments of between 1.3% and 3.8% throughout the term. The Company was required to make quarterly repayments of $10.0 million on the Revolver. The remaining balance on the Term Loan was repaid in 2018. As of February 2020, the Company repaid the debt under the revolving credit facility as part of the Acquisition.

($ in millions)

20. Borrowings *(continued)*

Credit Facility and Term Loan *(continued)*

The Revolver and Term Loan were collateralised with the equity and assets of the majority of APR Energy Limited's subsidiary undertakings. Total gross borrowings approximated fair value at 31 December 2020.

Vendor Financing

The $90.0 million loan with GE was to be paid back over a four-year period. The first quarterly principal payment was made in September 2017. The loan was collateralised by two GE turbines. The loan was interest free for the first year, however a fixed interest rate of 10.0% applied after the first year until the loan was finally paid. The effective interest rate on the loan was 6.2%. The Company has paid off this loan as of February 2020 in connection with the Acquisition.

Shareholder Note

In April 2018, the Company entered into a $10.0 million subordinated unsecured promissory note ("Shareholder Note") with Apple Bidco Limited, the holding company for APR Energy Limited, the Company's immediate parent undertaking. The Shareholder Note accrues interest at a rate of 10% and all principal and unpaid accrued interest were originally due in November 2019. The Shareholder Note was amended in 2019 and the maturity was extended to 17 May 2021. It was further amended on 27 February 2022, extending the maturity date to 30 November 2030 (Note 31).

21. Decommissioning provisions

During 2021, $1.8 million of the decommissioning provision was utilised through decommissioning of the project in Equatorial Guinea.

The decommissioning provision has been calculated using a discount rate of approximately 2.0% at 31 December 2021 and 2020.

	2021	2020
Opening balance	$ 2.0	$ 2.0
Additions	-	-
Utilisation	(1.8)	-
Reassessment	-	-
Balances at 31 December	$ 0.2	$ 2.0

($ in millions)

22. Trade and other creditors

Trade and other creditors are as follows at 31 December:

	2021	2020
Trade creditors	$ 0.2	$ 0.7
Accrued wages and benefits	0.1	0.1
Accrued agent fees	0.2	0.2
Due to affiliates	1,390.3	1,430.8
Accrued legal settlement	13.5	15.8
Accured interest	3.7	2.7
Accrued expenses	0.8	0.8
	$ 1,408.8	$ 1,451.1

Trade and other creditors, including due to affiliates, are shown as current as these balances are repayable on demand and are interest free. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms. The carrying amounts of trade and other creditors are assumed to be the same as their fair values, due to their short-term nature.

($ in millions)

23. Share capital

	2021		2020	
	$	Shares	$	Shares
Allotted, called up and fully paid				
Ordinary shares of 10 pence each	$ 1,181.6	728,510,713	$ 1,181.6	728,510,711

The Company issues ordinary shares which rank equally for voting purposes, any dividend declared, or any distribution made on a winding up.

The share capital activity is shown in the table as follows:

	Number of Shares (Millions)	Ordinary Share Capital	Share Premium
Balances at 1 January 2020	728.5	1,181.6	-
Ordinary shares issuance	-	-	155.0
Balances at 31 December 2020	728.5	$ 1,181.6	$ 155.0
Ordinary shares issuance	-	-	-
Balances at 31 December 2021	728.5	$ 1,181.6	$ 155.0

Under the Companies Act 2006, the Company's articles of association do not recognise the concept of authorised share capital.

In the year ended 31 December 2020, the Company issued 2 ordinary shares to APR Energy for proceeds of $155.0 million. Due to only 2 shares being issued, ordinary share capital proceeds were minimal and the $155.0 million of proceeds were primarily related to share premium. $100.0 million of the proceeds were used as a portion of the funds to pay off the Company's outstanding debt. $55.0 million of the proceeds were used to make an investment in the Company's subsidiary APR International, LLC.

24. Capital contribution reserves

The Company has capital contribution reserves which are amounts received/capital contributed from the Company's parent for no issuance of shares. It is designated for investments in the Company's subsidiaries.

The capital reserve activity is shown in table below:

	Capital contribution reserves
Balances at 1 January 2020	-
Contributions during the year	10.3
Balances at 31 December 2020	$ 10.3
Contributions during the year	32.9
Balances at 31 December 2021	$ 43.2

($ in millions)

24. Capital contribution reserves *(continued)*

During the years ended 31 December 2021 and 2020, APR Energy contributed capital of $32.9 million and $10.3 million, respectively, to the Company and the Company invested this capital in APR International, LLC.

25. Financial instruments

Principal Financial Instruments

The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:

- Trade and other debtors
- Notes receivable from affiliates
- Restricted cash and cash
- Borrowings
- Trade and other creditors

Categories of Financial Instruments

		2021		2020
Financial assets				
Financial assets at amortised cost				
Trade and other debtors	$	11.2	$	28.9
Notes receivable from affiliates		188.8		227.5
Deposits		-		-
Restricted cash		-		-
Cash		14.3		10.4
Total financial assets	$	214.3	$	266.8
Financial liabilities				
Financial liabilities at amortised cost				
Gross borrowings	$	10.0	$	10.0
Trade and other creditors		1,408.9		1,451.1
Total financial liabilities	$	1,418.9	$	1,461.1

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on the contractual terms of the relevant instrument:

($ in millions)

25. Financial instruments *(continued)*

	31 December 2021				
	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Over 2 years	Total
Trade and other payables	$ 1,405.1	$ 3.7	$ -	$ -	$ 1,408.8
Gross borrowings	-	10.0	-	-	$ 10.0
	$ 1,405.1	$ 13.7	$ -	$ -	$ 1,418.8

	31 December 2020				
	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Over 2 years	Total
Trade and other payables	$ 1,448.4	$ 2.7	$ -	$ -	$ 1,451.1
Gross borrowings	-	10.0	-	-	$ 10.0
	$ 1,448.4	$ 12.7	$ -	$ -	$ 1,461.1

26. Contingent liabilities and litigation

Impact of Operating in First, Second and Third-tier Countries

At 31 December 2021, the Company had operations in various countries across several continents. Operating in these countries subjects the Company to the inherent risk of changes in law, regulations, and governmental policy and stability. The Company utilises letters of credit to help mitigate these risks and no provision has been recorded.

Legal and Environmental

From time to time, the Company is subject to litigation or environmental exposure and claims. The Company uses various means and methods to limit its exposure to such contingencies including risk management strategies, legal strategies, and insurance coverage. These claims can involve highly complex issues, actual damages, and other matters. These issues are subject to substantial uncertainties and, therefore, the probability of loss and an estimation of damages are difficult to ascertain.

The Company routinely assesses exposure to claims and assessments. As of 31 December 2021, the Company has established a reserve for $13.5 million (2020: $15.8 million) related to various claims. Management disagrees with the claims and will vigorously defend their positions. The claims giving rise to this provision were settled during 2022 (Note 31).

($ in millions)

26. Contingent liabilities and litigation *(continued)*

Legal and Environmental (continued)

The Company is subject to taxing authorities' inquiries and audits. The Company works with its local and global tax advisors to respond to inquiries and audits, as well as to defend any assessments. Currently there are no formal assessments outstanding other than in the ordinary course of business.

Management's assessments can involve complex judgements about future events, unpredictable strategic decisions and movements by claimants, unpredictable rulings by courts and/or adjudicators, and can rely heavily on estimates and assumptions. The Company's assessments are based on estimates and assumptions that have been deemed reasonable by management. The Company recognises a liability for contingencies when it is more likely than not that the Company will sustain a loss and the amount can be estimated.

27. Related party transactions

Amounts due from/to related parties at 31 December:

	Due From	Due To
Apple Bidco Limited	$ 2.6	
APR International, LLC		$ 19.7
APR Energy Bangladesh Limited		4.3
APR Energy FZE		72.2
APR Energy Guatemala S.A.		28.9
APR Energy Limited		492.3
APR Energy MEX S. de R.L. de C.V.	1.7	
APR Energy Spain S.L.U.		63.1
APR Energy SRL	3.9	
APR Energy USA, LLC		5.5
APR Energy, LLC		479.8
Power Rental Asset Co Two LLC		24.1
Power Rental Op Co Australia L		111.8
Power Rental Op Co LLC		56.9
PT. APR Indonesia		31.7
	$ 8.2	$ 1,390.3

($ in millions)

27. Related party transactions *(continued)*

At 31 December 2021, the Company had notes receivable from a subsidiary totalling $88.8 million (note 14), accrued dividends on preference shares of a subsidiary of $9.7 million (note 16) a receivable under its Technical Know How Agreement of $3.0 million (see below) and a note receivable from its ultimate parent company of $100.0 million (note 14).

The Company has a significant number of related party transactions as disclosed elsewhere in these financial statements. The disclosures below included additional related party transactions that are not fully disclosed elsewhere in these financial statements.

The Company earns revenue through a Technical Know How Agreement with its subsidiary APR Bangladesh. Through this agreement, the Company provides operational, technical, and consultancy services in connection with the construction, maintenance and operation of the 300 MW power generation facility in Bangladesh. Revenue recorded related to this agreement for 2021 and 2020 was $nil. This amount is included in lease revenues from affiliates in Note 4.

The Company also has transactions with other entities which are controlled by the same parent company, including its immediate parent company, APR Energy Limited, APR Energy Limited's immediate parent company, Apple Bidco Limited and its ultimate parent company, Atlas Corporation. Transactions with parent companies relate to financing the Company. The remaining transactions with affiliates are with controlled subsidiary companies, all of which are directly or indirectly wholly owned by the Company. These transactions primarily relate to the transfers of cash, equipment or inventory. As of 31 December 2021 and 2020, the Company's statement of financial position includes balances due from affiliates of $8.2 million and $22.1 million, respectively which is included in trade and other debtors in the statement of financial position. As of 31 December 2021 and 2020, the Company's statement of financial position includes balances due to affiliates of $1,390.3 million and $1,430.8 million, respectively which is included in trade and other creditors in the statement of financial position.

28. Staff

The average monthly employees during the years ended 31 December 2021 and 2020 were one. The payroll costs of that employee are included in cost of revenues and are shown below. The Company also has two directors who receive no remuneration from the Company (see Note 31).

	2021	2020
Wages and Salaries	$ 0.2	$ 0.2
Social Security Costs	-	-
Contributions to defined benefit plans	-	-
	$ 0.2	$ 0.2

29. Remuneration of directors

No remuneration was paid or is payable by the Company for the years ended 31 December 2021 and 2020. The Directors are employed by other companies in the group and consider their duties to the Company incidental to their other activities within the group. As a result, no qualifying services have been performed in either year.

30. Dividends

For the years ended 2021 and 2020, the Company did not declare or pay dividends.

31. Events after the end of the reporting period

On 7 July 2021, the Company entered into a Settlement and Mutual Release Agreement with a third party related to certain contractual disputes between the parties. On 17 March 2022, that agreement was amended to include the settlement of another dispute between the parties (in favour of APR Energy Holdings and not recognised at year-end due to lack of certainty) and resulted in a full settlement and mutual release of all claims between the parties. In connection with the amended Settlement and Mutual Release Agreement, the Company agreed to make a cash payment of $4.0 million. At 31 December 2021 and 2020, the Company maintained a reserve of $13.5 million and $15.8 million respectively, related to the claims that were the subject of the Settlement and Mutual Release Agreement.

On 27 February 2022, the Company signed an additional amendment on the $10.0 million subordinated unsecured promissory note ("Shareholder Note") with Apple Bidco Limited extending the maturity date to 15 November 2030 (see Note 20).

On 29 March 2022, the Company signed a lease agreement with a customer in Brazil and is expected to receive monthly lease payments of $3.7 million over a 44-month term beginning on 1 May 2022.

On 6 May 2022, the Company received a repayment of $100.0 million from the Company's ultimate parent, Atlas Corporation, in full satisfaction of the $100.0 million interest free on demand notes receivable issued in the year ended 31 December 2020.

On 15 May 2022, the Company entered into an amendment of its note receivable with APR Energy Bangladesh. That amendment shortened the repayment schedule to end in May 2023. Quarterly payments were increased to provide for a full amortisation or principal over the new term. No other terms of the agreement were modified.

Subsequent to 31 December 2021, the Company received $11.5 million of capital contributions from APR Energy, which was then reinvested into APR International, LLC.

($ in millions)

32. Leases

The Company leases certain of its assets under operating leases to customers and affiliates. All of the Company's leases are considered operating leases as the Company maintains title to the assets after the lease term, the lease terms are not for a major part of the assets' economic lives and the present value of the minimum lease payments to not constitute substantially all of the fair values of the leased assets.

During the year $7.7 million (2020: $12.2 million) was recognised as rental income by the Company.

The following table sets out a maturity analysis of lease payments to be received, showing the undiscounted lease payments to be received after the reporting date:

	2021	2020
Anticipated revenue under noncancellable leases expected:		
within one year	15.2	44.4
greater than one year but less than two years	-	8.6
greater than two years but less than three years	-	-
	$ 15.2	$ 53.0

33. Auditor's remuneration

For the year ended 2021, remuneration for the audit of the financial statements was $0.1 million (2019: $0.2 million). There were no non-audit services provided to the company in either year.

34. Ultimate parent and holding party

The Company's ultimate parent company as of 31 December 2021 was Atlas Corp, incorporated in the Marshall Islands, registered at the following address: 2600-200 Granville Street, Vancouver, BC V6C 1S4, Canada.

The Company's holding company is APR Energy Limited, a United Kingdom Limited Company, registered at the following address: c/o TMF Group 8th Floor, 20 Farringdon Street, London, United Kingdom, EC4A 4AB. APR Energy Limited's holding company is Apple Bidco Limited, a United Kingdom Limited Company, registered at the following address: c/o TMF Group 8th Floor, 20 Farringdon Street, London, United Kingdom, EC4A 4AB.

The largest group in which the results of the Company are consolidated is that headed by Atlas Corporation. The consolidated financial statements of Atlas Corporation are available to the public and may be obtained at Atlas Corporation's website (www.atlascorporation.com). The smallest group in which they are consolidated is that headed by APR Energy Limited. The consolidated financial statements of this group are not available to the public. No other group financial statements include the results of the Company.